

Cyient DLM Limited (CIN No.: L31909TG1993PLC141346) Consolidated Balance Sheet as at March 31, 2026 (All amounts in ₹ millions, except share and per share data and where otherwise stated)			
Particulars	Notes	As at March 31, 2026	As at March 31, 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	1,763.89	1,795.55
Capital work-in-progress	3C	21.16	55.60
Goodwill	4	748.77	680.64
Other intangible assets	5	510.29	534.38
Right of use assets	3B	525.17	448.78
Financial assets			
(a) Investments	6	102.33	309.49
(b) Other financial assets	7	68.56	68.43
Deferred tax assets (net)	19.2	129.85	132.13
Other non-current assets	8	328.83	97.46
<b>Total non-current assets</b>		<b>4,198.85</b>	<b>4,122.46</b>
<b>Current assets</b>			
Inventories	9	6,473.32	5,712.73
Contract assets	10	438.31	-
Financial assets			
(a) Investments	6	200.00	-
(b) Trade receivables	10	3,073.12	3,473.97
(c) Cash and cash equivalents	11A	800.33	471.17
(d) Other bank balances	11B	457.67	2,406.65
(e) Other financial assets	7	2.77	114.10
Other current assets	8	777.49	638.05
<b>Total current assets</b>		<b>12,223.01</b>	<b>12,816.67</b>
<b>Total assets</b>		<b>16,421.86</b>	<b>16,939.13</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	12	793.64	793.06
Other equity	13	9,327.44	8,701.29
<b>Total equity</b>		<b>10,121.08</b>	<b>9,494.35</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(a) Borrowings	14	778.25	1,480.06
(b) Lease liabilities	3B	550.06	465.62
(c) Other financial liabilities	15	-	94.63
Provisions	16	56.74	66.92
<b>Total non-current liabilities</b>		<b>1,385.05</b>	<b>2,107.23</b>
<b>Current liabilities</b>			
Financial liabilities			
(a) Borrowings	14	283.00	957.50
(b) Lease liabilities	3B	111.43	109.25
(c) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	17	22.39	41.63
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	17	2,710.75	2,457.20
(d) Other financial liabilities	15	647.94	410.80
Other current liabilities	18	994.27	1,160.80
Provisions	16	90.75	115.06
Income tax liabilities (net)	19.3	55.20	85.31
<b>Total current liabilities</b>		<b>4,915.73</b>	<b>5,337.55</b>
<b>Total liabilities</b>		<b>6,300.78</b>	<b>7,444.78</b>
<b>Total equity and liabilities</b>		<b>16,421.86</b>	<b>16,939.13</b>
Corporate information and material accounting policies	1 & 2		
Accompanying notes form an integral part of the consolidated 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 Chief Executive Officer and Managing Director (DIN - 06507627)	
		Krithika S Company Secretary (M.No. - A37001)	
		Subramanian RM Chief Financial Officer	
Place: Hyderabad Date: April 21, 2026		Place: Hyderabad Date: April 21, 2026	
		Place: Hyderabad Date: April 21, 2026	

<b>Cyient DLM Limited</b> <b>(CIN No.: L31909TG1993PLC141346)</b> <b>Consolidated Statement of Profit and Loss for the year ended March 31, 2026</b> (All amounts in ₹ millions, except share and per share data and where otherwise stated)			
Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>INCOME</b>			
Revenue from operations	20	12,614.85	15,196.26
Other income	21	362.63	261.57
<b>Total income</b>		<b>12,977.48</b>	<b>15,457.83</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	7,847.90	10,869.40
Changes in inventories of finished goods and work-in-progress	23	(325.79)	212.54
Employee benefits expense	24	2,267.78	1,862.18
Finance costs	25	271.69	375.45
Depreciation and amortisation expense	26	427.52	340.62
Other expenses	27	1,556.77	880.40
<b>Total expenses</b>		<b>12,045.87</b>	<b>14,540.59</b>
<b>Profit before tax</b>		<b>931.61</b>	<b>917.24</b>
<b>Tax expense / (credit)</b>			
(a) Current tax	19.1 (A)	192.85	309.13
(b) Deferred tax	19.1 (A)	5.94	(72.65)
<b>Total tax expense</b>		<b>198.79</b>	<b>236.48</b>
<b>Net profit for the year</b>		<b>732.82</b>	<b>680.76</b>
<b>Other comprehensive income (OCI)</b>			
(a) Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
(i) Remeasurements of net defined benefit liability	29	10.56	(4.60)
(ii) Fair valuation changes on financial instruments	6	(207.16)	(352.62)
(iii) Income tax relating to items that will not be reclassified to profit or loss	19.1 (B)	(2.66)	1.16
(b) Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
(i) Exchange differences in translating the financial statements of foreign operations	13	124.31	24.08
(ii) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	13	0.12	-
(iii) Income tax effect on above		-	-
<b>Total other comprehensive income/(loss) for the year, net of tax</b>		<b>(74.83)</b>	<b>(331.98)</b>
<b>Total comprehensive income for the year, net of tax</b>		<b>657.99</b>	<b>348.78</b>
<b>Earnings per equity share (face value of ₹ 10 each)</b>			
Basic (₹)	31	9.23	8.58
Diluted (₹)		9.23	8.56
<b>Corporate information and material accounting policies</b>			
Accompanying notes form an integral part of the consolidated 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> Chief Executive Officer and Managing Director (DIN - 06507627)
		<b>Krithika S</b> Company Secretary (M.No. - A37001)	<b>Subramanian RM</b> Chief Financial Officer
Place: Hyderabad Date: April 21, 2026		Place: Hyderabad Date: April 21, 2026	Place: Hyderabad Date: April 21, 2026

Cyient DLM Limited  
(CIN No.: L31909TG1993PLC141346)

Consolidated Statement of Changes in Equity for the year ended March 31, 2026

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

A. Equity share capital

For the year ended March 31, 2026

Particulars	No's	Amount
Balance as at April 1, 2025	7,93,06,124	793.06
Add: Issue of equity shares during the year (refer note 12)	58,272	0.58
<b>Balance as at March 31, 2026</b>	<b>7,93,64,396</b>	<b>793.64</b>

For the year ended March 31, 2025

Particulars	No's	Amount
Balance as at April 1, 2024	7,93,06,124	793.06
Add: Issue of equity shares during the year	-	-
<b>Balance as at March 31, 2025</b>	<b>7,93,06,124</b>	<b>793.06</b>

B. Other Equity

For the year ended March 31, 2026

Particulars	Reserves and Surplus				Items of other comprehensive income			Total
	Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	Foreign currency translation reserve	Cash flow Hedge reserve	
<b>Balance as at April 1, 2025</b>	<b>6,888.08</b>	<b>3.72</b>	<b>2,263.33</b>	<b>107.80</b>	<b>(585.72)</b>	<b>24.08</b>	-	<b>8,701.29</b>
Profit for the year	-	-	732.82	-	-	-	-	732.82
Measurement of defined benefit liabilities	-	-	7.90	-	-	-	-	7.90
Fair valuation changes on financial instruments	-	-	-	-	(207.16)	-	-	(207.16)
Other Comprehensive Income	-	-	-	-	-	124.31	0.12	124.43
Premium on issue of shares	35.70	-	-	-	-	-	-	35.70
Share based payment expense	-	-	-	(31.84)	-	-	-	(31.84)
Issue of shares on exercise of stock options	-	-	-	(35.70)	-	-	-	(35.70)
<b>Balance as at March 31, 2026</b>	<b>6,923.78</b>	<b>3.72</b>	<b>3,004.05</b>	<b>40.26</b>	<b>(792.88)</b>	<b>148.39</b>	<b>0.12</b>	<b>9,327.44</b>

For the year ended March 31, 2025

Particulars	Reserves and Surplus				Items of other comprehensive income			Total
	Securities premium	General reserve	Retained earnings	Share based payments reserve	Equity instruments through OCI	Foreign currency translation reserve	Cash flow Hedge reserve	
<b>Balance as at April 1, 2024</b>	<b>6,892.04</b>	<b>3.72</b>	<b>1,586.01</b>	<b>48.05</b>	<b>(233.10)</b>	-	-	<b>8,296.72</b>
Profit for the year	-	-	680.76	-	-	-	-	680.76
Measurement of defined benefit liabilities	-	-	(3.44)	-	-	-	-	(3.44)
Other Comprehensive Income	-	-	-	-	-	24.08	-	24.08
Fair valuation changes on financial instruments	-	-	-	-	(352.62)	-	-	(352.62)
Share based payment expense	-	-	-	59.75	-	-	-	59.75
Share issue expenses	(3.96)	-	-	-	-	-	-	(3.96)
<b>For the year ended March 31, 2025</b>	<b>6,888.08</b>	<b>3.72</b>	<b>2,263.33</b>	<b>107.80</b>	<b>(585.72)</b>	<b>24.08</b>	-	<b>8,701.29</b>

Corporate information and material accounting policies

Accompanying notes form an integral part of the consolidated 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

Chief Executive Officer and Managing Director

(DIN - 06507627)

Krithika S

Company Secretary

(M.No. - A37001)

Subramanian RM

Chief Financial Officer

Place: Hyderabad

Date: April 21, 2026

Place: Hyderabad

Date: April 21, 2026

Place: Hyderabad

Date: April 21, 2026

Cyient DLM Limited (CIN No.: L31909TG1993PLC141346) Consolidated Statement of Cash Flow for the year ended March 31, 2026 (All amounts in ₹ millions, except share and per share data and where otherwise stated)		
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>A. OPERATING ACTIVITIES</b>		
Profit before tax	931.61	917.24
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	427.52	340.62
Loss on disposal of Property, Plant and Equipment (net)	2.06	0.04
Net unrealised exchange loss/(gain)	(24.01)	42.71
Finance costs	271.69	375.45
Interest income	(168.98)	(247.72)
Gain on fair valuation of financial liability	(195.75)	-
Share based payment expenses	(31.78)	59.75
Provision for expected credit loss (net of write-off)	41.48	121.12
<b>Operating profit before working capital changes</b>	<b>1,253.84</b>	<b>1,609.21</b>
Working capital adjustments		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	527.13	(920.74)
Inventories	(664.49)	(111.75)
Contract assets	(438.31)	-
Other assets and other financial assets	(107.29)	108.62
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	122.39	(879.20)
Provisions and other liabilities	69.63	(172.66)
<b>Cash generated from / (used in) operations</b>	<b>762.90</b>	<b>(366.52)</b>
Income taxes paid	(223.88)	(257.42)
<b>Net cash flows generated from / (used in) operating activities (A)</b>	<b>539.02</b>	<b>(623.94)</b>
<b>B. INVESTING ACTIVITIES</b>		
Payment towards acquisition of business	83.78	(1,158.80)
Payment towards purchase of property, plant and equipment and intangible assets	(446.63)	(500.10)
Investment in mutual funds	(200.00)	-
Investment in deposits	(1,795.35)	(2,956.91)
Proceeds from maturity / withdrawal of deposits	3,754.51	5,499.25
Interest received	239.79	383.16
<b>Net cash flow generated from investing activities (B)</b>	<b>1,636.10</b>	<b>1,266.60</b>
<b>C. FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares	0.58	-
Transaction cost on issue of shares	-	(3.96)
Proceeds from current borrowings	823.58	10,080.78
Repayments of current borrowings	(1,522.32)	(9,758.27)
Proceeds from non current borrowings	-	1,028.26
Repayments of non current borrowings	(813.62)	(1,183.36)
Payment of principle portion of lease liabilities	(78.29)	(52.63)
Payment of interest portion of lease liabilities	(50.64)	(54.26)
Interest paid	(234.96)	(643.84)
<b>Net cash flows used in financing activities (C)</b>	<b>(1,875.67)</b>	<b>(587.28)</b>
<b>Net decrease in cash and cash equivalents (A+B+C)</b>	<b>299.45</b>	<b>55.38</b>
Cash and cash equivalents at the beginning of the year	471.17	416.89
Exchange differences on translation of foreign currency cash and cash equivalents	29.71	(1.10)
<b>Cash and cash equivalents at the end of the year (refer note (i) below)</b>	<b>800.33</b>	<b>471.17</b>
Notes :		
(i) Cash and cash equivalents comprises of: (refer note 11A)		
Balances with banks		
in current accounts	800.00	471.12
Cash on hand	0.33	0.05
	<b>800.33</b>	<b>471.17</b>
Refer Note 11 for Change in liabilities arising from financing activities and for non-cash financing activities and investing activities Accompanying notes form an integral part of the consolidated 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> Cyient DLM Limited	
<b>Shankar Srinivasan</b> Partner Membership No.: 213271	<b>Krishna Bodanapu</b> Non - Executive Chairman (DIN - 00605187)	<b>Rajendra Velagapudi</b> Chief Executive Officer and Managing Director (DIN - 06507627)
	<b>Krithika S</b> Company Secretary (M.No. - A37001)	<b>Subramanian RM</b> Chief Financial Officer
Place: Hyderabad Date: April 21, 2026	Place: Hyderabad Date: April 21, 2026	Place: Hyderabad Date: April 21, 2026

## **Cyient DLM Limited**

**CIN No.: L31909TG1993PLC141346**

### **Material accounting policies and other explanatory information forming part of Consolidated financial statements**

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

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#### **1. Corporate information:**

The consolidated financial statements comprise financial statements of Cyient DLM Limited (the 'Company' or 'Parent') and its subsidiaries (collectively referred to as 'the Group') for the year ended March 31, 2026. The company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act, applicable in India and is subsidiary of Cyient Limited (Ultimate Holding Company). The registered office of the Company is at Plot No.5G, Survey No.99/1, Mamidipalli Village, GMR Aerospace & Industrial Park, GMR Hyderabad Aviation SEZ Limited, Rajiv Gandhi International Airport, Shamshabad, Hyderabad-500 108. The Company's shares are listed on two recognized stock exchanges in India.

The Group consists of the Parent and the following subsidiaries –

1. Cyient DLM Inc, USA (wholly owned subsidiary)
2. Altek Electronics Inc., USA (wholly owned subsidiary) (formerly known as Altek Electronics LLC)

The Group is principally engaged in providing total electronic manufacturing solutions in the fields of medical, industrial, automotive, telecommunication, defense and aerospace applications and machining of components for aerospace, automotive and defense industries.

The consolidated financial statements were approved for issue in accordance with a resolution of the directors on April 21, 2026.

#### **2. Material accounting policies**

##### **2.1 Basis of preparation & presentation:**

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Act), (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

These consolidated financial statements have been prepared on a historical cost basis except for contingent consideration and certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and consistent with previous year. The consolidated financial statements are presented in Indian Rupees ('INR') and all values are rounded to the nearest millions, except when otherwise indicated.

##### **2.2 Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in IAS 1, "Presentation of financial statements".

Deferred tax assets and liabilities are classified as non-current assets and liabilities. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

##### **2.3 Basis of consolidation**

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

**Cyient DLM Limited****CIN No.: L31909TG1993PLC141346****Material accounting policies and other explanatory information forming part of Consolidated financial statements****(All amounts in ₹ million, except share and per share data and where otherwise stated)**

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Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Company.

**Consolidation procedures**

- Combining like items of assets, liabilities, equity, income, expenses and cash flows of the Company with those of its subsidiaries.
- Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary.
- All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full, on consolidation.

**2.4 Use of judgements, estimates and assumptions:**

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions which affects the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenditure for the periods presented. The management believes that the estimates used in preparation of the consolidated financial statements are prudent and reasonable.

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

Significant areas of estimation of uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are:

- Fair value measurement of financial instruments (Refer Note 2.18)
- Revenue recognition and related cost estimation; (refer note 2.14)
- Provision for inventory obsolescence (Refer Note 2.11)
- Provision for expected credit losses of trade receivables (Refer Note 2.19)
- Share based Payments (Refer Note 2.16)
- Fair value measurement & Business combination (Refer Note 2.5 & Note 2.17)

**Cyient DLM Limited**

**CIN No.: L31909TG1993PLC141346**

**Material accounting policies and other explanatory information forming part of Consolidated financial statements**

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

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## **2.5 Business combination and Goodwill**

The Parent accounts for its business combinations under the acquisition method of accounting. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair value of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange of control of the acquiree. Acquisition-related costs are generally recognized in the consolidated statement of profit and loss as incurred.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree, if any over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

If the consideration is less than the fair value of the net identifiable assets of the business acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided, there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition date fair value and included as part of the consideration transferred in business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case may be. Measurement period adjustments are adjustments that arise from the additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed on the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments and are classified as an asset or liability and are remeasured at fair value at subsequent reporting dates with the corresponding gain or loss being recognized in the consolidated statement of profit and loss.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the weighted average cost of capital being the rate to which the risk and returns are exposed to.

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the

## **Cyient DLM Limited**

**CIN No.: L31909TG1993PLC141346**

### **Material accounting policies and other explanatory information forming part of Consolidated financial statements**

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

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carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in the consolidated statement of profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

#### **2.6 Foreign currency translation**

##### **Functional and presentation currency**

The consolidated financial statements are presented in INR, which is the functional and presentation currency of the Parent.

##### **Transactions and balances**

In preparing the consolidated financial statements of the Group, transactions in currencies other than the Group's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign-currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange gains and losses arising on settlement or translation are recognised in the consolidated statement of profit and loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

##### **Group companies**

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency is translated into the presentation currency as follows:

- Assets and liabilities are translated at the closing rate at the date of balance sheet;
- Income and expenses are translated at average exchange rates;
- All resulting exchange differences are recognized in other comprehensive income; and
- When a foreign operation is sold, the associated exchange differences are reclassified to consolidated statement of profit and loss, as part of gain or loss on sale.

#### **2.7 Property, plant and equipment**

Property, plant and equipment are initially recognised at cost. The initial cost of property, plant and equipment comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates.

The cost of property, plant and equipment includes interest on borrowings (borrowing cost) directly attributable to acquisition, construction or production of qualifying assets. Subsequent to initial recognition, property, plant and equipment are stated at cost less accumulated depreciation (other than freehold land, which is stated at cost) and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

The Group depreciates property, plant and equipment over their estimated useful lives using the straight-line method as per the useful life prescribed in Schedule II to the Act except in respect of the following categories of assets, in whose case the life of the assets has been assessed, based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

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Type of asset	Useful life of the Asset	As per Schedule II of Act
Buildings	Refer Note 1 below	
Plant & Machinery	5-15 Years (Refer Note 2 below)	15 years
Tools & Equipment	5 Years (Refer Note 2 below)	10 years
Furniture & Fixtures	10 Years	10 years
Electrical Installations	10 Years	10 Years
Vehicles	10 Years	10 Years
Computers & Servers	3-5 Years	3-6 Years
Office Equipment	5 Years	5 Years

**Notes:**

- Buildings constructed over leasehold land are depreciated over the remaining lease term of land or life as specified under Schedule II of the Act, whichever is lower
- The Group, based on the technical assessment made by technical experts and management estimate, depreciates certain items of Plant & Machinery, Computers & Servers and Tools & Equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Act. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**2.8 Intangible assets**

Intangible assets are stated at cost less accumulated amortization and accumulated impairment.

Intangible assets acquired in a business combination and recognized separately from goodwill are initially recognized at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets are amortized over their estimated useful life on a straight-line basis as follows:

Type of asset	Useful life
Computer software	3 years
Customer contracts	3 years
Customer relationships	10 years

Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit and loss when the asset is de-recognised.

**2.9 Leases****Group as a lessee**

The Group assesses at contract inception whether a contract is or contains a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

**i) Right-of-use assets**

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The right-of-use assets are also subject to impairment.

<b>ROU asset</b>	<b>Useful lives</b>
Leasehold land	19 years
Buildings	3-10 years

**ii) Lease liabilities**

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of the leases. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made or a change in the assessment of extension or termination options. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments). Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

**2.10 Income taxes:**

The income tax expense or credit for the period is the tax payable or tax receivable on the taxable income based on the applicable income tax rate in India adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax is recognised in the consolidated statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current tax and deferred tax are calculated on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company and its subsidiaries operate and generate taxable income.

Deferred tax is provided using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit/loss and does not give rise to equal taxable and deductible temporary differences.

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Deferred tax liabilities and assets are not recognized for temporary differences between the carrying amount and tax bases of investments in subsidiaries and branches where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**2.11 Inventories:**

Inventories are valued at the lower of cost and net realizable value.

Inventories consist of raw materials, stores and spares, work in progress and finished goods. The cost of all categories of inventories is based on the weighted average method. Cost includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. In the case of finished goods and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Stores and spares consists of packing materials, engineering spares (such as machinery spare parts) and consumables (such as lubricants and oils), which are used in operating machines or consumed as indirect materials in the manufacturing process.

Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

The factors that the Group considers in determining the provision for slow moving, excess or obsolete inventory items includes production plan, orders in hand, forecast inventory usage, committed and expected orders, alternative usage. The Group considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

**2.12 Cash and cash equivalents:**

Cash comprises cash on hand, in bank and demand deposits with banks. The Group considers all highly liquid financial instruments, which are readily convertible into cash and have original maturities of three months or less from the date of purchase, to be cash equivalents. Such cash equivalents are subject to insignificant risk of changes in value.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash on hand, in bank and demand deposits with banks, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

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#### **2.13 Provisions and contingent liabilities**

##### **2.13.1 Provisions**

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

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

Provisions for onerous contracts are recognised when the expected benefits to be derived by the Group from a contract are lower than unavoidable costs of meeting future obligations under the contract and are measured at the present value of lower-than-expected net cost of fulfilling the contract and expected cost of terminating the contract.

##### **2.13.2 Contingencies**

Contingent liability is disclosed for all possible obligations that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or present obligations arising from past events where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a sufficiently reliable estimate of the amount of the obligation cannot be made. Contingent liabilities are not recognised but disclose their existence in the consolidated financial statements unless the probability of outflow of resources is remote. A contingent asset is neither recognised nor disclosed in the consolidated financial statements.

#### **2.14 Revenue recognition**

Revenue from contracts with customers is recognized, on the basis of approved contracts, when control of the goods or services is transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services. The Group is the principal as it typically controls the goods or services before transferring them to the customer. The method for recognising revenues and costs depends on the nature of services rendered as mentioned below:

- i) **Revenue from sale of products** is recognized at the point in time when control of the goods is transferred to the customer, generally upon delivery of the goods.
- ii) **Revenue from rendering of services:**
  - a) Designing services include fixed price contracts and time and material contracts.

Revenue from fixed price contracts is recognized as per the 'percentage-of-completion' method, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration. When there is uncertainty as to measurement or ultimate collectability, revenue recognition is postponed until such uncertainty is resolved. Percentage of completion is determined based on the project costs incurred to date as a percentage of total estimated project costs required to complete the project. The input method has been used to measure the progress towards completion as there is direct relationship between input and productivity.

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Revenue from time and material contracts are recognized as the related services are performed, which is pursued based on the efforts spent and agreed rate with the customer. Revenue from the end of the last invoicing to the reporting date is recognized as unbilled revenue.

- b) Revenue from rendering of job work services is recognized over time by measuring the progress towards complete satisfaction of performance obligations at the reporting period.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The arrangement with the customer specifies services to be rendered which meet criteria of performance obligations. For allocation, transaction price, the Group measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The transaction price of goods sold and services rendered is net of variable consideration. Variable consideration includes cash contributions, incentives, volume rebates, discounts etc., which is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

**Trade receivables**

The Group classifies the right to consideration in exchange for deliverables as either receivables or as contract asset. A receivable is recognized if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section 2.17 Financial instruments – initial recognition and subsequent measurement.

**Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. Contract assets are transferred to receivables when the rights become unconditional.

Contract assets are subject to impairment assessment. Refer to accounting policies on impairment of financial assets.

**Contract liabilities**

A contract liability is recognized if a payment is received or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Generally, the Group receives advances from few of its customers. If there is a manufacturing lead time of more than 1 year after signing the contract and receipt of payment, then there is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the goods. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price of the equipment to the amount paid in advance). This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

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#### **2.15 Interest Income**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

#### **2.16 Employee benefit plans**

Employee benefits include provident fund, employee's state insurance scheme, gratuity fund and compensated absences.

##### **Post-employment obligations:**

##### **Defined contribution plans:**

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

##### **Defined benefit plans**

##### **Gratuity:**

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

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

##### **Compensated absences:**

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

##### **Share based payments**

The Group recognizes compensation expense relating to share based payments in the consolidated statement of profit and loss, using fair value in accordance with Ind AS 102, Share based payments.

The Stock options are measured at the fair value of the equity instruments at the grant date, based on option valuation model (Black Scholes model). The fair value determined at the grant date of the stock options is

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expensed on a straight-line basis over the vesting period, based on the Group's estimate of the equity instruments that will eventually vest, with a corresponding increase in share-based payments reserve in equity.

At the end of each reporting period, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the original estimates, if any, is recognized in the consolidated statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share-based payments reserve in equity. The equity settlement component is not remeasured at each reporting date. The cash settlement component is remeasured at each reporting date and at settlement date based on the fair value of the liability with any changes in the fair value recognized in the consolidated statement of profit and loss.

**Other short-term employee benefits**

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

**2.17 Financial instruments****a) Initial recognition:**

Financial assets and financial liabilities are recognized when a Group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value except trade receivable. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the consolidated statement of profit or loss. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2.14 Revenue recognition.

**b) Subsequent Measurement:****(i) Financial assets**

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

**Classification of financial assets:****Financial assets carried at amortized cost:**

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income:**

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A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Group has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

**Financial assets at fair value through profit or loss:**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(ii) Financial liability:**

All financial liabilities are subsequently measured at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through consolidated statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Financial Liability subsequently measured at amortized cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

**Supplier Finance Arrangements**

The Group has established supplier finance arrangements (Refer Note 15). The Group evaluates whether financial liabilities covered such arrangements continue to be classified within trade payables, or they need to be classified as a borrowing or as part of other financial liabilities/ as a separate line item on the face of the balance sheet. Such evaluation requires exercise of judgment basis specific terms of the arrangement.

The Group classifies financial liabilities covered under supplier finance arrangement within trade payables in the balance sheet only if (i) the obligation represents a liability to pay for goods and services, (ii) is invoiced and formally agreed with the supplier, (iii) is part of the working capital used in its normal operating cycle, (iv) the Group is not legally released from its original obligation to the supplier, and has not assumed a new obligation toward the bank, and another party (v) there is no substantial modification to the terms of the liability.

If one or more of the above criteria are not met, the Group derecognizes its original liability toward the supplier and recognize a new liability toward the bank which is classified as bank borrowing or other financial liability, depending on factors such as whether the Group (i) has obligation toward bank, (ii) is getting extended credit period such that obligation is no longer part of its working capital cycle, (iii) is paying interest directly or indirectly, (iv) has provided guarantee or security, and/ or (v) is recognized as borrower in the bank books.

Cash flows related to liabilities arising from supplier finance arrangements are included in operating activities in the consolidated statement of cash flows, when the Group finally settles the liability, reflecting the substance of the payment.

**c) Foreign exchange gains and losses:**

For foreign currency denominated financial assets measured at amortized cost and FVTPL, the exchange differences are recognized in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

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Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognized in other comprehensive income.

For the purposes of recognizing foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortized cost. Thus, the exchange differences on the amortized cost are recognized in profit or loss and other changes in the fair value of FVTOCI financial assets are recognized in other comprehensive income.

For financial liabilities that are denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the consolidated statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognized in the consolidated statement of profit and loss.

**d) De-recognition of financial assets and liabilities:****Financial assets**

The Group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group retains substantially all the risk and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in the consolidated statement of profit or loss on disposal of that financial asset.

**Financial liabilities**

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in the consolidated statement of profit and loss.

**2.18 Determination of fair values**

In determining the fair value of its financial instruments, the Group uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group considers the characteristics of asset or liability of market participants when pricing the asset or liability at the measurement date.

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Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**2.19 Impairment of assets****Financial assets**

The Group recognized loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognized as an impairment gain or loss in the consolidated statement of profit and loss.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognized from initial recognition of the receivables. 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 loss allowance (or reversal) during the year is recognized in the consolidated statement of profit and loss.

**Non-financial assets**

Intangible assets, property, plant and equipment and ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. Intangible assets under development are tested for impairment annually. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated.

If such assets are considered to be impaired, the impairment to be recognized in the consolidated statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the consolidated statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

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#### 2.20 Earnings per share:

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

#### 2.21 New and amended standards

Mentioned below are the new and amended standards as notified by the Ministry of Corporate Affairs (MCA), which are effective for annual periods beginning on or after 1 April 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

##### (i) Amendments to Ind AS 21 - Lack of exchangeability

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, *The Effects of Changes in Foreign Exchange Rates* to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments do not have a material impact on the Group's consolidated financial statements.

##### (ii) Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

The amendments have not resulted in additional disclosures and have not had an impact on the classification of Group's liabilities.

##### (iii) Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements

In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

As a result of implementing the amendments, the Group has provided additional disclosures about its supplier finance arrangement. Please refer to Note 2.17b)(ii) and Note 15.

##### (iv) Amendments to Ind AS 12 – International Tax Reform-Pillar Two Model Rules

In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and

**Cyient DLM Limited**

**CIN No.: L31909TG1993PLC141346**

**Material accounting policies and other explanatory information forming part of Consolidated financial statements**

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

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- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026.

The amendments had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules.

## **2.22 Standards notified but not yet effective**

There are no standards that are notified and not yet effective as on the date.

Cyient DLM Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2026

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

3A. Property, plant and equipment

Particulars	As at	
	March 31, 2026	March 31, 2025
<b>Carrying amount of:</b>		
Buildings	632.75	686.27
Leasehold improvements	53.60	49.85
Computers	75.13	88.17
Plant and equipment	753.84	725.05
Office equipment	27.82	29.72
Furniture and fixtures	63.72	73.42
Electrical installations	62.08	66.20
Vehicles	0.01	0.01
Tools and equipment	94.94	76.86
<b>Total</b>	<b>1,763.89</b>	<b>1,795.55</b>

Notes :

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

Particulars	Buildings*	Leasehold improvements	Computers	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Tools and equipment	Total
<b>I. Gross carrying value</b>										
<b>Balance as at April 1, 2024</b>	<b>914.23</b>	-	<b>160.80</b>	<b>971.23</b>	<b>44.68</b>	<b>169.86</b>	<b>53.21</b>	<b>0.27</b>	<b>183.36</b>	<b>2,497.64</b>
Additions	33.31	12.30	40.27	198.69	13.40	17.87	50.10	-	37.94	403.88
Additions through business combination (refer note 32)	-	38.90	0.94	178.54	6.22	-	-	-	-	224.60
Disposals	-	-	(0.09)	-	-	-	-	-	-	(0.09)
Foreign currency translation adjustments	-	0.65	0.02	2.57	0.12	-	-	-	-	3.36
<b>Balance as at March 31, 2025</b>	<b>947.54</b>	<b>51.85</b>	<b>201.94</b>	<b>1,351.03</b>	<b>64.42</b>	<b>187.73</b>	<b>103.31</b>	<b>0.27</b>	<b>221.30</b>	<b>3,129.39</b>
Additions	7.14	0.38	14.28	110.89	4.18	3.41	3.84	-	43.86	187.98
Disposals	(2.39)	-	(6.58)	(0.28)	-	-	-	-	-	(9.25)
Foreign currency translation adjustments	-	6.26	0.43	18.89	0.68	-	-	-	-	26.26
<b>Balance as at March 31, 2026</b>	<b>952.29</b>	<b>58.49</b>	<b>210.07</b>	<b>1,480.53</b>	<b>69.28</b>	<b>191.14</b>	<b>107.15</b>	<b>0.27</b>	<b>265.16</b>	<b>3,334.38</b>
<b>II. Accumulated depreciation</b>										
<b>Balance as at April 1, 2024</b>	<b>204.60</b>	-	<b>91.15</b>	<b>545.39</b>	<b>27.76</b>	<b>101.23</b>	<b>30.09</b>	<b>0.26</b>	<b>122.70</b>	<b>1,123.18</b>
Depreciation for the year (refer note 26)	56.67	2.00	22.67	80.59	6.94	13.08	7.02	-	21.74	210.71
Disposals	-	-	(0.05)	-	-	-	-	-	-	(0.05)
<b>Balance as at March 31, 2025</b>	<b>261.27</b>	<b>2.00</b>	<b>113.77</b>	<b>625.98</b>	<b>34.70</b>	<b>114.31</b>	<b>37.11</b>	<b>0.26</b>	<b>144.44</b>	<b>1,333.84</b>
Depreciation for the year (refer note 26)	58.95	2.69	27.40	98.83	6.76	13.11	7.96	-	25.78	241.48
Disposals	(0.68)	-	(6.27)	(0.24)	-	-	-	-	-	(7.19)
Foreign currency translation adjustments	-	0.20	0.04	2.12	-	-	-	-	-	2.36
<b>Balance as at March 31, 2026</b>	<b>319.54</b>	<b>4.89</b>	<b>134.94</b>	<b>726.69</b>	<b>41.46</b>	<b>127.42</b>	<b>45.07</b>	<b>0.26</b>	<b>170.22</b>	<b>1,570.49</b>
<b>III. Carrying Amounts (I-II)</b>										
<b>Balance as at March 31, 2025</b>	<b>686.27</b>	<b>49.85</b>	<b>88.17</b>	<b>725.05</b>	<b>29.72</b>	<b>73.42</b>	<b>66.20</b>	<b>0.01</b>	<b>76.86</b>	<b>1,795.55</b>
<b>Balance as at March 31, 2026</b>	<b>632.75</b>	<b>53.60</b>	<b>75.13</b>	<b>753.84</b>	<b>27.82</b>	<b>63.72</b>	<b>62.08</b>	<b>0.01</b>	<b>94.94</b>	<b>1,763.89</b>

\*relates to building constructed on leasehold land.

Refer note 14 for details of securities offered against working capital facilities.

Cyient DLM Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2026

(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, 2024</b>	<b>315.79</b>	<b>178.35</b>	<b>494.14</b>
Additions	-	-	-
Additions through Business Combination (Note 32)	-	28.98	28.98
Depreciation (refer note 26)	(22.54)	(52.39)	(74.93)
Foreign currency translation adjustments	-	0.59	0.59
<b>For the year ended March 31, 2025</b>	<b>293.25</b>	<b>155.53</b>	<b>448.78</b>
Additions	-	162.33	162.33
Depreciation (refer note 26)	(22.54)	(65.69)	(88.23)
Foreign currency translation adjustments	-	2.29	2.29
<b>For the year ended March 31, 2026</b>	<b>270.71</b>	<b>254.46</b>	<b>525.17</b>

b) Current and non-current lease liabilities:

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	111.43	109.25
Non-current lease liabilities	550.06	465.62
<b>Total</b>	<b>661.49</b>	<b>574.87</b>

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

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Balance at the beginning of the year</b>	<b>574.87</b>	<b>585.56</b>
Additions	162.33	-
Additions through Business Combination (Note 32)	-	41.46
Finance cost accrued during the period (refer note 25)	50.64	54.26
Payment of lease liabilities	(128.93)	(106.89)
Foreign currency translation adjustments	2.58	0.48
<b>Balance at the end of the year</b>	<b>661.49</b>	<b>574.87</b>

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

Particulars	As at March 31, 2026	As at March 31, 2025
Less than one year	127.86	124.49
One to five years	416.24	313.80
More than five years	414.82	463.47
<b>Total</b>	<b>958.93</b>	<b>901.76</b>

The Group 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.

c) The following are the amounts recognised in Profit or Loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of right-of-use assets (refer note: 26)	88.23	74.93
Interest on lease liabilities (refer note: 25)	50.64	54.26
Expense relating to short-term leases (lease term less than 12 months) and low value assets (included in other expenses) (refer note 27)	23.62	9.17
<b>Total</b>	<b>162.49</b>	<b>138.36</b>

3C. Capital work-in-progress (CWIP)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital work-in-progress	21.16	55.60
<b>Total</b>	<b>21.16</b>	<b>55.60</b>

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

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Balance as at March 31, 2026</b>					
Projects in progress	13.22	7.94	-	-	21.16
<b>Total</b>	<b>13.22</b>	<b>7.94</b>	<b>-</b>	<b>-</b>	<b>21.16</b>
<b>Balance as at March 31, 2025</b>					
Projects in progress	47.33	8.27	-	-	55.60
<b>Total</b>	<b>47.33</b>	<b>8.27</b>	<b>-</b>	<b>-</b>	<b>55.60</b>

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

Note 2: There are no projects that are temporarily suspended.

(ii) Movement in carrying amount of capital work-in-progress (CWIP):

Particulars	Amount
<b>Balance as at April 1, 2024</b>	<b>9.51</b>
Additions	431.37
Capitalised	(385.28)
<b>Balance as at March 31, 2025</b>	<b>55.60</b>
Additions	164.30
Capitalised	(198.74)
<b>Balance as at March 31, 2026</b>	<b>21.16</b>

Cyient DLM Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2026

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

4. Goodwill

Particulars	As at	
	March 31, 2026	March 31, 2025
Balance at beginning of year	680.64	30.30
Additions through business combination (Note 32)	-	638.44
Foreign currency transaction adjustments	68.13	11.90
<b>Balance at end of the year*</b>	<b>748.77</b>	<b>680.64</b>

\*Goodwill relates to:

a) **Altek Electronics CGU** - Goodwill acquired on acquisition of Altek Electronics Inc (₹ 718.47), which is tested for impairment on an annual basis. The estimated value-in-use is based on future cash flows (discounted @ 13.6% post tax) for a forecast period of 5 years and terminal growth rate of 2%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates) are based on reasonably probable assumptions and we did not identify any probable scenario in which the recoverable amount of Goodwill would decrease below its carrying amount

b) **India business CGU** - Goodwill relating to Cyient DLM Limited's India business (₹ 30.30). Based on the Group's assessment, the recoverable amount of the CGU exceeds its carrying amount, including the allocated goodwill.

5. Other intangible assets

Particulars	As at	
	March 31, 2026	March 31, 2025
<b>Carrying amount of:</b>		
Computer software	22.17	10.98
Customer contracts and relationships	488.12	523.40
<b>Total</b>	<b>510.29</b>	<b>534.38</b>

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

Particulars	Customer contracts and relationships	Computer software	Total
<b>I. Gross carrying amount</b>			
<b>Balance as at April 1, 2024</b>	-	142.30	142.30
Additions	-	2.34	2.34
Additions through business combination (Note 32)	555.42	-	555.42
Foreign currency translation adjustments	9.17	-	9.17
<b>Balance as at March 31, 2025</b>	<b>564.59</b>	<b>144.64</b>	<b>709.23</b>
Additions	-	23.92	23.92
Foreign currency translation adjustments	58.31	-	58.31
<b>Balance as at March 31, 2026</b>	<b>622.90</b>	<b>168.56</b>	<b>791.46</b>
<b>II. Accumulated amortisation</b>			
<b>Balance as at April 1, 2024</b>	-	119.85	119.85
Amortisation for the year (refer note 26)	41.17	13.81	54.98
Foreign currency translation adjustments	0.02	-	0.02
<b>Balance as at March 31, 2025</b>	<b>41.19</b>	<b>133.66</b>	<b>174.85</b>
Amortisation for the period (refer note 26)	85.08	12.73	97.81
Foreign currency translation adjustments	8.51	-	8.51
<b>Balance as at March 31, 2026</b>	<b>134.78</b>	<b>146.39</b>	<b>281.17</b>
<b>III. Carrying amounts (I-II)</b>			
<b>Balance as at March 31, 2025</b>	<b>523.40</b>	<b>10.98</b>	<b>534.38</b>
<b>Balance as at March 31, 2026</b>	<b>488.12</b>	<b>22.17</b>	<b>510.29</b>

6. Investments

Particulars	As at	
	March 31, 2026	March 31, 2025
<b>Non-Current</b>		
<b>Investments carried at fair value through other comprehensive income (refer note (a) below),</b>		
Equity instruments of other entities (Unquoted)	102.33	309.49
<b>Total</b>	<b>102.33</b>	<b>309.49</b>
<b>Current</b>		
<b>Investment carried at fair value through profit and loss</b>		
Investment in mutual funds (quoted)	200.00	-
<b>Total</b>	<b>200.00</b>	<b>-</b>
<b>Total Investments</b>	<b>302.33</b>	<b>309.49</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 Group. 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, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
<b>Investments carried at fair value through other comprehensive income</b>				
<b>Equity instruments of other entities (fully paid up)(unquoted)</b>				
Mysore ESDM Cluster	31,93,237	3.22	31,93,237	3.22
Stuam Technologies Limited (formerly known as Innovation Communications Systems Limited)	23,42,869	99.11	23,42,869	306.27

Note (b): Loss on fair valuation of investments

Particulars	For the year ended	
	March 31, 2026	March 31, 2025
<b>Measured at fair value through other comprehensive income</b>		
Stuam Technologies Limited (formerly known as Innovation Communications Systems Limited) (refer note 33.1.4)	(207.16)	(352.62)

Note (c): Carrying value of investments

Particulars	As at	
	March 31, 2026	March 31, 2025
Aggregate amount of Investments carried at fair value through other comprehensive income	102.33	309.49
Investment carried at fair value through profit and loss	200.00	-

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**7. Other financial assets**

Particulars	As at	
	March 31, 2026	March 31, 2025
<b>Non-current (at amortised cost)</b>		
<b>Unsecured, considered good</b>		
Security deposits	68.56	68.43
<b>Total</b>	<b>68.56</b>	<b>68.43</b>
<b>Current (at amortised cost)</b>		
<b>Unsecured, considered good</b>		
Security deposits	-	29.60
Interest accrued on deposit accounts	-	80.99
Advance to employees	2.65	3.51
Other receivables	0.12	-
<b>Total</b>	<b>2.77</b>	<b>114.10</b>
<b>Total other financial assets</b>	<b>71.33</b>	<b>182.53</b>

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

Particulars	As at	
	March 31, 2026	March 31, 2025
<b>8A: Non-current :</b>		
Capital advances	326.16	95.02
Prepayments	2.67	2.44
<b>Total</b>	<b>328.83</b>	<b>97.46</b>
<b>8B: Current :</b>		
Prepayments	59.95	26.16
Advance to suppliers	444.46	268.52
Balances with government authorities	271.21	327.44
Other current assets	1.87	15.93
<b>Total</b>	<b>777.49</b>	<b>638.05</b>
<b>Total other assets</b>	<b>1,106.32</b>	<b>735.51</b>

**9. Inventories**

Particulars	As at	
	March 31, 2026	March 31, 2025
Raw materials	5,351.19	4,948.68
Work-in-progress	592.62	413.12
Finished goods	427.68	281.39
Consumables & stores	101.83	69.54
<b>Total</b>	<b>6,473.32</b>	<b>5,712.73</b>

The carrying value is net of provision for slow moving & obsolete inventory of ₹ 515.22 (March 31, 2025 of ₹ 436.10)

Refer note 14 for details of securities offered against working capital facilities.

Inventories include in-transit materials of ₹ 42.59 (March 31, 2025 of ₹ 18.14)

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

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

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Trade receivables</b>		
Unsecured, considered good	3,296.39	3,682.65
Less: Allowance for expected credit loss	(223.27)	(208.68)
	<b>3,073.12</b>	<b>3,473.97</b>
Unsecured, credit impaired	11.59	15.02
Less: Allowance for credit impairment	(11.59)	(15.02)
<b>Total</b>	<b>3,073.12</b>	<b>3,473.97</b>
Trade receivables	3,062.98	3,366.90
Trade receivables from related parties (refer note 30)	10.14	107.07
<b>Total</b>	<b>3,073.12</b>	<b>3,473.97</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 Group 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. Accordingly, the Group creates provision for past due receivables less than 365 days ranging between 1%-30% and 100% for the receivables due beyond 365 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, 2026						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	2,197.13	838.53	67.50	118.10	37.07	38.06	3,296.39
<b>Disputed Trade Receivables</b>							
Credit impaired	-	-	-	-	-	11.59	11.59
<b>Total</b>	<b>2,197.13</b>	<b>838.53</b>	<b>67.50</b>	<b>118.10</b>	<b>37.07</b>	<b>49.65</b>	<b>3,307.98</b>
Less : Allowance for credit impairment and expected credit loss							(234.86)
<b>Balance at the end of the year</b>							<b>3,073.12</b>

Ageing for receivables	As at March 31, 2025						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	2,163.42	1,052.18	212.17	186.41	33.79	34.69	3,682.65
<b>Disputed Trade Receivables</b>							
Credit impaired	-	-	-	-	-	15.02	15.02
<b>Total</b>	<b>2,163.42</b>	<b>1,052.18</b>	<b>212.17</b>	<b>186.41</b>	<b>33.79</b>	<b>49.71</b>	<b>3,697.67</b>
Less : Allowance for credit impairment and expected credit loss							(223.70)
<b>Balance at the end of the year</b>							<b>3,473.97</b>

**Contract Assets (unsecured, considered good):**

As at March 31, 2026, the Group has contract assets of ₹ 438.31 (March 31, 2025: nil) Contract assets represent revenue earned from rendering of services. (refer note 20 & 30)

**Movement in the allowance for expected credit losses**

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	223.70	126.42
Additions through business combinations (refer note 32)	-	20.13
Provision made during the year (net of reversals) (refer note 27)	41.48	121.12
Bad debts written off	(30.39)	(44.57)
Foreign currency translation adjustments	0.07	0.60
<b>Balance at the end of the year</b>	<b>234.86</b>	<b>223.70</b>

No trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

(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, 2026	As at March 31, 2025
Balances with banks		
in current accounts	800.00	471.12
Cash on hand	0.33	0.05
<b>Total</b>	<b>800.33</b>	<b>471.17</b>

**11B. Other bank balances**

Particulars	As at March 31, 2026	As at March 31, 2025
Deposits held as margin money/security for bank guarantees*	91.18	46.84
Deposits in bank with original maturity more than 3 months but less than 12 months**	356.68	2,350.00
Balance in Escrow Accounts	9.81	9.81
<b>Total</b>	<b>457.67</b>	<b>2,406.65</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.

\*\*Balance as at March 31, 2025 includes fixed deposits payable on demand of ₹ 1,550.00 pertaining to money received from issue of shares through Initial Public Offering, which were not required for immediate utilization.

**Note :**

**Changes in liabilities arising from financing activities and non-cash financing activities:**

**For the year ended March 31, 2026:**

Particulars	As at March 31, 2025	Additions / Deletions	Additions through Business Combination	Repayment	Foreign exchange	As at March 31, 2026
Non-current borrowings (including current maturities)	1,772.69	-	-	(813.62)	102.18	1,061.25
Current borrowings (net)*	664.87	823.58	-	(1,522.32)	33.87	-
Lease liabilities	574.87	212.97	-	(128.93)	2.58	661.49
<b>Total liabilities from financing activities</b>	<b>3,012.43</b>	<b>1,036.55</b>	<b>-</b>	<b>(2,464.87)</b>	<b>138.63</b>	<b>1,722.74</b>

**For the year ended March 31, 2025 :**

Particulars	As at March 31, 2024	Additions / Deletions	Additions through Business Combination (Note 32)	Repayment	Foreign exchange	As at March 31, 2025
Non-current borrowings (including current maturities)	995.63	1,028.26	940.46	(1,183.36)	(8.30)	1,772.69
Current borrowings (net)*	340.00	10,080.78	-	(9,758.27)	2.36	664.87
Lease liabilities	585.56	54.26	41.46	(106.89)	0.48	574.87
<b>Total liabilities from financing activities</b>	<b>1,921.19</b>	<b>11,163.30</b>	<b>981.92</b>	<b>(11,048.52)</b>	<b>(5.46)</b>	<b>3,012.43</b>

\*Repayment includes movement on bank overdraft balances.

**Non-cash investing activities:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Acquisition of subsidiary (refer note 32)	-	352.82
Addition of Right-of-use assets (refer note 3B)	162.33	-

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**12. Equity share capital**

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Authorised share capital:</b> 85,000,000 (March 31, 2024 : 85,000,000) equity shares of ₹ 10 each	850.00	850.00
<b>Issued and subscribed capital:</b> 79,364,396 (March 31, 2025: 79,306,124) fully paid up equity shares of ₹ 10 each	793.64	793.06
<b>Total</b>	<b>793.64</b>	<b>793.06</b>

The parent company has neither issued any shares with differential voting rights nor issued any sweat equity shares during the year ended March 31, 2026 and March 31, 2025.

Note:

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	No of shares held	Amount	No of shares held	Amount
Balance as at beginning of the year	7,93,06,124	793.06	7,93,06,124	793.06
Add: Issue of shares	58,272	0.58	-	-
<b>Balance as at end of the year</b>	<b>7,93,64,396</b>	<b>793.64</b>	<b>7,93,06,124</b>	<b>793.06</b>

During the year, the parent company has allotted 58,272 equity shares of ₹ 10 each valuing ₹ 0.58, consequent to the exercise of the stock options by the associates of the parent company under the restricted stock unit plan.

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

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	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 (Ultimate Holding company)	4,13,66,502	52.12%	4,13,66,502	52.16%
HDFC Mutual Fund	77,10,876	9.72%	78,10,329	9.85%
Nippon Life India Trustee Ltd	45,59,287	5.74%	66,46,871	8.38%

As per records of the parent 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, 2025	Change	March 31, 2026		
Cyient Limited (Ultimate Holding company)	4,13,66,502	-	4,13,66,502	52.12%	-0.04%

Name of the promoter	Number of shares			% of Holding of equity shares	% Change during the Year
	March 31, 2024	Change	March 31, 2025		
Cyient Limited (Ultimate Holding company)	5,28,66,000	(1,14,99,498)	4,13,66,502	52.16%	-14.50%

**(D) Rights, preferences and restrictions attached to equity shares:**

The parent company has only one class of equity shares having a par value of ₹ 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 Group in proportion to their shareholding.

**(E) Equity shares issued as bonus during the five years preceding March 31, 2026:**

Pursuant to resolution passed by the directors of the parent company on December 13, 2022 and approved by the extraordinary general meeting held on December 14, 2022, the parent company had 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.

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**(F) Employee Share based expenses:**

(i) Cyient Limited ("Ultimate Holding Company" of the Group) 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 Ultimate 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 Ultimate Holding Company are recharged to respective group companies. In this regard, the Group has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

**Movements in stock options during the year**

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	2,375	490	10,041	490
Forfeited	(1,925)	490	(7,345)	490
Exercised	-	-	(321)	490
Options outstanding at the end of the year	450	490	2,375	490

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.

(ii) Cyient Limited ("Ultimate Holding Company" of the Group) 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. These options vest over a period ranging from one to three years from the date of grant, starting with 30% at the end of first year, 50 % after two years, 20% at the end of third year. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Group has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

**Movements in stock options during the year**

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	88	5	516	5
Exercised	-	-	(428)	5
Options outstanding at the end of the year	88	5	88	5

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.

(iii) Cyient Limited ("Ultimate Holding Company" of the Group) has instituted the ASOP 2021 scheme and also incorporated 'Cyient Associate Stock Option Scheme 2021 Trust' (Trust), whereunder shares were purchased from the stock exchanges through the Trust. KP Corporate Solutions Limited, Corporate Trustee, has been appointed as trustee for this Trust. Shareholders of the Ultimate Holding Company have approved the Scheme and the formation of Trust through postal ballot on February 23, 2021.

During the year ended March 31, 2022, Trust purchased 1,079,000 shares. The options will vest over 3 years from the grant date and the Leadership Nomination and Remuneration Committee will determine the vesting schedule. Vesting in any particular year will not exceed 50% of the total grant. Share based expenses incurred by Ultimate Holding Company are recharged to respective group companies. In this regard, the Group has accounted for share based expenses in the statement of profit and loss and a corresponding liability towards amount payable to Ultimate Holding Company.

**Movements in stock options during the year**

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	28,670	5	39,688	5
Transfer of Employees	(6,000)	5	-	-
Forfeited	-	-	(4,000)	5
Exercised	(13,186)	5	(7,018)	5
Options outstanding at the end of the year	9,484	5	28,670	5

The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 806 - ₹ 983. Dividend yield (%) - 2.6 - 2.9, Expected volatility (%) - 36 - 41.80, Risk-free interest (%) - 5.1 - 6.3, Expected term (in years) - 3 - 4.

(iv) Cyient DLM Limited instituted the restricted stock unit plan 2023 plan earmarking 7,33,800 shares of ₹ 10 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 July 21, 2023 and the shareholders approved the recommendation of Board of Directors on September 9, 2023 through a postal ballot. The RSUs will vest over a period of three years from the date of grant.

**Movements in stock options during the year**

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Options	Weighted average exercise price	No. of Shares	Weighted average exercise price
Options outstanding at the beginning of the year	4,97,300	10	7,33,800	10
Forfeited	(3,08,792)	10	(2,36,500)	10
Exercised	(58,272)	10	-	-
Options outstanding at the end of the year	1,30,236	10	4,97,300	10

The fair value of RSUs granted in the year was March 31, 2026 - Nil, March 31, 2025 - ₹ Nil. The fair value of options were priced using Black Scholes pricing model. Grant date share price - ₹ 634, Dividend yield (%) - 0.5, Expected volatility (%) - 35.60 - 40.40, Risk-free interest (%) - 7, Expected term (in years) - 5.

The total charge for the year relating to employee share based payment plans was March 31, 2026 - ₹ (28.92), March 31, 2025 - ₹ 62.16

Cyient DLM Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2026

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

13. Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
<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	6,888.08	6,892.04
(ii) Exercise of options	35.70	-
(iii) Share issue expenses	-	(3.96)
<b>(iv) As at end of the year</b>	<b>6,923.78</b>	<b>6,888.08</b>
<b>(c) Retained earnings</b>		
(i) As at beginning of the year	2,263.33	1,586.01
(ii) Profit for the year	732.82	680.76
(iii) Measurement of defined benefit liabilities	7.90	(3.44)
<b>(iv) As at end of the year</b>	<b>3,004.05</b>	<b>2,263.33</b>
<b>(d) Share based payments reserve</b>		
(i) As at beginning of the year	107.80	48.05
(ii) Share based payment expenses (refer note 24)	(31.84)	59.75
(iii) Options exercised	(35.70)	-
<b>(iv) As at end of the year</b>	<b>40.26</b>	<b>107.80</b>
<b>(e) Foreign Currency Translation Reserve</b>		
(i) As at beginning of the year	24.08	-
(ii) Additions (net)	124.31	24.08
<b>(iii) As at end of the year</b>	<b>148.39</b>	<b>24.08</b>
<b>(f) Equity instruments through OCI (refer note 6)</b>		
(i) As at beginning of the year	(585.72)	(233.10)
(ii) Fair valuation changes on financial instruments	(207.16)	(352.62)
<b>(iii) As at end of the year</b>	<b>(792.88)</b>	<b>(585.72)</b>
<b>(g) Cash flow hedge reserve</b>		
(i) As at beginning of the year	-	-
(ii) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	0.12	-
<b>(iii) As at end of the year</b>	<b>0.12</b>	<b>-</b>
<b>Total</b>	<b>9,327.44</b>	<b>8,701.29</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.

**(d) Share based payments reserve**

The Share based payments reserve is used to record the value of equity-settled share based payment transactions with employees. The amounts recorded in this account are transferred to Equity upon exercise of stock options by employees.

**(e) Foreign currency translation reserve**

Exchange difference relating to the translation of the Group's foreign operations from their functional currencies to the Group's presentation currency are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve.

**(f) Equity Instruments through OCI**

Represents the cumulative gains and losses arising on fair valuation of the equity instruments measured at fair value through OCI.

**(g) Cash flow hedge reserve**

Represents effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge, net of tax.

**(h) The Utilisation of the net IPO proceeds (net of share issue expenses) is summarised below:**

Particulars	Objects of the issue as per prospectus	Revised cost of Objects*	Utilisation upto March 31, 2026	Unutilised amount as at March 31, 2026
Funding incremental working capital requirements	2,910.90	3,279.37	3,279.37	-
Funding capital expenditure	435.72	67.25	67.25	-
Repayment/prepayment, in part or full, of certain borrowings	1,609.11	1,609.11	1,609.11	-
Achieving inorganic growth through acquisitions	700.00	700.00	700.00	-
General corporate purposes	975.81	975.81	975.81	-
<b>Total</b>	<b>6,631.54</b>	<b>6,631.54</b>	<b>6,631.54</b>	<b>-</b>

\*Reallocation of the IPO proceeds from funding capital expenditure to funding incremental working capital requirements by ₹ 368.47 Million. This has been approved by special resolution dated March 08, 2026.

**Cyient DLM Limited****Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**14. Borrowings - at amortised cost**

Particulars	As at	
	March 31, 2026	March 31, 2025
<b>Non-current</b>		
<b>Unsecured</b>		
Term loan from related party (refer note 30)	-	497.81
Term loans from banks	778.25	982.25
<b>Total</b>	<b>778.25</b>	<b>1,480.06</b>
<b>Current</b>		
<b>Unsecured</b>		
Term Loan from related party - Current maturities of non-current borrowings	-	248.91
Working capital loans from banks	-	150.00
Term loans from banks - Current maturities of non-current borrowings	283.00	43.72
<b>Secured</b>		
Working capital loans from banks	-	514.87
<b>Total</b>	<b>283.00</b>	<b>957.50</b>
<b>Total borrowings</b>	<b>1,061.25</b>	<b>2,437.56</b>

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

The Group had obtained a term loan of ₹1,000.00 from Cyient Limited for capital expenditure purposes, disbursed in multiple tranches commencing from February 2019. Originally, the loan was scheduled to be repaid in 16 equal quarterly instalments starting from June 2023 for each tranche.

During the financial year 2022–23, the Group renewed the term loan agreement with Cyient Limited. As per the terms of the renewed agreement, the repayment of the loan was rescheduled to commence from June 2024 in 16 equal quarterly instalments. Additionally, it was agreed that the interest accrued on the loan as of March 31, 2024, would be repaid proportionately along with the principal repayments. However, the entire accrued interest up to March 31, 2024, was subsequently paid in full during previous year.

During the current financial year, the Group has fully repaid the term loan obtained from Cyient Limited, including repayment of all outstanding principal amounts along with the applicable interest. The repayment was made in advance of the scheduled repayment terms, as per the terms of the loan agreement, there were no prepayment penalties, charges, or other obligations associated with such early repayment. Consequently, there is no outstanding balance payable towards the said term loan as at the end of the reporting period.

The outstanding balance of the term loan stood at Nil as on March 31, 2026, compared to ₹ 746.72 as on March 31, 2025 (interest rate: 7.80% p.a.). There has been no default in the repayment of principal or interest obligations.

**b. Term loan from banks:**

During the financial year 2024–25, Cyient DLM Inc. availed a term loan facility from Citibank amounting to ₹1,025.97 (USD 12 million). Under the original terms, the loan was repayable in quarterly instalments of ₹43.72 (USD 0.51 million), commencing on March 26, 2026, with the final instalment due on September 26, 2029, together with a bullet repayment of ₹ 413.89 (USD 4.84 million). The loan carried an interest rate based on the three-month Term Secured Overnight Financing Rate (Term SOFR) plus a margin of 1.76%.

The loan agreement was subsequently amended on March 23, 2026. Pursuant to the amended terms, repayment continues to commence on March 26, 2026; however, the quarterly instalment amount has been revised to ₹70.50 (USD 0.75 million), and the final instalment is now due on December 26, 2029. The facility is secured by a corporate guarantee provided by Cyient DLM Limited. Additionally, the applicable interest rate has been revised to three-month Term SOFR plus a reduced margin of 1.5%.

The outstanding balance of the term loan stood at ₹1,061.25 (USD 11.25 million) as at March 31, 2026, compared to ₹1,025.97 (USD 12 million) as at March 31, 2025.

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

i. The Group has availed the following:

Particulars	March 31, 2026	March 31, 2025
<b>Working capital loan (repayable on demand)</b>		
Loan outstanding	-	150.16
Range of interest	-	7.65% - 9.00%
<b>Packing credit facility</b>		
Loan outstanding	-	514.71
Range of interest	-	5.67% - 6.00%

**Security terms for working capital loans from banks:**

- First pari-passu charge on present and future current assets including inventory and trade receivables of the parent company.
  - Second pari-passu charge on all existing and future movable fixed assets of the parent company.
  - The quarterly returns or statements of current assets filed by the parent company with banks are in agreement with the books of accounts.
- Refer note 32.2 C. for unutilised credit limits available with the Group.

Cyient DLM Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2026

(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, 2026	As at March 31, 2025
<b>Non-Current</b>		
(at fair value through profit or loss)		
Liability towards acquisition of business	-	94.63
<b>Total</b>	-	<b>94.63</b>
<b>Current</b>		
(at amortised cost)		
Liabilities under supplier finance arrangements*	327.32	-
Accrued salaries and wages	116.68	131.00
Capital creditors	5.02	41.11
Interest accrued but not due on borrowings	-	13.91
Others	19.03	50.59
(at fair value through profit or loss)		
Liability towards acquisition of business	179.89	174.19
<b>Total</b>	<b>647.94</b>	<b>410.80</b>

\* The Group has entered into supplier finance arrangements through the Trade Receivables Discounting System (TReDS) platform. Under these arrangements, participating financiers settle approved invoices of suppliers earlier, and the Group undertakes to pay the financiers the invoice amount on the revised due date agreed under the arrangement. These arrangements do not involve the Group providing guarantees or collateral to the financiers.

There were no significant non-cash changes in the carrying amount included in the Group's supplier finance arrangement.

The entire balance represents financial liabilities in respect of which suppliers have already received payment from finance providers under the supplier finance arrangements.

The range of payment due dates for financial liabilities under supplier finance arrangements is between 30 to 90 days

There were no significant non-cash changes in the carrying amount included in the Group's supplier finance arrangement.

16. Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity (refer note 29)	56.74	66.92
Compensated absences	90.75	115.06
<b>Total provisions</b>	<b>147.49</b>	<b>181.98</b>
<b>Non-current:</b>		
Gratuity	56.74	66.92
<b>Total</b>	<b>56.74</b>	<b>66.92</b>
<b>Current:</b>		
Compensated absences	90.75	115.06
<b>Total</b>	<b>90.75</b>	<b>115.06</b>

Refer note 24 for the Group's assessment of the impact of changes in labour code.

17. Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
(at amortised cost)		
(i) total outstanding dues of micro enterprises and small enterprises (MSME)	22.39	41.63
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	2,710.75	2,457.20
<b>Total</b>	<b>2,733.14</b>	<b>2,498.83</b>
Trade Payables	2,131.78	1,860.20
Trade Payables to related parties (refer note 30)	601.36	638.63
<b>Total</b>	<b>2,733.14</b>	<b>2,498.83</b>

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

Ageing for trade payable	As at March 31, 2026						Total
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Dues to MSME	-	20.64	1.75	-	-	-	22.39
Dues to other than MSME	650.06	846.85	1,098.20	23.89	11.89	79.86	2,710.75
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>650.06</b>	<b>867.49</b>	<b>1,099.95</b>	<b>23.89</b>	<b>11.89</b>	<b>79.86</b>	<b>2,733.14</b>

Ageing for trade payable	As at March 31, 2025						Total
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Dues to MSME	-	38.83	2.80	-	-	-	41.63
Dues to other than MSME	288.05	839.06	770.54	297.51	262.04	-	2,457.20
Disputed dues - Dues to MSME	-	-	-	-	-	-	-
Disputed dues - Dues to other than MSME	-	-	-	-	-	-	-
<b>Balance at the end of the year</b>	<b>288.05</b>	<b>877.89</b>	<b>773.34</b>	<b>297.51</b>	<b>262.04</b>	<b>-</b>	<b>2,498.83</b>

18. Other liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Current</b>		
Advance from customers (refer note 20 & 30)	768.85	994.78
Unearned revenues (refer note 20)	190.21	141.83
Statutory remittances	35.21	24.19
<b>Total</b>	<b>994.27</b>	<b>1,160.80</b>

Cyient DLM Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2026

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

19. Income taxes

19.1 Tax Expense

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Current tax</b>		
In respect of the current period	192.85	309.13
	<b>192.85</b>	<b>309.13</b>
<b>Deferred tax expense/(credit):</b>		
In respect of the current period	5.94	(72.65)
	<b>5.94</b>	<b>(72.65)</b>
<b>Total</b>	<b>198.79</b>	<b>236.48</b>

B. Income tax recognised in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Items that will not be reclassified to profit or loss</b>		
Tax effect on remeasurements of the net defined benefit liability	(2.66)	1.16
<b>Total</b>	<b>(2.66)</b>	<b>1.16</b>

C. Reconciliation of tax expense and tax based on accounting profit

The following is the reconciliation of the Group's effective tax rate:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Profit before tax</b>	<b>931.61</b>	<b>917.24</b>
Enacted rate in India	25.17%	25.17%
<b>Computed expected tax expense</b>	<b>234.49</b>	<b>230.87</b>
<b>Tax effect of adjustments to reconcile expected tax expense:</b>		
Expenses that are not deductible in determining taxable profit	12.14	3.90
Income exempted for tax purposes	(49.27)	-
Effect of different tax rates of subsidiaries operating in other jurisdictions	1.43	1.71
<b>Income tax expense</b>	<b>198.79</b>	<b>236.48</b>

19.2. 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, 2026	As at March 31, 2025
<b>Deferred tax assets</b>		
Allowance for expected credit loss	58.77	53.16
Section 43B disallowances	19.97	52.33
Lease liabilities (refer note 3B)	168.53	145.73
Others	29.54	21.74
<b>Total (A)</b>	<b>276.81</b>	<b>272.96</b>
<b>Deferred tax liabilities</b>		
Property, plant and equipment and Intangible assets	(13.44)	(27.15)
Right of use assets (refer note 3B)	(133.52)	(113.68)
<b>Total (B)</b>	<b>(146.96)</b>	<b>(140.83)</b>
<b>Deferred tax asset, net (A+B)</b>	<b>129.85</b>	<b>132.13</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 (refer note 3B)	Provision for doubtful debts	Lease Liabilities (refer note 3B)	Others	Total
<b>Balance as at April 1, 2024</b>	<b>(30.84)</b>	<b>34.76</b>	<b>(124.45)</b>	<b>31.82</b>	<b>147.37</b>	-	<b>58.66</b>
Recognised in P&L during the year	3.71	16.72	10.75	21.34	(1.62)	21.75	72.65
Recognised in OCI during the year	-	1.16	-	-	-	-	1.16
Foreign currency translation adjustments	(0.02)	(0.31)	0.02	-	(0.02)	(0.01)	(0.34)
<b>Balance as at March 31, 2025</b>	<b>(27.15)</b>	<b>52.33</b>	<b>(113.68)</b>	<b>53.16</b>	<b>145.73</b>	<b>21.74</b>	<b>132.13</b>
Recognised in P&L during the year	15.77	(36.32)	(26.95)	5.61	29.10	6.85	(5.94)
Recognised in OCI during the year	-	(2.66)	-	-	-	-	(2.66)
Foreign currency translation adjustments	(2.06)	6.62	7.11	0.00	(6.30)	0.95	6.32
<b>Balance as at March 31, 2026</b>	<b>(13.44)</b>	<b>19.97</b>	<b>(133.52)</b>	<b>58.77</b>	<b>168.53</b>	<b>29.54</b>	<b>129.85</b>

Deferred tax asset has not been recognized on loss on fair valuation of investments of ₹ 792.88 as at March 31, 2026 (March 31, 2025: ₹ 585.72) as it is not probable that future taxable profit will be available against which such capital loss can be utilized in the foreseeable future.

19.3. Income tax assets and liabilities

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

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Income tax liabilities, net</b>		
Income tax payable	55.20	85.31

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**20. Revenue from operations**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from sale of products	11,604.34	14,746.88
Revenue from rendering of services	1,010.51	449.38
<b>Total</b>	<b>12,614.85</b>	<b>15,196.26</b>

**1. Disaggregated revenue information**

The table below presents disaggregated revenues from contracts with customers by contract type and geography. The Group 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, 2026	For the year ended March 31, 2025
<b>Type of goods or service</b>		
Sale of printed circuit boards and related products	11,604.34	14,746.88
Designing services, job work charges and other services	1,010.51	449.38
<b>Total</b>	<b>12,614.85</b>	<b>15,196.26</b>
<b>Based on geographical location of customers</b>		
India	1,218.90	7,256.92
APAC (Excluding India)	464.59	270.60
NAM	6,866.32	3,906.97
EMEA	4,065.04	3,761.77
<b>Total</b>	<b>12,614.85</b>	<b>15,196.26</b>
<b>Timing of revenue recognition</b>		
Goods transferred at a point in time	11,604.34	14,746.88
Services transferred over time	1,010.51	449.38
<b>Total</b>	<b>12,614.85</b>	<b>15,196.26</b>

**2. Trade receivables and contract balances**

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	3,073.12	3,473.97
Contract assets	438.31	-
Unearned revenue (Contract liabilities)	190.21	141.83
Advance from customers (Contract liabilities)	768.85	994.78

**Amount of revenue recognised from contract liabilities as at the beginning of the year:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Unearned revenue (Contract liabilities)	86.57	196.76
Advance from customers (Contract liabilities)	560.10	642.26

**3. Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	12,653.25	15,214.34
<b>Adjustments</b>		
Variable consideration	(23.99)	-
Discounts	(14.41)	(18.08)
<b>Revenue from operations</b>	<b>12,614.85</b>	<b>15,196.26</b>

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 Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Group 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, 2026	For the year ended March 31, 2025
<b>Interest income on financial assets carried at amortised cost</b>		
Deposits with Banks	168.98	247.72
	<b>168.98</b>	<b>247.72</b>
<b>Other non-operating income</b>		
Export incentives	21.77	18.75
Profit / (loss) on disposal of property, plant and equipment (net)	(2.06)	(0.04)
Miscellaneous income	10.36	21.15
	<b>30.07</b>	<b>39.86</b>
<b>Other gains and losses</b>		
Gain on fair valuation of financial liability towards acquisition of business	195.75	-
Foreign exchange gain / (loss) (net)	(32.17)	(26.01)
	<b>163.58</b>	<b>(26.01)</b>
<b>Total</b>	<b>362.63</b>	<b>261.57</b>

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

(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, 2026	For the year ended March 31, 2025
Inventory at the beginning of the year	4,948.68	3,981.45
Additions through Business Combinations (refer note 32)	-	660.37
Add: Purchases	8,250.41	11,176.26
Less: Inventory at the end of the year	(5,351.19)	(4,948.68)
<b>Total</b>	<b>7,847.90</b>	<b>10,869.40</b>

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
<b>Opening balance:</b>		
Finished goods	281.39	226.93
Work-in-progress	413.12	396.17
	<b>694.51</b>	<b>623.10</b>
<b>Additions through Business Combinations:</b>		
Finished goods	-	64.17
Work-in-progress	-	219.78
	<b>-</b>	<b>283.95</b>
<b>Closing balance:</b>		
Finished goods	427.68	281.39
Work-in-progress	592.62	413.12
	<b>1,020.30</b>	<b>694.51</b>
<b>Net Decrease / (Increase) in inventory:</b>		
Finished goods	(146.29)	9.71
Work-in-progress	(179.50)	202.83
<b>Total</b>	<b>(325.79)</b>	<b>212.54</b>

**24. Employee benefits expense**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries and wages, including bonus	1,939.33	1,580.40
Contribution to provident and other funds	73.35	72.53
Share based payment expenses (refer note 12 & note 13)*	(28.92)	62.16
Staff welfare expenses	284.02	147.09
<b>Total</b>	<b>2,267.78</b>	<b>1,862.18</b>

\* includes expenses recharged from Ultimate Holding Company (refer note 30)

On 21 November 2025, the Central Government issued four separate notifications in the Official Gazette announcing implementation of four Labour Codes, viz., the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020. These four codes replace and consolidate 29 existing labour laws. Following the implementation of the four labour codes, the Central Government has pre-published the draft rules on 31 December 2025 under the respective Labour Codes, for public comment and the final rules are expected to be notified in due course. To ensure smooth implementation, the Ministry of Labour and Employment has also issued the Frequently Asked Questions (FAQs) on the four codes.

The four codes prescribe an inclusive definition of the term 'wages', which among other matters is relevant for determination of post-employment benefits including gratuity to all employees. In accordance with the definition, certain specified items forming part of remuneration are not included in the wages and these excluded items cannot exceed 50% of total remuneration. If there is an excess, then it is presumed that excess amount also forms part of wages. The four codes also introduce changes related to leave entitlement and encashment for workers. Going forward, workers' leave balance in excess of 30 days will be encashed at the end of each calendar year and workers will have a right to demand encashment for entire leave.

The Group has assessed the impact of these changes on the basis of legal view obtained by the management and the best information available till authorisation of the financial statements for issue. The Group has determined that these changes result in an increase in gratuity obligation and leave obligation of ₹ 12.82 and ₹ 4.45, respectively. The Group has presented increase in obligation as an expense under the head "Employee Benefit Expense" in the standalone statement of profit and loss for the year ended 31 March 2026. Considering that it is emerging topic and the finalisation of Central/ State Rules is still pending, the Group will continue monitoring changes and provide appropriate accounting effect as required based on future developments.

**25. Finance costs**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense -		
Interest on borrowings from banks	108.76	181.64
Interest on borrowings from related parties (refer note 30)	14.43	74.93
Interest on others	91.83	55.17
Interest on lease liabilities (refer note 3B)	50.64	54.26
Other borrowing costs	6.03	9.45
<b>Total</b>	<b>271.69</b>	<b>375.45</b>

**26. Depreciation and amortisation expense**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation of property, plant and equipment (refer note 3A)	241.48	210.71
Depreciation of right-of-use assets (refer note 3B)	88.23	74.93
Amortisation of intangible assets (refer note 5)	97.81	54.98
<b>Total</b>	<b>427.52</b>	<b>340.62</b>

**Cyient DLM Limited****Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**27. Other expenses**

Particulars	As at	
	March 31, 2026	March 31, 2025
Rent including lease rental (refer note no: 3B)	23.62	9.17
Rates and taxes	15.07	13.31
Insurance	68.28	47.91
Stores and spares consumed	166.42	113.04
Freight outwards	93.97	56.21
Travelling and conveyance	40.40	50.94
Communication	8.33	7.66
Printing and stationery	3.65	3.30
Power and fuel	84.38	66.64
Sub-contracting charges	612.92	-
Marketing expenses	7.04	19.57
Repairs and maintenance		
- Machinery	24.16	17.98
- Others	122.87	88.89
Legal and professional charges	116.92	143.08
Expenditure for Corporate Social Responsibility	16.14	11.66
Provision for expected credit loss (net of write off) (refer note 10)	41.48	121.12
Auditor's remuneration	5.72	7.16
Training and development	4.79	5.24
Miscellaneous expenses	100.61	97.52
<b>Total</b>	<b>1,556.77</b>	<b>880.40</b>

**28. Contingent liabilities and Commitments**

Particulars	As at	
	March 31, 2026	March 31, 2025
<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)	78.25	293.97
<b>Total</b>	<b>78.25</b>	<b>293.97</b>

**29. Employee benefits:**

The employee benefit schemes are as under:

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

The parent company makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the parent 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 parent 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 2026 : ₹ 37.50

ii. Year ended March 2025 : ₹ 34.78

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**2 Defined Benefit Plans**

**i. Gratuity:**

In accordance with the 'Payment of Gratuity Act, 1972' of India, the parent 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 parent 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, 2026	For the year ended March 31, 2025
Discount rate (%)	7.13%	6.70%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years

The following table sets out the defined benefit costs as per actuarial valuation:

Amounts recognised in statement of profit and loss in respect of these defined benefit plans are as follows:	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	16.84	12.68
Past service cost	12.82	1.17
<b>Net interest cost</b>		
Interest expense on defined benefit obligation	9.99	8.54
Interest income on plan assets	(5.50)	(3.28)
<b>Defined benefit cost included in P&amp;L</b>	<b>34.15</b>	<b>19.11</b>

Remeasurement effects recognised in Other Comprehensive Income	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial (Gain) / Loss due to demographic assumptions change in defined benefit obligation	-	-
Actuarial (Gain) / Loss due to Financial assumptions change in defined benefit obligation	(5.95)	5.84
Actuarial (Gain) / Loss due to Experience on defined benefit obligation	(2.57)	0.81
Return on plan assets (Greater)/Less than discount rate	(2.04)	(2.05)
<b>Components of defined benefit costs recognised in Other Comprehensive Income</b>	<b>(10.56)</b>	<b>4.60</b>

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

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of funded defined benefit obligation	168.18	149.06
Fair value of plan assets	(111.44)	(82.14)
<b>Net liability arising from defined benefit obligation</b>	<b>56.74</b>	<b>66.92</b>

Movement in the present value of the defined benefit obligation	For the year ended March 31, 2026	For the year ended March 31, 2025
Projected benefit obligation at the beginning of the year	149.06	125.54
Current service cost	16.84	12.68
Past service cost	12.82	1.17
Interest cost	9.99	8.54
Transfers	(1.47)	(0.61)
Actuarial loss/(gain)	(8.52)	6.66
Benefits paid	(10.54)	(4.92)
<b>Defined benefit obligation at the end of the year</b>	<b>168.18</b>	<b>149.06</b>

Change in Plan assets	For the year ended March 31, 2026	For the year ended March 31, 2025
Plan assets at the beginning of the year	82.14	45.61
Return on plan assets	5.50	3.28
Employer contribution	32.30	36.11
Benefits paid	(10.54)	(4.92)
Asset (loss)/Gain	2.04	2.06
<b>Plan Assets at the end of the year</b>	<b>111.44</b>	<b>82.14</b>

The average rate of increase in compensation levels is determined by the parent company, considering factors such as, the parent 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.

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**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, 2026		As at March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(7.52)	8.61	(7.86)	9.03
Future salary growth (1% movement)	7.40	(6.96)	7.99	(7.34)

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

Particulars	As at March 31, 2026	As at March 31, 2025
Within 1 year	15.19	10.06
1-2 year	11.43	12.78
2-3 year	16.30	10.40
3-4 year	15.73	14.52
4-5 year	11.91	14.92
5-10 year	71.37	64.22
Payouts above 10 years	189.48	168.75

The expected contribution to the plan with in 1 year is INR 10.06

**ii. Assumptions for compensated absences:**

**a) Compensated absences – India:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate (%)	7.13%	6.70%
Salary increase rate (%)	10.00%	10.00%
Attrition (%)	8.00%	8.00%
In Service Encashment (%)	5.00%	5.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years
The average duration of the defined benefit plan obligation at the end of the reporting period	9.58 years	9.71 years

**b) Compensated absences – Overseas subsidiaries:**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate (%)	4.45% - 4.60%	4.59% - 4.85%
Salary increase rate (%)	5.00%	5.00%
Attrition (%)	5% - 8%	8.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years
The average duration of the defined benefit plan obligation at the end of the reporting period	6.53 years - 7.27 years	2.18 years - 6.65 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 Group'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 Group, considering factors such as, the Group's past compensation revision trends and management's estimate of future salary increases.

**iii. 401 (K) benefit plan:**

Altek Electronics Inc, provides a defined contribution plan benefit through 401(K) benefit plan to all of its eligible employees. The plan is administered by Altek Electronics Inc, while the trustee for the plan is an external agency. The contribution from Altek Electronics Inc, is at the discretion of the Board of Directors. The monthly contributions are charged to the consolidated statement of profit and loss in the period they are incurred. Total expense recognised during the year aggregated ₹ 26.88 (March 31, 2025: ₹ 13.65). The amount payable towards 401(K) benefit plan as at March 31, 2026 is ₹ 12.28 (March 31, 2025: ₹ 0.19)

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

(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 Group is given below:**

Name of the related party	Country of Incorporation	Nature of relationship
Cyient Limited	India	Ultimate Holding company
Cyient DLM Inc., USA	USA	Wholly owned subsidiary
Altek Electronics Inc. (w.e.f October 04, 2024)	USA	Wholly owned subsidiary
Name of other related party	Country of Incorporation	Nature of relationship
Cyient Inc.	USA	Fellow subsidiary
Cyient GmbH	Germany	Fellow subsidiary
Cyient Schweiz GmbH	Switzerland	Fellow subsidiary
Cyient Singapore Pte Limited	Singapore	Fellow subsidiary
Cyient Israel India Limited	Isreal	Fellow subsidiary
Cyient Europe Limited	UK	Fellow subsidiary
Cyient K.K	Japan	Fellow subsidiary
Cyient Foundation	India	Entity with common KMP
Name of Key Managerial Personnel:	Nature of relationship	
BVR Mohan Reddy	Non-Executive Director, Non-Independent Director	
Ganesh Venkat Krishna Bodanapu	Chairman, Non-Executive Director, Non Independent Director	
Rajendra Velagapudi (Chief Executive Officer w.e.f July 01, 2025)	Chief Executive Officer and Managing Director	
Jehangir Ardeshir	Independent Director	
Vanitha Datla	Independent Director	
Yadama Muralidhar	Independent Director	
Ganesh Natarajan ( w.e.f October 14, 2025)	Independent Director	
Giridhar Aramane ( w.e.f November 26, 2025)	Independent Director	
Pillutla Madan Mohan (resigned w.e.f August 18, 2025)	Independent Director	
Ajay Kumar (resigned w.e.f May 15, 2025)	Independent Director	
Anthony Montalbano (resigned w.e.f May 08, 2025)	Chief Executive officer (CEO)	
Subramanian RM ( w.e.f October 24, 2025)	Chief Financial officer (CFO)	
Shrinivas Kulkarni (resigned w.e.f October 24, 2025)	Chief Financial officer (CFO)	
Krithika S	Company Secretary	

**(ii) Transactions during the year:**

Nature of the transaction	Party name	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	Cyient GmbH	63.47	-
	Cyient Inc.	39.27	-
	Cyient Limited	15.03	4.57
Services availed	Cyient Limited	-	62.40
Sub-contracting charges	Cyient Limited	537.56	-
Reimbursement of expenses to (net)	Cyient Limited	33.77	27.07
	Cyient Europe Ltd	-	22.19
	Cyient Inc.	0.01	18.76
	Cyient GmbH	16.88	10.16
	Cyient Israel	-	4.35
	Cyient K.K	0.57	0.34
Financial guarantee closure	Cyient Limited	4,470.00	-
Share based payment expenses	Cyient Limited	2.86	2.41
Purchase of property, plant and equipment	Cyient Limited	-	0.27
Working capital loan repaid to	Cyient Limited	-	340.00
Term loan repaid to	Cyient Limited	746.72	248.91
Interest on loans from	Cyient Limited	14.43	74.93
CSR Expenditure	Cyient Foundation	16.14	11.66

**Compensation to Key Managerial Personnel (Note 1)**

Nature of the transaction	Party name	For the year ended March 31, 2026	For the year ended March 31, 2025
Short-term benefits	Key Managerial Personnel#1 & 2	131.62	111.15
Share based payment expenses		5.54	66.77
Commission and other benefits	Non-executive and Non-independent/ independent directors	7.40	6.00

#1 Executive officers include Rajendra Velagapudi, Shrinivas Kulkarni, Anthony Montalbano, Subramanian RM and Krithika S.

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

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

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

Nature of the transaction	Party name	As at March 31, 2026	As at March 31, 2025
Trade Receivables	Cyient Limited	-	62.00
	Cyient Inc.	9.62	44.62
	Cyient GmbH	0.52	0.45
Contract Assets	Cyient Inc.	3.94	-
	Cyient Limited	2.33	-
	Cyient GmbH	63.47	-
Trade Payables	Cyient Inc.	92.81	351.17
	Cyient Limited	442.12	123.73
	Cyient Israel India Limited	48.90	45.40
	Cyient Europe Limited	-	34.87
	Cyient GmbH	17.53	33.05
	Cyient Singapore Pte Limited	-	31.83
	Cyient Schweiz GmbH	-	18.24
	Cyient Japan	-	0.34
Advance from customer	Cyient Limited	7.20	7.20
	Cyient Israel India Limited	6.19	-
Financial guarantee given by	Cyient Limited	-	4,470.00
Borrowings - Terms Loans Outstanding	Cyient Limited	-	746.72
Short-term benefits payable	Key Managerial Personnel	3.88	17.20
Commission and other benefits	Non-executive and Non-independent/ independent	6.60	6.00

The Group's related party transactions during the year ended March 31, 2026 and March 31, 2025 and outstanding balances as at March 31, 2026 and March 31, 2025 are with its ultimate holding company and fellow subsidiaries with whom the Group generally enters into transactions which are at arms length and in the ordinary course of business.

**31. Earnings per share**

Particulars	As at March 31, 2026	As at March 31, 2025
Profit/(loss) for the year for basic and diluted EPS	732.82	680.76
<b>Basic EPS:</b>		
Number of equity shares outstanding at the beginning of year (refer note 12)	7,93,06,124	7,93,06,124
RSUs exercised	58,272	-
Weighted average number of equity shares of RSUs exercised	48,026	-
Weighted average number of equity shares	7,93,54,150	7,93,06,124
<b>Basic Earnings per share (₹)</b>	<b>9.23</b>	<b>8.58</b>
<b>Diluted EPS:</b>		
Weighted average number of equity shares for basic EPS	7,93,54,150	7,93,06,124
Effect of potential equity shares on stock options	45,063	2,59,343
Weighted average number of equity shares adjusted for effect of dilution	7,93,99,213	7,95,65,467
<b>Diluted Earnings per share (₹)</b>	<b>9.23</b>	<b>8.56</b>

**32. Business Combinations**

**Business combinations during the year ended March 31, 2025:**

On October 04, 2024, the Company through its wholly owned subsidiary Cyient DLM Inc., USA entered into Share Purchase Agreement with Altschuler Holdings, Inc. and acquired 100% of the shares of Altek Electronics Inc, USA ('Altek'), an electronic manufacturing services provider in the United States, for a consideration of ₹ 1,537.30, consisting of an upfront cash payment of ₹ 1,184.48 (post working capital adjustments) and performance based contingent payments of ₹ 352.82. Further, the Group has repaid shareholders loan of ₹ 940.46 to the sellers.. Altek became a subsidiary of Cyient DLM Inc.,USA effective October 04, 2024 on satisfactory completion of the closing conditions under the SPA and has been consolidated with effect from that date.

Altek is a Connecticut-based electronic manufacturing services provider which assembles printed circuit board (PCB) and box builds for medical, industrial/commercial, aerospace, defence, telecommunications, and transportation industries. It offers PCB assembly, SMT assembly, through hole, BGA, automated optical inspection, wire and cable harness, selective solder, wave soldering, test, leadless device placement, conformal coating and potting, burn-in, high voltage soldering, traceability, and mechanical assembly solutions.

The fair value of net assets acquired (including intangible assets) as of the acquisition date amounted to ₹ 898.86 (total assets of ₹ 2,322.88 & total liabilities of ₹ 1424.02). The excess of the purchase consideration over the fair value of net assets has been recognized as goodwill. The goodwill, amounting to ₹ 638.44 is attributable to the assembled workforce and the expected future profitability of the acquired business. Goodwill arising from the acquisition is not deductible for tax purposes. The identified intangible assets are amortized over their estimated useful lives, ranging from 3 to 10 years, based on management's assessment of the period over which the associated economic benefits are expected to be realized.

The fair value of the contingent consideration, recognised on the acquisition date is determined by discounting the estimated amount payable to the previous owners on achievement of certain financial targets applying the discounted cash flow approach. The key inputs used for the estimation of fair values are discount rate of 13.9% and probabilities of achievement of financial targets.

There are no business combinations during the year ended March 31, 2026.

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**33. Financial Instruments**

**33.1 Capital management**

The Group manages its capital to ensure that it maximises the return to stakeholders through the optimisation of the capital structure. The Group monitors the return on capital. In order to optimise the Group'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.

**33.1.1 Gearing ratio**

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

Particulars	As at	
	March 31, 2026	March 31, 2025
Borrowings*	1,061.25	2,437.56
Less: Cash and bank balances***	(1,258.00)	(1,318.01)
<b>Net debt</b>	<b>(196.75)</b>	<b>1,119.55</b>
<b>Total equity**</b>	<b>10,121.08</b>	<b>9,494.35</b>
<b>Total equity and net debt</b>	<b>9,924.33</b>	<b>10,613.90</b>
<b>Net debt to equity</b>	<b>-</b>	<b>11%</b>

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

\*\*Total equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group. (refer note 12 and 13)

\*\*\* For the year ended March 31, 2025, the cash and bank balances does not include money received from issue of shares through Initial Public Offering of ₹ 1,559.81

There have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 & March 31, 2025.

**33.1.2 : Fair value Measurement**

The carrying value of financial assets and financial liabilities by categories is as follows:

Particulars	Carrying value as at	
	March 31, 2026	March 31, 2025
<b>Financial assets:</b>		
<b>Amortised cost</b>		
Trade receivables	3,073.12	3,473.97
Cash and cash equivalents	800.33	471.17
Other bank balances	457.67	2,406.65
Other financial assets	71.33	182.53
<b>Total</b>	<b>4,402.45</b>	<b>6,534.32</b>
<b>Fair value through other comprehensive income</b>		
Investments in other equity instruments (unquoted)	102.33	309.49
<b>Total</b>	<b>102.33</b>	<b>309.49</b>
<b>Investment carried at fair value through profit and loss</b>		
Investment in mutual funds (quoted)	200.00	-
<b>Total</b>	<b>200.00</b>	<b>-</b>
<b>Total financial assets</b>	<b>4,704.78</b>	<b>6,843.81</b>
<b>Financial liabilities:</b>		
<b>Amortised cost</b>		
Borrowings*	1,061.25	2,437.56
Trade payables	2,733.14	2,498.83
Lease liabilities	661.49	574.87
Other financial liabilities	468.05	236.61
<b>Total</b>	<b>4,923.93</b>	<b>5,747.87</b>
<b>Fair value through statement of profit and loss</b>		
Liability towards acquisition of business	179.89	268.82
<b>Total</b>	<b>179.89</b>	<b>268.82</b>
<b>Total financial liabilities</b>	<b>5,103.82</b>	<b>6,016.69</b>

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

The management assessed that fair value of cash and cash equivalents and other bank balances, trade receivables, other financial assets, Borrowings, trade payables, and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments, and hence these are carried at amortised cost. Carrying value of unquoted instruments 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) and mutual funds (quoted) are measured at fair value through initial designation in accordance with Ind-AS 109.

Liability towards acquisition of business is measured mandatorily at fair value through statement of profit and loss.

**33.1.3 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)

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

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

Particulars	As at	
	March 31, 2026	March 31, 2025
<b>Level 1</b>		
Investment in mutual funds (quoted)	200.00	-
<b>Level 3</b>		
Investments in other equity instruments (unquoted)	102.33	309.49
Liability towards acquisition of business	179.89	268.82

The fair values of the unquoted equity instruments and liability towards acquisition of business 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 and liability towards acquisition of business.

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

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

**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.

Particulars	Fair Value		Significant unobservable inputs	Valuation Process	Sensitivity of the inputs to fair value
	March 31, 2026	March 31, 2025			
Investments in other equity instruments (unquoted)	102.33	309.49	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.	March 31, 2026 - 5% increase or decrease in the earnings growth rate would result in increase (decrease) in fair value by ₹ 34.62 (₹ 21.71) March 31, 2025 - 5% increase or decrease in the earnings growth rate would result in increase (decrease) in fair value by ₹ 40.42 (₹ 36.81)
			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.	March 31, 2026 - 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹ 8.69 (₹ 10.04) March 31, 2025 - 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹ 22.60 (₹ 25.81)
Liability towards acquisition of business	179.89	268.82	Earnings cash flows	Estimate of cash outflows are based on forecasted sales and entity's knowledge of the business and how the current economic environment is likely to impact.	March 31, 2026 - 5% increase or decrease in the earnings cash flows would result in increase (decrease) in fair value by ₹ 8.99 (₹ 8.99) March 31, 2025 - 5% increase or decrease in the earnings cash flows would result in increase (decrease) in fair value by ₹ 69.40 (₹ 69.40)
			Discount rate	Discount rate is the current average borrowing cost that a market participant would expect to pay to obtain its debt financing based on the assumed capital structure.	March 31, 2026 - 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹ 0.79 (₹ 0.80) March 31, 2025 - 1% increase or decrease in the discount rate would result in decrease (increase) in fair value by ₹ 4.53 (₹ 3.21)

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

The following table presents changes in level 3 items for the year ended March 31, 2026 and March 31, 2025:

**Investments in other equity instruments (unquoted)**

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Opening balance</b>	<b>309.49</b>	<b>662.12</b>
Change in fair valuation*	(207.16)	(352.62)
<b>Closing balance</b>	<b>102.33</b>	<b>309.49</b>

\*Represents a reduction in the fair value of an investment in an IP based communications Company, primarily due to long lead time in the development and execution of orders. Management expects the value of the investment to improve in future as the products are launched over the next few years.

**Liability towards acquisition of business**

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Opening balance</b>	<b>268.82</b>	<b>-</b>
Additions through business combinations (refer note 32)	-	352.82
Working capital adjustments	83.78	(93.76)
Impact of changes in inputs	(195.75)	-
Foreign currency translation adjustments	23.04	9.76
<b>Closing balance</b>	<b>179.89</b>	<b>268.82</b>

**Cyient DLM Limited****Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**33.2 Financial risk management, objectives and policies**

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group'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 Group is foreign exchange risk and interest rate risk. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The liquidity risk is measured by the Group's inability to meet its financial obligations as they become due.

**A. Market risk**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes. The Group's exposure to market risk is primarily on account of foreign currency exchange rate risk.

**(i) Foreign exchange risk**

The Group operates internationally and a major portion of the business is transacted in several currencies and consequently the Group 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 Group's operations are adversely affected as the rupee appreciates/ depreciates against these currencies. The Group monitors and manages its financial risks by analysing its foreign exchange exposures.

The parent company enters into derivative financial instruments such as foreign exchange forward contracts from time to time to mitigate the risk of changes in exchange rates on foreign currency exposures. There are no material outstanding contracts as at March 31, 2026.

**Sensitivity analysis:**

Every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Group would impact profit before tax by ₹ 73.38 for the year ended March 31, 2026 and ₹ 4.87 for the year ended March 31, 2025.

**(ii) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates. Any changes in the interest rates environment may impact future cost of borrowings. The Group monitors the movements in interest rates and wherever possible, reacts to material movements in such interest rates by restructuring its financing arrangements.

**Sensitivity analysis:**

Every 1% increase / decrease of the floating rate of interest would impact profit before tax by ₹ 10.61 for the year ended March 31, 2026 and ₹ 10.26 for the year ended March 31, 2025.

**B. Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers. 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 Group establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade receivables.

The Group'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 (trade receivables and contract assets) from top five customers and others:

Particulars	As at	
	March 31, 2026	March 31, 2025
Receivable from top 5 customers	61%	68%
Others	39%	32%

**C. Liquidity risk**

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group 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 Group's reputation. The Group assessed the concentration of risk with respect to refinancing its debt and concluded it to be low.

The Group had unutilized credit limits from banks as at March 31, 2026 of ₹ 4,172.60 (₹ 4,412.80 - as at March 31, 2025)

The Group had working capital of ₹ 7,307.28 (₹ 7,479.12 - as at March 31, 2025) and cash and bank balance of 1,258.00 (₹ 2,877.82 - as at March 31, 2025)

The table below provides details regarding undiscounted contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2026:

Particulars	Less than 1 year	1-2 years	2 years and more	Total
Trade payables	2,733.14	-	-	2,733.14
Other financial liabilities	647.94	-	-	647.94
<b>Total</b>	<b>3,381.08</b>	-	-	<b>3,381.08</b>

The table below provides details regarding undiscounted contractual maturities of significant financial liabilities (excluding borrowings and lease liabilities) as at March 31, 2025:

Particulars	Less than 1 year	1-2 years	2 years and more	Total
Trade payables	2,498.83	-	-	2,498.83
Other financial liabilities	410.80	94.63	-	505.43
<b>Total</b>	<b>2,909.63</b>	<b>94.63</b>	-	<b>3,004.26</b>

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

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

**D. Other price risks:**

The Group is exposed to equity price risks arising from equity investments. Group's equity investments are held for strategic rather than trading purposes.

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**34. Segment information**

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

**Geographical segment information**

Information regarding geography wise revenue is as follows:❏

Geographic location	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
India	1,218.90	7,256.92
APAC (Excluding India)	464.59	270.60
NAM	6,866.32	3,906.97
EMEA	4,065.04	3,761.77
<b>Total</b>	<b>12,614.85</b>	<b>15,196.26</b>

Geographical non-current assets (excluding financial assets and deferred taxes) are allocated based on location of assets:

Geographic location	For the year ended	For the year ended
	March 31, 2026	March 31, 2025
India	2,286.94	2,184.57
NAM	1,611.17	1,427.84
<b>Total</b>	<b>3,898.11</b>	<b>3,612.41</b>

**Information about major customers**

Particulars	For Year ended			
	March 31, 2026	Percentage	March 31, 2025	Percentage
Revenue from top customers (*)	7,027.51	55.71%	10,516.72	69.21%
Others	5,587.34	44.29%	4,679.54	30.79%
<b>Total Revenue</b>	<b>12,614.85</b>	<b>100.00%</b>	<b>15,196.26</b>	<b>100.00%</b>

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

**35. Disclosure of additional information as required by paragraph 2 of the general instructions for preparation of consolidated financials statements to schedule III to the Companies Act, 2013**

**(A) As at and for the year ended March 31, 2026**

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
<b>Parent Company</b>								
Cyient DLM Limited	98%	9,889.33	77%	563.24	266%	(199.14)	55%	364.10
<b>Subsidiaries</b>								
<b>Foreign</b>								
Cyient DLM Inc.	14%	1,418.85	34%	246.69	-	-	37%	246.69
Altek Electronics Inc	2%	233.63	4%	31.32	-	-	5%	31.32
Adjustments on account of consolidation	-14%	(1,420.72)	-15%	(108.43)	-166%	124.31	2%	15.88
<b>Total</b>	<b>100%</b>	<b>10,121.08</b>	<b>100%</b>	<b>732.82</b>	<b>100%</b>	<b>(74.83)</b>	<b>100%</b>	<b>657.99</b>

**(B) As at and for the year ended March 31, 2025**

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of other comprehensive income		Share in total comprehensive income	
	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount	As % of consolidated	Amount
<b>Parent Company</b>								
Cyient DLM Limited	101%	9,556.49	113%	766.98	107%	(356.06)	118%	410.92
<b>Subsidiaries</b>								
<b>Foreign</b>								
Cyient DLM Inc.	13%	1,197.51	-12%	(84.69)	-	-	-24%	(84.69)
Altek Electronics Inc	4%	390.37	6%	39.70	-	-	11%	39.70
Adjustments on account of consolidation	-17%	(1,650.02)	-6%	(41.23)	-7%	24.08	-5%	(17.15)
<b>Total</b>	<b>100%</b>	<b>9,494.35</b>	<b>100%</b>	<b>680.76</b>	<b>100%</b>	<b>(331.98)</b>	<b>100%</b>	<b>348.78</b>

**Cyient DLM Limited**

**Notes forming part of the consolidated financial statements for the year ended March 31, 2026**

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

**36. Other Statutory information**

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (iv) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (v) The Group 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vi) The Group 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.
- (vii) The Group 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.

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

**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**

Chief Executive Officer  
and Managing Director

(DIN - 06507627)

**Krithika S**

Company Secretary  
(M.No. - A37001)

**Subramanian RM**

Chief Financial Officer

Place: Hyderabad

Date: April 21, 2026

Place: Hyderabad

Date: April 21, 2026

Place: Hyderabad

Date: April 21, 2026