

Cyient DLM Limited (Formerly known as Cyient DLM Private Limited)

(CIN No.: U31909TG1993PLC141346)

Balance Sheet as at March 31, 2023

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

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	1,217.50	1,294.83
Right of use assets	3B	345.28	382.86
Capital work-in-progress	3C	13.34	33.91
Goodwill	4	30.30	30.30
Other intangible assets	5	16.46	14.12
Financial assets			
(a) Investments	6	895.22	3.22
(b) Other financial assets	7	34.97	38.80
Deferred tax assets (net)	17.2	53.79	38.98
Income tax assets	17.3	5.03	5.03
Other non-current assets	8	38.41	8.11
<b>Total non-current assets</b>		<b>2,650.30</b>	<b>1,850.16</b>
<b>Current assets</b>			
Inventories	9	4,250.83	2,695.62
Financial assets			
(a) Trade receivables	10	1,617.48	1,523.25
(b) Cash and cash equivalents	11A	773.41	768.59
(c) Other bank balances	11B	902.60	449.49
(d) Other financial assets	7	54.66	22.33
Other current assets	8	797.90	459.70
<b>Total current assets</b>		<b>8,396.88</b>	<b>5,918.98</b>
<b>Total assets</b>		<b>11,047.18</b>	<b>7,769.14</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	12	528.66	13.67
Other equity	13	1,450.06	757.45
<b>Total equity</b>		<b>1,978.72</b>	<b>771.12</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	14	995.63	995.63
(b) Lease liabilities	3B	362.56	377.19
(c) Other financial liabilities	15	166.32	113.10
Provisions	16	95.27	59.61
Other non-current liabilities	18	-	260.83
<b>Total non-current liabilities</b>		<b>1,619.78</b>	<b>1,806.36</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Borrowings	14	2,149.11	1,936.30
(b) Lease liabilities	3B	53.21	59.71
(c) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	19	69.17	32.06
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	19	2,783.45	1,892.79
(d) Other financial liabilities	15	76.49	41.33
Income tax liabilities (net)	17.3	21.90	60.63
Provisions	16	2.99	13.36
Other current liabilities	18	2,292.36	1,155.48
<b>Total current liabilities</b>		<b>7,448.68</b>	<b>5,191.66</b>
<b>Total liabilities</b>		<b>9,068.46</b>	<b>6,998.02</b>
<b>Total equity and liabilities</b>		<b>11,047.18</b>	<b>7,769.14</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 S.R. Batliboi & Associates LLP  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors  
Cyient DLM Limited

**Shankar Srinivasan**  
Partner  
Membership No.: 213271

**Krishna Bodanapu**  
Non - Executive Chairman  
(DIN - 00605187)

**Rajendra Velagapudi**  
Managing Director  
(DIN - 06507627)

**Parvati K R**  
Company Secretary  
(M.No. - A23584)

**Shrinivas Kulkarni**  
Chief Financial Officer

Place: Hyderabad  
Date: April 17, 2023

Place: Hyderabad  
Date: April 17, 2023

Place: Hyderabad  
Date: April 17, 2023

Cyient DLM Limited (Formerly known as Cyient DLM Private Limited)

(CIN No.: U31909TG1993PLC141346)

Statement of Profit and Loss for the year ended March 31, 2023

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

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>INCOME</b>			
Revenue from operations	20	8,320.33	7,205.33
Other income	21	63.11	79.51
<b>Total income</b>		<b>8,383.44</b>	<b>7,284.84</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	6,341.53	5,552.88
Changes in inventories of finished goods and work-in-progress	23	110.61	(113.26)
Employee benefits expense	24	646.94	516.52
Finance costs	25	315.16	219.75
Depreciation and amortisation expense	26	194.15	192.86
Other expenses	27	343.45	408.79
<b>Total expenses</b>		<b>7,951.84</b>	<b>6,777.54</b>
<b>Profit before tax</b>		<b>431.60</b>	<b>507.30</b>
<b>Tax expense / (benefit)</b>			
(a) Current tax	17.1 (A)	129.71	96.35
(b) Deferred tax	17.1 (A)	(15.38)	13.00
<b>Total tax expense / (benefit)</b>		<b>114.33</b>	<b>109.35</b>
<b>Profit for the year</b>		<b>317.27</b>	<b>397.95</b>
<b>Other comprehensive income (OCI)</b>			
Items that will not be reclassified subsequently to statement of profit or loss:			
(i) Remeasurement gains/(losses) of net defined benefit liability	29	2.28	(4.47)
(ii) Income tax relating to items that will not be reclassified to profit or loss	17.1 (B)	(0.57)	1.12
<b>Total other comprehensive income/(loss) for the year, net of tax</b>		<b>1.71</b>	<b>(3.35)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>318.98</b>	<b>394.60</b>
<b>Earnings per equity share (face value of ₹ 10 each)</b>	31		
Basic and diluted (₹)*		7.75	16.17
Corporate information and significant accounting policies	1 & 2		

Accompanying notes form an integral part of the financial statements

\* Refer note 31 for adjustment made towards bonus issue.

As per our report of even date

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

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

**Shankar Srinivasan**

Partner

Membership No.: 213271

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

**Cyient DLM Limited**

**Krishna Bodanapu**

Non - Executive Chairman

(DIN - 00605187)

**Rajendra Velagapudi**

Managing Director

(DIN - 06507627)

**Parvati K R**

Company Secretary

(M.No. - A23584)

**Shrinivas Kulkarni**

Chief Financial Officer

Place: Hyderabad

Date: April 17, 2023

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Place: Hyderabad

Date: April 17, 2023

Cyient DLM Limited (Formerly known as Cyient DLM Private Limited) (CIN No.: U31909TG1993PLC141346) Statement of Cash Flow for the year ended March 31, 2023 (All amounts in ₹ millions, except share and per share data and where otherwise stated)		
Particulars	For the year ended	
	March 31, 2023	March 31, 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(loss) for the year	317.27	397.95
Adjustments for:		
Tax expense	114.33	109.35
Depreciation and amortisation expense	194.15	192.86
Loss/ (Profit) on sale of Property, Plant and Equipment (net)	5.56	(0.94)
Net unrealised exchange loss/(gain)	6.47	15.45
Finance costs	296.59	190.61
Interest income	(30.01)	(16.09)
Expected credit loss allowance, net	13.89	(13.15)
<b>Operating profit before working capital changes</b>	<b>918.25</b>	<b>876.04</b>
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	(106.57)	758.78
Inventories	(1,555.21)	(1,141.15)
Other assets and other financial assets	(352.61)	(181.92)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	913.80	7.65
Provisions, other liabilities and other financial liabilities	871.83	228.01
<b>Cash generated from operations</b>	<b>689.49</b>	<b>547.41</b>
Income taxes received/(paid), net	(168.44)	(62.04)
<b>Net cash flow from operating activities (A)</b>	<b>521.05</b>	<b>485.37</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment in equity instruments	(892.00)	-
Payment towards purchase of property, plant and equipment and intangible assets	(76.20)	(84.14)
Proceeds from sale of property, plant and equipment	-	7.06
Investment in deposits	(2,413.61)	(323.00)
Proceeds from maturity / withdrawal of Deposits	1,960.50	68.58
Interest received	2.90	7.36
<b>Net cash flow used in investing activities (B)</b>	<b>(1,418.41)</b>	<b>(324.14)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from rights issue of shares (Note 12)	888.62	-
Proceeds from current borrowings	3,950.00	2,551.91
Repayments of current borrowings	(3,893.07)	(1,961.18)
Repayment of lease liabilities (including interest)	(60.58)	(56.96)
Interest paid	(144.62)	(73.10)
<b>Net cash flow from/(used in) financing activities (C)</b>	<b>740.35</b>	<b>460.67</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(157.01)</b>	<b>621.90</b>
Cash and cash equivalents at the beginning of the year	768.59	146.69
<b>Cash and cash equivalents at the end of the year (refer note (i) below)</b>	<b>611.58</b>	<b>768.59</b>
Notes :		
(i) Cash and cash equivalents comprises of: (refer note 11A)		
Balances with banks		
in current accounts	582.56	707.29
Remittances in transit	190.84	61.29
Cash on hand	0.01	0.01
	<b>773.41</b>	<b>768.59</b>
Bank overdraft account balances	(161.83)	-
	<b>611.58</b>	<b>768.59</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 Limited</b>	
<b>Shankar Srinivasan</b> Partner Membership No.: 213271	<b>Krishna Bodanapu</b> Non - Executive Chairman (DIN - 00605187)	<b>Rajendra Velagapudi</b> Managing Director (DIN - 06507627)
	<b>Parvati K R</b> Company Secretary (M.No. - A23584)	<b>Shrinivas Kulkarni</b> Chief Financial Officer
Place: Hyderabad Date: April 17, 2023	Place: Hyderabad Date: April 17, 2023	Place: Hyderabad Date: April 17, 2023

**Cyient DLM Limited (Formerly known as Cyient DLM Private Limited)**  
**(CIN No.: U31909TG1993PLC141346)**  
**Statement of changes in equity for the year ended March 31, 2023**  
(All amounts in ₹ millions, except share and per share data and where otherwise stated)

**A. Equity share capital**

Particulars	Note	No's	Amount
<b>Balance as at April 01, 2021</b>	12	<b>1,367,000</b>	<b>13.67</b>
<b>Balance as at March 31, 2022</b>	12	<b>1,367,000</b>	<b>13.67</b>
Add: Issue of equity shares during the year	12	1,570,000	15.70
Add: Issue of bonus shares during the year	12	49,929,000	499.29
<b>Balance as at March 31, 2023</b>	12	<b>52,866,000</b>	<b>528.66</b>

i. On September 9, 2022, the Company allotted 1,570,000 fully paid-up equity shares of face value of ₹ 10/- each at issue price of ₹ 566 per share, pursuant to a rights issue. (Refer Note 12 for details)

ii. On December 14, 2022, the Company allotted 4,99,29,000 fully paid-up equity shares of face value of ₹ 10/- each, pursuant to a bonus issue. (Refer Note 12 for details)

**B. Other Equity**

Particulars	Note	Reserves and Surplus			Total
		Securities premium	General reserve	Retained earnings	
<b>Balance as at April 1, 2021</b>		<b>92.09</b>	<b>3.72</b>	<b>267.04</b>	<b>362.85</b>
Profit for the year	13	-	-	397.95	397.95
Other comprehensive Income	13	-	-	(3.35)	(3.35)
<b>Balance as at March 31, 2022</b>		<b>92.09</b>	<b>3.72</b>	<b>661.64</b>	<b>757.45</b>
Profit for the year	13	-	-	317.27	317.27
Other comprehensive Income	13	-	-	1.71	1.71
Right issue of shares	12	872.92	-	-	872.92
Utilization for bonus shares	12	(499.29)	-	-	(499.29)
<b>Balance as at March 31, 2023</b>		<b>465.72</b>	<b>3.72</b>	<b>980.62</b>	<b>1,450.06</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 S.R. Batliboi & Associates LLP**  
Chartered Accountants  
ICAI Firm registration number: 101049W/E300004

**For and on behalf of the Board of Directors**  
**Cyient DLM Limited**

**Shankar Srinivasan**  
Partner  
Membership No.: 213271

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**Shrinivas Kulkarni**  
Chief Financial Officer

Place: Hyderabad  
Date: April 17, 2023

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**Cyient DLM Limited (Formerly known as 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)

**3A. Property, plant and equipment**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Carrying amount of:</b>		
Buildings	753.73	797.34
Computers	33.44	27.77
Plant and equipment	300.45	352.67
Office equipment	11.69	8.22
Furniture and fixtures	55.59	62.37
Electrical installations	15.19	15.66
Vehicles	0.01	0.01
Tools and equipment	47.40	30.79
<b>Total</b>	<b>1,217.50</b>	<b>1,294.83</b>

**Notes :**

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

Particulars	Buildings	Computers	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Tools and equipment	Total	CWIP
<b>I. Gross carrying value</b>										
<b>Balance as at April 1, 2021</b>	<b>894.69</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>23.16</b>
Additions	7.50	8.94	17.03	0.33	5.52	2.90	-	6.47	48.69	59.44
Disposals	(0.73)	(2.00)	(4.21)	(0.86)	(1.23)	-	-	(0.08)	(9.11)	(48.69)
<b>Balance as at March 31, 2022</b>	<b>901.46</b>	<b>92.11</b>	<b>845.31</b>	<b>28.19</b>	<b>144.29</b>	<b>40.44</b>	<b>0.27</b>	<b>125.68</b>	<b>2,177.75</b>	<b>33.91</b>
Additions	6.14	17.79	9.19	6.91	4.34	2.05	-	28.60	75.02	54.45
Disposals	-	(1.87)	(70.85)	-	(3.19)	(0.08)	-	-	(75.99)	(75.02)
<b>Balance as at March 31, 2023</b>	<b>907.60</b>	<b>108.03</b>	<b>783.65</b>	<b>35.10</b>	<b>145.44</b>	<b>42.41</b>	<b>0.27</b>	<b>154.28</b>	<b>2,176.78</b>	<b>13.34</b>
<b>II. Accumulated depreciation</b>										
<b>Balance as at April 1, 2021</b>	<b>55.91</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>-</b>
Depreciation for the year	48.67	17.32	55.99	2.46	11.00	2.37	-	10.83	148.64	-
Disposals	(0.46)	(0.45)	(0.67)	(0.59)	(0.81)	-	-	(0.02)	(3.00)	-
<b>Balance as at March 31, 2022</b>	<b>104.12</b>	<b>64.34</b>	<b>492.64</b>	<b>19.97</b>	<b>81.92</b>	<b>24.78</b>	<b>0.26</b>	<b>94.89</b>	<b>882.92</b>	<b>-</b>
Depreciation for the year	49.75	12.04	56.12	3.44	10.95	2.50	-	11.99	146.79	-
Disposals	-	(1.79)	(65.56)	-	(3.02)	(0.06)	-	-	(70.43)	-
<b>Balance as at March 31, 2023</b>	<b>153.87</b>	<b>74.59</b>	<b>483.20</b>	<b>23.41</b>	<b>89.85</b>	<b>27.22</b>	<b>0.26</b>	<b>106.88</b>	<b>959.28</b>	<b>-</b>
<b>III. Carrying Amounts (I-II)</b>										
<b>Balance as at March 31, 2022</b>	<b>797.34</b>	<b>27.77</b>	<b>352.67</b>	<b>8.22</b>	<b>62.37</b>	<b>15.66</b>	<b>0.01</b>	<b>30.79</b>	<b>1,294.83</b>	<b>33.91</b>
<b>Balance as at March 31, 2023</b>	<b>753.73</b>	<b>33.44</b>	<b>300.45</b>	<b>11.69</b>	<b>55.59</b>	<b>15.19</b>	<b>0.01</b>	<b>47.40</b>	<b>1,217.50</b>	<b>13.34</b>

**Cyient DLM Limited (Formerly known as 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)

**3B. Leases**

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

Particulars	Leasehold land	Buildings	Total
<b>Balance as at April 1, 2021</b>	<b>383.08</b>	<b>37.03</b>	<b>420.11</b>
Additions	-	-	-
Deletions	-	-	-
Depreciation (refer note 26)	(22.21)	(15.04)	(37.25)
<b>Balance as at March 31, 2022</b>	<b>360.87</b>	<b>21.99</b>	<b>382.86</b>
Additions	-	-	-
Deletions	-	-	-
Depreciation (refer note 26)	(22.54)	(15.04)	(37.58)
<b>Balance as at March 31, 2023</b>	<b>338.33</b>	<b>6.95</b>	<b>345.28</b>

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

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	53.21	59.71
Non-current lease liabilities	362.56	377.19
<b>Total</b>	<b>415.77</b>	<b>436.90</b>

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

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Balance at the beginning of the year</b>	<b>436.90</b>	<b>452.54</b>
Additions	-	-
Deletions	-	-
Finance cost accrued during the period (refer note 25)	39.45	41.32
Finance cost transferred to CWIP	-	-
Payment of lease liabilities	(60.58)	(56.96)
<b>Balance at the end of the year</b>	<b>415.77</b>	<b>436.90</b>

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

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	51.86	62.11
One to five years	169.07	177.50
More than five years	560.75	604.18
<b>Total</b>	<b>781.68</b>	<b>843.79</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.

**3C. Capital work-in-progress ageing schedule**

**(i) Ageing of capital work-in-progress:**

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Balance as at March 31, 2023</b>					
Projects in progress	13.34	-	-	-	13.34
<b>Total</b>	<b>13.34</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13.34</b>
<b>Balance as at March 31, 2022</b>					
Projects in progress	20.52	7.67	5.72	-	33.91
<b>Total</b>	<b>20.52</b>	<b>7.67</b>	<b>5.72</b>	<b>-</b>	<b>33.91</b>

Note 1: Projects in progress are not overdue and not exceeded the cost.

**Cyient DLM Limited (Formerly known as 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)

**4. Goodwill**

Particulars	As at	
	March 31, 2023	March 31, 2022
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>

\*Represents Goodwill acquired on acquisition of Techno Tools, which is tested for impairment on an annual basis. The estimated value-in-use is based on future cash flows (discounted @ 14%) for a 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 Goodwill would decrease below its carrying amount.

**5. Other intangible assets**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Carrying amount of:</b>		
Computer software	16.46	14.12
<b>Total</b>	<b>16.46</b>	<b>14.12</b>

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

Particulars	Computer software	Total
<b>I. Gross carrying amount</b>		
<b>Balance as at April 1, 2021</b>	<b>91.59</b>	<b>91.59</b>
Additions	16.15	16.15
Disposals	-	-
<b>Balance as at March 31, 2022</b>	<b>107.74</b>	<b>107.74</b>
Additions	12.12	12.12
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>119.86</b>	<b>119.86</b>
<b>II. Accumulated amortisation</b>		
<b>Balance as at April 1, 2021</b>	<b>86.65</b>	<b>86.65</b>
Amortisation for the year	6.97	6.97
Disposals	-	-
<b>Balance as at March 31, 2022</b>	<b>93.62</b>	<b>93.62</b>
Amortisation for the period	9.78	9.78
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>103.40</b>	<b>103.40</b>
<b>III. Carrying amounts (I-II)</b>		
<b>Balance as at March 31, 2022</b>	<b>14.12</b>	<b>14.12</b>
<b>Balance as at March 31, 2023</b>	<b>16.46</b>	<b>16.46</b>

**6. Investments**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Investments carried at fair value through other comprehensive income (unquoted), Full paid up</b>		
Equity instruments of other entities (Unquoted)	895.22	3.22
<b>Total</b>	<b>895.22</b>	<b>3.22</b>

Note: Investments at fair value through OCI (fully paid) reflect investment in unquoted equity securities. These equity shares are designated as FVTOCI as they are not held for trading purpose and are not in similar line of business as the company. Thus, disclosing their fair value fluctuation in profit or loss will not reflect the purpose of holding.

Note (a) Details of investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity instruments of other entities (unquoted)</b>				
Mysore ESDM Cluster	3,193,237	3.22	3,193,237	3.22
Innovation Communications Systems Private Limited	2,342,869	892.00	-	-

Note (b): Carrying value of investments:

Particulars	As at	
	March 31, 2023	March 31, 2022
Aggregate amount of Investments carried at fair value through other comprehensive income	895.22	3.22

**Cyient DLM Limited (Formerly known as 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. Other financial assets**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Non-current (at amortised cost) Unsecured, considered good</b>		
Security deposits	34.97	38.80
<b>Total</b>	<b>34.97</b>	<b>38.80</b>
<b>Current (at amortised cost) Unsecured, considered good</b>		
Security deposits	5.00	-
Interest accrued on deposit accounts	48.30	21.19
Advance to employees	1.36	1.14
<b>Total</b>	<b>54.66</b>	<b>22.33</b>
<b>Total other financial assets</b>	<b>89.63</b>	<b>61.13</b>

**8. Other assets (Unsecured, considered good)**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>8A: Non-current :</b>		
Capital advances	22.63	5.35
Prepaid expenses	15.78	2.76
<b>Total</b>	<b>38.41</b>	<b>8.11</b>
<b>8B: Current :</b>		
Prepaid expenses	35.11	20.76
Advance to suppliers	340.62	277.87
Balances with government authorities	346.61	134.65
Deferred contract costs	-	14.53
Share Issue expenses (Refer note 1 and 2 below)	61.93	-
Other current assets	13.63	11.89
<b>Total</b>	<b>797.90</b>	<b>459.70</b>
<b>Total other assets</b>	<b>836.31</b>	<b>467.81</b>

Note 1: During the year ended 31 March 2023, the Company has incurred share issue expenses in connection with proposed public offer of equity shares of which Rs. 61.93 is accounted for various services received for Initial Public Offering (IPO) which will be adjusted with equity on issue of shares.

Note 2: Share issue expenses includes auditor remuneration in relation to proposed IPO of Rs. 10 (March 31, 2022: Rs. Nil)

**9. Inventories (Valued at lower of cost or net realisable value)**

Particulars	As at	
	March 31, 2023	March 31, 2022
Raw materials	3,896.08	2,219.90
Work-in-progress	235.97	291.94
Finished goods	99.35	153.99
Consumables & stores	19.43	29.79
<b>Total</b>	<b>4,250.83</b>	<b>2,695.62</b>



**10. Trade receivables (at amortised cost)**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Trade receivables</b>		
Unsecured, considered good*	1,698.85	1,599.78
Less: Allowance for expected credit loss	(81.38)	(76.53)
	<b>1,617.48</b>	<b>1,523.25</b>
Trade receivables - credit impaired - unsecured	43.71	47.47
Less: Allowance for credit impairment	(43.71)	(47.47)
<b>Total</b>	<b>1,617.48</b>	<b>1,523.25</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 (Ind AS 109 B5.5.35), 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. Accordingly, the Company creates provision for past due receivables less than 270 days ranging between 1%-30% and 100% for the receivables due beyond 270 days. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss.

Ageing for receivables	As at March 31, 2023						Total
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	
<b>Undisputed Trade Receivables</b>							
Considered good	1,108.02	504.07	39.17	14.86	19.99	12.75	1,698.85
<b>Disputed Trade Receivables</b>							
Credit impaired	-	-	-	-	-	43.71	43.71
<b>Total</b>	<b>1,108.02</b>	<b>504.07</b>	<b>39.17</b>	<b>14.86</b>	<b>19.99</b>	<b>56.46</b>	<b>1,742.56</b>
Less : Allowance for credit impairment and expected credit loss							(125.08)
<b>Balance at the end of the year</b>							<b>1,617.48</b>

Ageing for receivables	As at March 31, 2022						Total
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	
<b>Undisputed Trade Receivables</b>							
Considered good	1,273.92	191.07	72.21	22.76	3.57	36.25	1,599.78
<b>Disputed Trade Receivables</b>							
Credit impaired	-	-	-	-	11.38	36.09	47.47
<b>Total</b>	<b>1,273.92</b>	<b>191.07</b>	<b>72.21</b>	<b>22.76</b>	<b>14.95</b>	<b>72.34</b>	<b>1,647.25</b>
Less : Allowance for credit impairment and expected credit loss							(124.00)
<b>Balance at the end of the year</b>							<b>1,523.25</b>

Movement in the expected credit loss allowance	As at	
	March 31, 2023	March 31, 2022
Balance at the beginning of the year	124.00	137.15
Provision made during the year (net of reversals) (refer note 27)	13.89	(13.15)
Bad debts written off	(12.81)	
<b>Balance at the end of the year</b>	<b>125.08</b>	<b>124.00</b>

**Cyient DLM Limited (Formerly known as 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, 2023	March 31, 2022
Balances with banks		
in current accounts	582.56	707.29
Cash on hand	0.01	0.01
Remittances in transit	190.84	61.29
<b>Total</b>	<b>773.41</b>	<b>768.59</b>

**11B. Other bank balances**

Particulars	As at	
	March 31, 2023	March 31, 2022
Deposits held as margin money/security for bank guarantees	902.60	449.49
<b>Total</b>	<b>902.60</b>	<b>449.49</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:**

**For the year ended March 31, 2023:**

Particulars	As at March 31, 2022	Additions	Proceeds	Repayment	Foreign exchange	As at March 31, 2023
Non-current borrowings (including current portion)	995.63	-	-	-	-	995.63
Current borrowings (net)	1,936.30	-	4,111.83	(3,893.07)	(5.95)	2,149.11
Lease liabilities	436.90	39.45	-	(60.58)	-	415.77
<b>Total liabilities from financing activities</b>	<b>3,368.83</b>	<b>39.45</b>	<b>4,111.83</b>	<b>(3,953.65)</b>	<b>(5.95)</b>	<b>3,560.51</b>

**For the year end March 31, 2022:**

Particulars	As at March 31, 2021	Additions	Proceeds	Repayment	Foreign exchange	As at March 31, 2022
Non-current borrowings (including current portion)	995.63	-	-	-	-	995.63
Current borrowings (net)	1,342.02	-	2,551.91	(1,961.18)	3.55	1,936.30
Lease liabilities	452.54	41.32	-	(56.96)	-	436.90
<b>Total liabilities from financing activities</b>	<b>2,790.19</b>	<b>41.32</b>	<b>2,551.91</b>	<b>(2,018.14)</b>	<b>3.55</b>	<b>3,368.83</b>

**Cyient DLM Limited (Formerly known as 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)

**12. Equity share capital**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Authorised share capital:</b>		
85,000,000 (March 31, 2022 : 4,750,000, March 31, 2021 : 4,750,000) equity shares of ₹ 10 each	100.00	47.50
<b>Issued and subscribed capital:</b>		
52,866,000 (March 31, 2022: 1,367,000, March 31, 2021: 1,367,000) fully paid up equity shares of ₹ 10 each	528.66	13.67
<b>Total</b>	<b>528.66</b>	<b>13.67</b>

i. On September 9, 2022, the Company allotted 1,570,000 fully paid-up equity shares of face value of ₹ 10/- each at issue price of ₹ 566 per share, pursuant to a rights issue.

ii. On December 14, 2022, the Company allotted 4,99,29,000 fully paid-up equity shares of face value of ₹ 10/- each, pursuant to a bonus issue.

iii. The Company has neither issued any shares with differential voting rights nor issued any sweat equity shares during the year ended March 31, 2023 and March 31, 2022.

Note:

**(A) Reconciliation of Equity shares outstanding at the beginning and at the end of the year:**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No of shares held	Amount	No of shares held	Amount
Balance as at beginning of the year	1,367,000	13.67	1,367,000	13.67
Add: Issue of shares in the current year	1,570,000	15.70	-	-
Add: Issue of Bonus shares in the current year	49,929,000	499.29	-	-
<b>Balance as at end of the year</b>	<b>52,866,000</b>	<b>528.66</b>	<b>1,367,000</b>	<b>13.67</b>

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

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	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)	52,866,000	100.00%	1,367,000	100.00%

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) Details of Shares held by promoters at the end of the year**

Name of the promoter	Number of shares			% of Holding of equity shares	% Change during the Year
	March 31, 2022	Change	March 31, 2023		
Cyient Limited (Holding company)	1,367,000	51,499,000	52,866,000	100.00%	3767%

Name of the promoter	Number of shares			% of Holding of equity shares	% Change during the Year
	March 31, 2021	Change	March 31, 2022		
Cyient Limited (Holding company)	1,367,000	-	1,367,000	100.00%	0%

**(D) 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.

**(E) Equity shares movement during the five years preceding March 31, 2023:**

Pursuant to resolution passed by the Directors of the Company on December 13, 2022 and approved by the extraordinary general meeting held on December 14, 2022, the Company has allotted 49,929,000 fully paid-up equity shares of face value of ₹ 10 each by way of bonus issue to its shareholders bonus shares in the ratio of 1:17.

**13. Other equity**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>(a) General reserve</b>	<b>3.72</b>	<b>3.72</b>
<b>(b) Securities premium</b>		
(i) As at beginning of the year	92.09	92.09
(ii) Premium on right issue of shares	872.92	-
(iii) Utilization for bonus shares	(499.29)	
<b>(iv) As at end of the year</b>	<b>465.72</b>	<b>92.09</b>
<b>(c) Retained earnings</b>		
(i) As at beginning of the year	661.64	267.04
(ii) Profit for the year	317.27	397.95
(iii) Other comprehensive Income	1.71	(3.35)
<b>(iv) As at end of the year</b>	<b>980.62</b>	<b>661.64</b>
<b>Total</b>	<b>1,450.06</b>	<b>757.45</b>

**Nature and Purpose :**

**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:**

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.

(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 Limited (Formerly known as 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 - at amortised cost**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Non-current</b>		
<b>Unsecured</b>		
Term loan from related party (refer note 30)	995.63	995.63
<b>Total</b>	<b>995.63</b>	<b>995.63</b>
<b>Current</b>		
<b>Unsecured</b>		
Term Loan from related party - Current maturities of non-current borrowings	-	-
Working capital loan from related party (refer note 30)	540.00	540.00
<b>Secured</b>		
Working capital loans from banks	1,609.11	1,396.30
<b>Total</b>	<b>2,149.11</b>	<b>1,936.30</b>
<b>Total borrowings</b>	<b>3,144.74</b>	<b>2,931.93</b>

**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 instalments starting from the June 2023 for each tranche. During the current year, the Company has renewed the term loan agreement with Cyient Limited. As per the renewal agreement, loan will repaid in 16 quarterly instalments starting from June 2024 and accrued interest on term loan as at March 31, 2023 will be repaid proportionately along with the repayment of principal amount. Outstanding balance of the term loan as at March 31, 2023 was ₹ 995.63, March 31, 2022 was ₹ 995.63, March 31, 2021: ₹ 995.63 (ROI - 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, 2023 is ₹ 540.00 (ROI - 6.00% p.a.), March 31, 2022 is ₹ 540.00 (ROI - 6.00% p.a.). This loan is repayable on demand.

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

i. The Company has availed working capital loans (repayable on demand) from various banks:

	March 31, 2023	March 31, 2022
<b>HDFC Bank</b>		
Loan outstanding	324.15	449.41
Range of interest	7.58% to 9.00%	6.00% to 8.15%
<b>State Bank of India</b>		
Loan outstanding	580.86	200.00
Range of interest	8.45% to 8.65%	6.8%
<b>Federal Bank</b>		
Loan outstanding	525.00	557.29
Range of interest	7.85%	6.00% to 7.00%
<b>Axis Bank</b>		
Loan outstanding	108.99	-
Range of interest	7.6% to 8.55%	-

ii. The Company has availed Packing credit facility from various banks:

	March 31, 2023	March 31, 2022
<b>HDFC Bank</b>		
Loan outstanding	70.11	189.60
Range of interest	6.08%	1.6% to 1.9%

**Security terms for working capital 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.
- The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts.

**Cyient DLM Limited (Formerly known as 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 (at Amortised cost)**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Non-Current</b>		
Interest accrued but not due on borrowings*	166.32	113.10
<b>Total</b>	<b>166.32</b>	<b>113.10</b>
<b>Current</b>		
Capital creditors	14.64	6.99
Interest accrued but not due on borrowings*	61.85	34.34
<b>Total</b>	<b>76.49</b>	<b>41.33</b>

\* includes amount payable to related parties (refer note 14 &amp; 30 for details)

**16. Provisions**

Particulars	As at	
	March 31, 2023	March 31, 2022
Gratuity (refer note 29)	74.45	50.92
Compensated absences (refer note 29)	23.81	22.05
<b>Total provisions</b>	<b>98.26</b>	<b>72.97</b>
<b>Non-current:</b>		
Gratuity	74.45	40.28
Compensated absences	20.82	19.33
<b>Total</b>	<b>95.27</b>	<b>59.61</b>
<b>Current:</b>		
Gratuity	-	10.64
Compensated absences	2.99	2.72
<b>Total</b>	<b>2.99</b>	<b>13.36</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, 2023	For the year ended March 31, 2022
<b>Current tax</b>		
In respect of current period	129.71	96.35
Minimum Alternate Tax (MAT) credit availed/created	-	-
	<b>129.71</b>	<b>96.35</b>
<b>Deferred tax expense/(benefit):</b>		
In respect of the current period	(15.38)	(11.51)
In respect of prior period	-	24.51
	<b>(15.38)</b>	<b>13.00</b>
<b>Total</b>	<b>114.33</b>	<b>109.35</b>

Note: Presently, the Company has opted for the application of lower tax rate of 22% (excluding surcharge and cess thereon) under the provisions of section 115BAA of Income Tax Act, 1961.

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income tax benefit recognised directly in equity consists of:</b>		
Tax effect on remeasurements of the net defined benefit liability	(0.57)	1.12
<b>Total</b>	<b>(0.57)</b>	<b>1.12</b>
<b>Bifurcation of the income tax recognised in other comprehensive income into:</b>		
Items that will not be reclassified to profit or loss	(0.57)	1.12
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:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit before tax</b>	<b>431.60</b>	<b>507.30</b>
Enacted rate in India	25.17%	25.17%
<b>Computed expected tax expense</b>	<b>108.63</b>	<b>127.69</b>
<b>Tax effect of adjustments to reconcile expected tax expense:</b>		
Deferred tax asset not recognised earlier/ (deferred tax liability reversing) during tax holiday period	-	(14.58)
Others	5.70	(3.76)
<b>Income tax expense</b>	<b>114.33</b>	<b>109.35</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, 2023	March 31, 2022
<b>Deferred tax assets</b>		
Allowance for expected credit loss	31.48	31.21
Section 43B disallowances	28.64	22.80
MAT Credit Entitlement	-	-
Right of use assets/lease liabilities (refer note 3B)	17.74	13.60
Others	3.90	-
<b>Total (A)</b>	<b>81.76</b>	<b>67.61</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment and Intangible assets	(27.97)	(28.63)
<b>Total (B)</b>	<b>(27.97)</b>	<b>(28.63)</b>
<b>Deferred tax asset, net (A+B)</b>	<b>53.79</b>	<b>38.98</b>

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

**B. Movement in deferred tax assets and liabilities**

Particulars	Property, plant and equipment and Intangible assets	Provision for employee benefits	Right of use assets/lease liabilities (refer note 3C)	Provision for doubtful debts	MAT credit entitlement	Others	Total
<b>Balance as at April 1, 2021</b>	<b>(24.05)</b>	<b>20.03</b>	<b>(4.15)</b>	<b>34.52</b>	<b>24.51</b>	-	<b>50.86</b>
Recognised in P&L during the year	(4.58)	1.65	17.75	(3.31)	(24.51)	-	(13.00)
Recognised in OCI during the year	-	1.12	-	-	-	-	1.12
<b>Balance as at March 31, 2022</b>	<b>(28.63)</b>	<b>22.80</b>	<b>13.60</b>	<b>31.21</b>	-	-	<b>38.98</b>
Recognised in P&L during the year	0.66	6.41	4.14	0.27	-	3.90	15.38
Recognised in OCI during the year	-	(0.57)	-	-	-	-	(0.57)
<b>Balance as at March 31, 2023</b>	<b>(27.97)</b>	<b>28.64</b>	<b>17.74</b>	<b>31.48</b>	-	<b>3.90</b>	<b>53.79</b>

**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, 2023	March 31, 2022
<b>Income tax assets, net</b>		
Advances income taxes	5.03	5.03
<b>Income tax liabilities, net</b>		
Income tax payable	21.90	60.63

Cyient DLM Limited (Formerly known as 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)

**18. Other liabilities**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>Non-Current</b>		
Advance from customers	-	260.83
<b>Total</b>	-	<b>260.83</b>
<b>Current</b>		
Advance from customers	2,022.84	1,134.83
Unearned revenues	254.15	-
Statutory remittances	8.94	7.57
Other current liabilities	6.43	13.08
<b>Total</b>	<b>2,292.36</b>	<b>1,155.48</b>

**19. Trade Payables**

Particulars	As at	
	March 31, 2023	March 31, 2022
<b>(at amortised cost)</b>		
(i) total outstanding dues of micro enterprises and small enterprises (MSME) (refer note 34)	69.17	32.06
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises *	2,783.45	1,892.79
<b>Total</b>	<b>2,852.62</b>	<b>1,924.85</b>

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

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

Ageing for trade payable	As at March 31, 2023						Total
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Dues to MSME	-	24.05	45.12	-	-	-	69.17
Dues to other than MSME	613.08	723.77	1,012.64	433.96	-	-	2,783.45
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>613.08</b>	<b>747.82</b>	<b>1,057.76</b>	<b>433.96</b>	-	-	<b>2,852.62</b>

Ageing for trade payable	As at March 31, 2022						Total
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Dues to MSME	-	32.06	-	-	-	-	32.06
Dues to other than MSME	716.40	672.58	503.81	-	-	-	1,892.79
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>716.40</b>	<b>704.64</b>	<b>503.81</b>	-	-	-	<b>1,924.85</b>

**Cyient DLM Limited (Formerly known as 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)

**20. Revenue from contract with customers**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of goods	8,176.09	7,155.57
Rendering of services	144.24	49.76
<b>Total</b>	<b>8,320.33</b>	<b>7,205.33</b>

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

**1. Disaggregated revenue information**

The table below presents disaggregated revenues from contracts with customers by contract type and geography. The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Type of goods or service</b>		
Sale of printed circuit boards and related products	8,176.09	7,155.57
Job work charges	144.24	49.76
<b>Total</b>	<b>8,320.33</b>	<b>7,205.33</b>
<b>Based on geographical location of customers</b>		
Within India	3,352.30	3,964.10
Outside India	4,968.03	3,241.23
<b>Total</b>	<b>8,320.33</b>	<b>7,205.33</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	8,176.09	7,155.57
Services transferred over time	144.24	49.76
<b>Total</b>	<b>8,320.33</b>	<b>7,205.33</b>

**2. Trade receivables and contract balances**

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	1,617.48	1,523.25
Unearned revenue (Contract liabilities)	254.15	-
Advance from customers (Contract liabilities)	2,022.84	1,395.66

The Company classifies the right to consideration in exchange for deliverables as trade receivable. A trade receivable is a right to consideration that is unconditional upon passage of time. Refer note 10 in Annexure V for details on expected credit loss.

**Contract Liabilities**

Advance from customers represents the amounts received from customers, which are adjusted against the future supplies against each customer order upon delivery. Unearned revenues represents invoicing in excess of revenue.

**Amount of revenue recognised from:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Unearned revenue (Contract liabilities)	-	-
Advance from customers (Contract liabilities)	782.02	675.54

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, 2023	For the year ended March 31, 2022
<b>Interest income on financial assets carried at amortised cost</b>		
Bank deposits	30.01	16.09
	<b>30.01</b>	<b>16.09</b>
<b>Other non-operating income</b>		
Export incentives (refer note (i) below)	3.63	45.28
Reversal of expected credit loss allowance (net) (refer note 10)	-	13.15
Bad debts recovered	-	3.49
Profit on sale of property, plant and equipment	(5.56)	0.94
Foreign exchange gain (net)	27.62	0.23
Miscellaneous income	7.41	0.33
	<b>33.10</b>	<b>63.42</b>
<b>Total</b>	<b>63.11</b>	<b>79.51</b>

**Note:**

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



**Cyient DLM Limited (Formerly known as 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, 2023	For the year ended March 31, 2022
Opening stock	2,219.90	1,190.73
Add: Purchases	8,017.71	6,582.05
Less: Closing stock	(3,896.08)	(2,219.90)
<b>Cost of materials consumed</b>	<b>6,341.53</b>	<b>5,552.88</b>

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening Stock:</b>		
Finished goods	153.99	225.70
Work-in-progress	291.94	106.97
	<b>445.93</b>	<b>332.67</b>
<b>Closing Stock:</b>		
Finished goods	99.35	153.99
Work-in-progress	235.97	291.94
	<b>335.32</b>	<b>445.93</b>
<b>Net Decrease / (Increase)</b>	<b>110.61</b>	<b>(113.26)</b>

**24. Employee benefits expense**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages, including bonus	568.73	477.28
Contribution to provident and other funds (refer note 29)	38.53	5.99
Share based expenses from Holding Company (refer note 36)	5.42	0.78
Staff welfare expenses	34.26	32.47
<b>Total</b>	<b>646.94</b>	<b>516.52</b>

**25. Finance costs**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense -		
Interest on borrowings from banks	144.62	67.65
Interest on borrowings from related parties (refer note 30)	92.14	81.64
Interest on others	20.38	-
Interest on lease liabilities (refer note 3B)	39.45	41.32
Other borrowing costs	18.57	29.14
<b>Total</b>	<b>315.16</b>	<b>219.75</b>

**Cyient DLM Limited (Formerly known as 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, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 3A)	146.79	148.64
Depreciation of right-of-use assets (refer note 3B)	37.58	37.25
Amortisation of intangible assets (refer note 5)	9.78	6.97
<b>Total</b>	<b>194.15</b>	<b>192.86</b>

**27. Other expenses**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rates and taxes	27.24	5.32
Insurance	24.88	17.18
Stores and spares consumed	46.81	29.05
Freight outwards	55.88	133.14
Travelling and conveyance	3.68	3.77
Communication	3.39	2.31
Printing and stationery	1.49	1.10
Power and fuel	37.97	33.48
Marketing expenses	17.81	68.98
Repairs and maintenance		
- Machinery	3.96	28.22
- Others	41.45	3.69
Legal and professional charges	11.03	29.76
Expenditure for Corporate Social Responsibility	4.47	1.30
Foreign exchange loss (net)	-	-
Expected credit loss allowance (net) (refer note 10)	13.89	-
Auditors' remuneration*		
-For statutory audit	1.60	1.55
-For reimbursement of expenses	-	0.01
Training and development	1.57	2.88
Miscellaneous expenses	46.33	47.05
<b>Total</b>	<b>343.45</b>	<b>408.79</b>

\* Exclusive of applicable taxes. Also refer note 8.

**Notes:****i. Expenditure for Corporate Social Responsibility:**

The Company contributes towards Corporate Social Responsibility (CSR) activities through Cyient Foundation and Cyient Urban Micro Skill Centre Foundation. The Company has formed CSR committee as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified by law. The areas for CSR activities are promoting education, adoption of schools, facilitating skill development, medical and other social projects. Expenses incurred on CSR activities through Cyient Foundation and contributions towards other charitable institutions are charged to the statement of profit and loss under 'Other Expenses': April 2022 to March 2023 - ₹ 4.47, April 2021 to March 2022 - ₹ 1.30

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Gross amount required to be spent by the Company</b>	4.47	1.29
<b>Amount approved by the board to be spent during the year</b>	4.47	1.29
<b>Actual amount spent</b>		
1. Construction / acquisition of any asset	-	-
2. On purposes other than (1) above (in cash)	4.47	1.30
<b>Shortfall/ (excess)</b>	-	<b>(0.01)</b>

**Heads of CSR Expenditure:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Promotion of education	4.47	1.30

**Cyient DLM Limited (Formerly known as 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, 2023	March 31, 2022
<b>(A) Contingent liabilities:</b>		
Claims against the Company not acknowledged as debt:	-	-
<b>(B) Commitments:</b>		
(i) Contracts remaining to be executed on capital account and not provided for (net of capital advances)	51.71	44.06
<b>Total</b>	<b>51.71</b>	<b>44.06</b>

The Company has assessed that it is only possible, but not probable, that outflow of economic resources will be required in respect of these matters.

**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 ended as follows:

i. Year ended March 2023 : ₹ 19.96

ii. Year ended March 2022 : ₹ 18.65 (Additionally, a provision reversal was made for ₹ 18.10 (Mar '15-Feb '18), pursuant to final order from Assistant PF Commissioner)

**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, 2023	For the year ended March 31, 2022
Discount rate (%)	7.43%	7.46%
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, 2023	For the year ended March 31, 2022
Current service cost	14.76	5.08
<b>Net interest cost</b>		
Interest expense on defined benefit obligation	5.88	2.44
Interest income on plan assets	(2.06)	(2.08)
<b>Defined benefit cost included in P&amp;L</b>	<b>18.58</b>	<b>5.44</b>

Remeasurement effects recognised in Other Comprehensive Income	For the year ended March 31, 2023	For the year ended March 31, 2022
Actuarial (Gain) / Loss due to demographic assumptions change in defined benefit obligation	-	-
Actuarial (Gain) / Loss due to Financial assumptions change in defined benefit obligation	0.24	0.98
Actuarial (Gain) / Loss due to Experience on defined benefit obligation	(2.23)	2.71
Return on plan assets (Greater)/Less than discount rate	(0.29)	0.78
<b>Components of defined benefit costs recognised in Other Comprehensive Income</b>	<b>(2.28)</b>	<b>4.47</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	For the year ended March 31, 2023	For the year ended March 31, 2022
Present value of funded defined benefit obligation	102.77	79.85
Fair value of plan assets	(28.32)	(28.93)
<b>Net liability arising from defined benefit obligation</b>	<b>74.45</b>	<b>50.92</b>

**Cyient DLM Limited (Formerly known as 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, 2023</b>	<b>For the year ended March 31, 2022</b>
Projected benefit obligation at the beginning of the year	79.85	72.85
Current service cost	14.76	5.08
Interest cost	5.88	2.44
Acquisition	7.23	-
Actuarial loss/(gain)	(1.99)	3.69
Benefits paid	(2.96)	(4.21)
<b>Defined benefit obligation at the end of the year</b>	<b>102.77</b>	<b>79.85</b>

<b>Change in Plan assets</b>	<b>For the year ended March 31, 2023</b>	<b>For the year ended March 31, 2022</b>
Plan assets at the beginning of the year	28.93	31.83
Return on plan assets	2.06	2.08
Employer contribution	-	0.01
Benefits paid	(2.96)	(4.21)
Asset (loss)/Gain	0.29	(0.78)
<b>Plan Assets at the end of the year</b>	<b>28.32</b>	<b>28.93</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.

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(7.41)	8.46	(7.48)	8.71
Future salary growth (1% movement)	7.92	(7.15)	8.08	(7.14)

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

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 year	9.55	4.02
1-2 year	9.23	3.72
2-3 year	7.76	4.94
3-4 year	9.37	3.14
4-5 year	10.54	4.01
5-10 year	45.86	17.35
Payouts above 10 years	119.36	42.67

**ii. Assumptions for compensated absences:**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate (%)	7.43%	7.46%
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 average duration of the defined benefit plan obligation at the end of the reporting period is 9.48 years (31 March 2022: 12.62 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 Limited (Formerly known as 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 GmbH	Fellow subsidiary
Cyient Schweiz GmbH	Fellow subsidiary
Cyient Singapore	Fellow subsidiary
Cyient Israel India Limited	Fellow subsidiary
<b>Key Managerial Personnel:</b>	
BVR Mohan Reddy (w.e.f December 27, 2022)	Non-Executive Director, Non-Independent Director
Ganesh Venkat Krishna Bodanapu	Chairman, Non-Executive Director, Non Independent Director
Ajay Aggarwal (resigned w.e.f December 13, 2022)	Director
Rajendra Velagapudi	Managing Director
Jehangir Ardeshir (w.e.f December 13, 2022)	Independent Director
Vanitha Datla (w.e.f December 13, 2022)	Independent Director
Medan Pillutla (w.e.f December 27, 2022)	Independent Director
Shrinivas Kulkarni (w.e.f January 02, 2023)	Chief Financial officer (CFO)
Anthony Montalbano (w.e.f January 02, 2023)	Chief Executive officer (CEO)
Suchitra R C (resigned w.e.f October 10, 2022)	Additional Director & Vice President Operations
Parvati Ramachandra	Company Secretary

Nature of the transaction	Party name	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from contract with customers - Sale of Goods	Cyient Limited	1.16	10.95
	Cyient Inc.	11.77	1.24
Marketing expenses	Cyient Israel India Limited	17.52	15.01
Rent Payable	Cyient Limited	0.05	-
	Cyient Limited	90.33	37.38
Reimbursement of expenses	Cyient GmbH	8.14	3.29
	Cyient Schweiz GmbH	16.56	-
	Cyient Singapore	12.95	6.81
Working capital loan received	Cyient Inc.	128.35	45.84
	Cyient Limited	210.00	825.00
Working capital loan paid	Cyient Limited	210.00	600.00
Corporate guarantee received	Cyient Limited	750.00	-
Purchase of investment	Cyient Limited	892.00	-
Right issue of shares (Note 12)	Cyient Limited	888.62	-
Interest on loan from holding company	Cyient Limited	92.14	81.64
	Parvati Ramachandra	1.67	1.58
Compensation to Key Managerial Personnel (Note 1)	Rajendra Velagapudi (Note 2)	16.37	16.15
	Shrinivas Kulkarni (Note 2)	3.98	-
	Anthony Montalbano (Note 3)	36.14	-
	Suchitra R C	7.78	7.43

Note 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.

Note 2 : Remuneration paid by Cyient Limited, Holding Company and is recharged to the Company.

Note 3 : Remuneration paid by Cyient Inc, fellow subsidiary and is recharged to the Company. The above figures includes compensation which is being amortized over the contractual period.

Note 4 : During the current year, the Company has allotted 49,929,000 equity shares of face value of ₹ 10 each by way of bonus issue to its Cyient Limited in the ratio of 1:17 by way of capitalization of free reserves amounting to Rs. 499.29.

**(iii) Balances at the year-end:**

Nature of the transaction	Party name	As at March 31, 2023	As at March 31, 2022
Trade Receivables	Cyient Limited	29.96	11.84
	Cyient Inc.	16.37	2.98
	Cyient GmbH	0.38	-
Trade Payables	Cyient Limited	363.55	254.96
	Cyient GmbH	11.51	3.03
	Cyient Schweiz GmbH	16.56	-
	Cyient Singapore	19.77	6.83
	Cyient Israel India Limited	35.13	46.03
	Cyient Inc.	197.74	69.39
Advance from customer	Cyient Limited	-	7.20
Corporate guarantee outstanding	Cyient Limited	4,470.00	3,720.00
Terms Loans Outstanding	Cyient Limited	995.63	995.63
Working capital Loan outstanding	Cyient Limited	540.00	540.00
Interest on loans outstanding	Cyient Limited	228.17	145.47

**31. Earnings per share**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit/(loss) for the year	317.27	397.95
<b>Basic and diluted:</b>		
Number of equity shares outstanding at the year end (refer note 12)	52,866,000	1,367,000
Weighted average number of equity shares at the year end (A)	2,274,589	1,367,000
Impact on account of Bonus Issue (refer Note below) (B)	38,668,014	23,239,000
Weighted average number of equity shares after Bonus Issue (A+B)	40,942,603	24,606,000
<b>Earnings per share (₹)</b>	<b>7.75</b>	<b>16.17</b>

\*There were no dilutive instruments outstanding during the year.

Note : Pursuant to resolution passed by the Directors of the Company on December 13, 2022 and approved by the extraordinary general meeting held on December 14, 2022, the Company has allotted equity shares of face value of ₹ 10 each by way of bonus issue to its shareholders bonus shares in the ratio of 1:17. Accordingly, basic earning per share for the current year and for earlier year have been calculated / restated after considering the above bonus issue in terms of Ind AS-33 "Earnings Per Share"

**Cyient DLM Limited (Formerly known as 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)

**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, 2023	March 31, 2022
Borrowings*	3,144.74	2,931.93
Less: Cash and bank balances	(1,676.01)	(1,218.08)
<b>Net debt</b>	<b>1,468.73</b>	<b>1,713.85</b>
Total equity (refer note 12)	1,978.72	771.12
<b>Net debt to equity</b>	<b>74%</b>	<b>222%</b>

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

There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023, March 31, 2022.

**32.1.2 : Financial Instruments by category**

Particulars	Carrying value as at	
	March 31, 2023	March 31, 2022
<b>Financial assets:</b>		
<b>Amortised cost</b>		
Trade receivables	1,617.48	1,523.25
Cash and cash equivalents	773.41	768.59
Other bank balances	902.60	449.49
Other financial assets	89.63	61.13
<b>Fair value through other comprehensive income</b>		
Investments in other equity instruments (unquoted)	895.22	3.22
<b>Total financial assets</b>	<b>4,278.34</b>	<b>2,805.68</b>
<b>Financial liabilities:</b>		
<b>Amortised cost</b>		
Borrowings*	3,144.74	2,931.93
Trade payables	2,852.62	1,924.85
Lease liabilities	415.77	436.90
Other financial liabilities	242.81	154.43
<b>Total financial liabilities</b>	<b>6,655.94</b>	<b>5,448.11</b>

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

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2023 and 31 March 2022

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, and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments, and hence these are carried at amortised cost. Carrying value of unquoted instruments, loans from banks, other non-current financial assets and non-current financial liabilities represents fair value which is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

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.

Investments in other equity instruments (unquoted) are measured at fair value through initial designation in accordance with Ind-AS 109.

**32.1.3 Fair value hierarchy**

**Valuation technique and key inputs**

Level 1 - Quoted prices (unadjusted) in an active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

**Quantitative disclosures of fair value measurement hierarchy for financial instruments**

Fair value measurement at the end of year	As at	
	March 31, 2023	March 31, 2022
<b>Level 3</b>		
Investments in other equity instruments (unquoted)	895.22	3.22

The fair values of the unquoted equity instruments have been estimated using a DCF model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, discount rate, and probabilities of the various estimates within the range used in management's estimate of fair value for these unquoted equity investments.

There have been no transfers among Level 1, Level 2 and Level 3 during the year.

**Cyient DLM Limited (Formerly known as 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)

**32.1.4 Fair value measurements using significant unobservable inputs (level 3)**

The following table presents changes in level 3 items for the year ended

Fair value measurement at the end of year	Investments in other equity instruments (unquoted)	
	March 31, 2023	March 31, 2022
<b>Level 3</b>		
Opening balance	3.22	3.22
Investment (refer note 6)	892.00	-
Closing balance	895.22	3.22

**Valuation inputs and relationships to fair value:**

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Investments in other equity instruments (unquoted)		Significant unobservable inputs		Sensitivity of the inputs to fair value
As at	Fair value			
March 31, 2023	895.22	Earnings growth rate	Earnings growth factor for unquoted equity shares are estimated based on the market information of similar type of companies and also considering the economic environment impact.	Any increase in the earnings growth rate would result in a increase in fair value.
March 31, 2022	3.22	Discount rate	Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and risk specific to that asset.	Any increase in the discount rate would result in a decrease in the fair value.

**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.

**Sensitivity analysis:**

Every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by ₹ 18.82 for the year ended March 31, 2023 and ₹ 29.25 for the year ended March 31, 2022

**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, 2023	March 31, 2022
Receivable from top 5 customers	58%	79%
Others	42%	21%

**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. The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The Company had unutilized credit limits from banks as of March 31, 2023 ₹ 579, March 31, 2022 ₹ 427.94

The Company had working capital of ₹ 948.23 (₹ 727.32 - as at March 31, 2022) and cash and bank balance of 1,676.01 (₹ 1218.08 - as at March 31, 2022)

The table below provides details regarding the contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2023:

Particulars	Less than 1 year	1-2 years	2 years and more
Trade payables	2,852.62	-	-
Other financial liabilities	76.49	41.58	124.74
<b>Total</b>	<b>2,929.11</b>	<b>41.58</b>	<b>124.74</b>

The table below provides details regarding the contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2022:

Particulars	Less than 1 year	1-2 years	2 years and more
Trade and other payables	1,924.85	-	-
Other financial liabilities	41.33	28.28	84.82
<b>Total</b>	<b>1,966.18</b>	<b>28.28</b>	<b>84.82</b>

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

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

**Cyient DLM Limited (Formerly known as 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)

**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, 2023			As at March 31, 2022		
	Within India	Outside India	Total	Within India	Outside India	Total
Revenue from operations	3,352.30	4,968.03	8,320.33	3,964.10	3,241.23	7,205.33
Non-current assets*	1,661.29	-	1,661.29	1,764.13	-	1,764.13

\*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			
	March 31, 2023	Percentage	March 31, 2022	Percentage
Revenue from top customers (*)	3,451.47	53.17%	3,527.80	48.96%
Others	4,868.86	46.83%	3,677.53	51.04%
<b>Total Revenue</b>	<b>8,320.33</b>	<b>100.00%</b>	<b>7,205.33</b>	<b>100.00%</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, 2023	March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	69.17	32.06
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(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.



**Cyient DLM Limited (Formerly known as 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)

**35. Ratio Analysis and its elements**

Ratios	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reasons
Current ratio	Current Assets	Current Liabilities	1.13	1.14	(1.12)%	NA
Debt- Equity Ratio	Total Debt	Shareholder's Equity	1.80	4.37	(58.81)%	Note 1(c)
Debt Service Coverage ratio	Earning for Debt Service **	Debt service = Interest & Lease Payments + Principal Repayments	0.19	0.36	(45.86)%	Note 1 (d)
Return on Equity ratio	Net Profits after taxes	Average Shareholder's Equity	0.23	0.69	(66.73)%	Note 1 (c) and Note 1(f)
Inventory Turnover ratio	Cost of goods sold	Average Inventory	1.86	2.56	(27.43)%	Note 1 (e)
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	5.30	3.81	39.24%	Note 1 (a)
Trade Payable Turnover Ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	3.36	3.44	(2.47)%	NA
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	8.77	9.91	(11.42)%	NA
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.04	0.06	(30.96)%	Note 1 (f)
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt*	0.13	0.18	(23.24)%	NA
Return on Investment#	Interest (Finance Income)	Investment	-	-	-	

# The Company does not have any income generated on investments

\*Debt represents Borrowings and lease liabilities

\*\*Net profit after taxes + Non-cash operating expenses like depreciation and amortizations + Interest + other adjustments like expected credit loss (net)

Note 1 : Improvement in ratio is due to:

- Higher efficiency resulting in improved working capital
- Issue of right shares and Bonus shares during the year ended March 2023.
- Increase in repayment of working capital loan.
- Increase in closing inventory on account of future orders
- Decrease is on account of increase in finance cost and decrease in other income

**36. Employee Share based expenses**

(i) Cyient Limited ("Holding Company") of the Company instituted Associate stock option plan 2015 (ASOP 2015) in July 2015 and earmarked 1,200,000 equity shares of ₹ 5 each for issue to the employees of the Holding Company and its subsidiaries. Under ASOP 2015, options will be issued to employees at an exercise price, which shall not be less than the market price of the Holding Company on the date of grant. These options vest over a period ranging from one to three years from the date of grant, starting with 10% at the end of first year, 15% at the end of one and half years, 20% after two years, 25% at the end of two and half years and 30% at the end of third year. Share based expenses incurred by Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Holding Company.

**Movements in stock options during the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	9,953	473	-	-
Granted	-	-	11,840	473
Forfeited	-	-	-	-
Exercised	(3,753)	473	(1,887)	473
Options outstanding at the end of the year	6,200	473	9,953	473

The fair value of options granted in the year was March 31, 2023 ₹ Nil, March 31, 2022 ₹ 112 to 129, March 31, 2021 ₹ Nil. The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 455 - ₹ 678 Dividend yield (%) - 1.7 - 2.9, Expected volatility (%) - 29.8 - 41.60, Risk-free interest (%) - 4.49 - 7.9, Expected term (in years) - 3 - 4.

**Cyient DLM Limited (Formerly known as 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)

(ii) Cyient Limited ("Holding Company") of the Company instituted the ARSU's 2020 plan earmarking 1,050,000 shares of ₹ 5 each which provided for grant of RSUs to eligible associates of the Company and its subsidiaries. The Board of Directors recommended the establishment of the plan on January 16, 2020 and the shareholders approved the recommendation of Board of Directors on March 5, 2020 through a postal ballot. The RSUs will vest over a period of three years from the date of grant. Share based expenses incurred by Holding Company are recharged to respective group companies. In this regard, the Company has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Holding Company.

**Movements in stock options during the year**

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	10,240	5	-	-
Granted	440	5	10,240	5
Forfeited	-	-	-	-
Exercised	(312)	5	-	-
Options outstanding at the end of the year	10,368	15	10,240	5

The fair value of RSUs granted in the year was March 31, 2023 ₹ 726 to 745, March 31, 2022 ₹ 714 to 792, March 31, 2021 ₹ Nil. The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 811 - ₹ 874 Dividend yield (%) - 2.6 - 2.9, Expected volatility (%) - 38.73 - 41.90, Risk-free interest (%) - 4.96 - 6.8, Expected term (in years) - 3.

The total charge for the year relating to employee share based payment plans was March 31, 2023 5.42, March 31, 2022 0.78

**37. Other Statutory information**

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or

(a) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries other than Issue proceeds raised through Right's Issue aggregating to Rs. 888 Mn during the year from Cyient Limited, Holding Company for acquiring Investment in ICS (refer note 6) during the year ended March 2023.

(viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961 (Such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

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

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 Limited****Shankar Srinivasan**

Partner

Membership No.: 213271

**Krishna Bodanapu**

Non - Executive Chairman

(DIN - 00605187)

**Rajendra Velagapudi**

Managing Director

(DIN - 06507627)

**Parvati K R**

Company Secretary

(M.No. - A23584)

**Shrinivas Kulkarni**

Chief Financial Officer

Place: Hyderabad

Date: April 17, 2023

Place: Hyderabad

Date: April 17, 2023

Place: Hyderabad

Date: April 17, 2023