30 May 2023

The BSE Limited	The National Stock Exchange of India Ltd
PJ Towers, 25th Floor,	Exchange Plaza,
Dalal Street	Bandra-Kurla Complex, Bandra (E)
Mumbai 400001.	Mumbai-400 051.
Scrip Code: 532175	Scrip Code: CYIENT

Dear Sir/ Madam,

Sub: Notice of the 32nd Annual General Meeting and Annual Report for Financial Year 2022-23

This is to inform you that the 32nd Annual General Meeting ('AGM') of the shareholders of the Company will be held on Wednesday, 21 June 2023, at 4.00 p.m. (IST) through Video Conferencing ('VC') facility or other audio-visual means ('OAVM').

Pursuant to Section 108 of the Companies Act, 2013 and Regulations 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we are enclosing the annual report of the company of financial year 2022-23.

The aforesaid documents are available on the website of the Company at https://www.cyient.com, and are being sent to all the memebers of the company whose email IDs are registered with the Company/Depositories.

Thanking you

For Cyient limited

Ravi Kumar Nukala Digitally signed by Ravi Kumar Nukala Date: 2023.05.30 23:51:47 +05'30'

Ravi Kumar Nukala

Dy. Company Secretary

CYIENT

ACCELERATING ENGINEERING AND TECHNOLOGY CONVERGENCE

ANNUAL REPORT 2022-23

ACCELERATING ENGINEERING AND TECHNOLOGY CONVERGENCE

Technology is not only about building new solutions; its fundamental purpose is to improve existing conditions and create opportunities for communities to grow and prosper. It is also critical to ensure that the actual design, build, and maintenance aspect is executed in a relevant and sustainable method. By collaborating with our global customers at every step of the process, we at Cyient aim to accelerate engineering and technology convergence to design Digital Enterprise, build an Autonomous World and develop Sustainable products, plants, and processes.

The cover image of this report represents the power of accelerating engineering and technology convergence across product, process, plant and networks. We have used a generative artificial intelligence (Generative AI) tool to visualize the impact of this convergence as we continue to Design Tomorrow Together with our customers and partners.

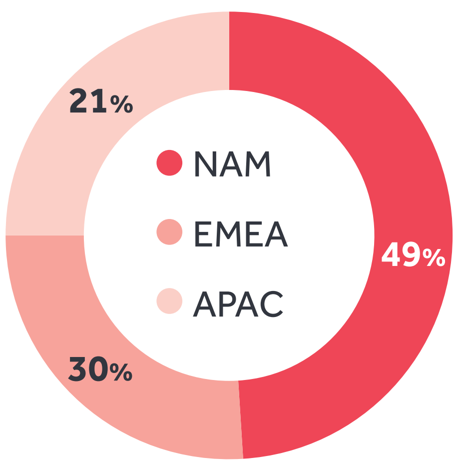
TABLE OF CONTENTS

KEY PERFORMANCE HIGHLIGHTS FY23

In the Financial Year 2023, we recorded our Highest Ever Group Revenue of **INR 6,015.9 crores**, a growth of **32.7% YoY**, and the Highest Ever Normalised Group EBIT at **INR 767.7 crores**, a growth of **21.9% YoY**. Our Group Order Intake stood at **INR 5,807.8 crores**, with a YoY growth of **23.5%**. We also registered our Highest Ever Normalised Net Profit at **INR 565.1 crores**, with YoY growth of **8.2%**. Core Services* Utilization also saw its highest-ever levels at **85.8%**, with a YoY increase of **60 bps**.

We expanded our capabilities and diversified our portfolio this financial year through the acquisitions of Citec and Grit in the Sustainability vertical, Celfinet in Connectivity, and a Strategic Buyout in Automotive.

Consolidated Revenue Segmentation by Geography



Group Revenue

₹ 6,015.9 Cr.

(Growth of 32.7% YoY)

(US$746.3 Mn, a growth of 22.7% YoY)

Dividend Payout

50.9 %

on Normalised PAT

(Highest ever dividend of ₹26 per share)

Normalized PAT

₹ 565.1 Cr.

(US$ 70.1 Mn) Growth of 8.2% YoY

Normalized EBIT

₹ 767.7 Cr.

(US$ 95.2 Mn; Normalized EBIT margin of 12.8%)

Services Revenue

₹ 5,095.7 Cr.

(Growth of 35.8% YoY)

(US$ 632.4 Mn, growth of 25.6% YoY)

Normalized Free Cash Flow

₹ 546.7 Cr.

(US$ 67.8 million) Conversion at 50.8%

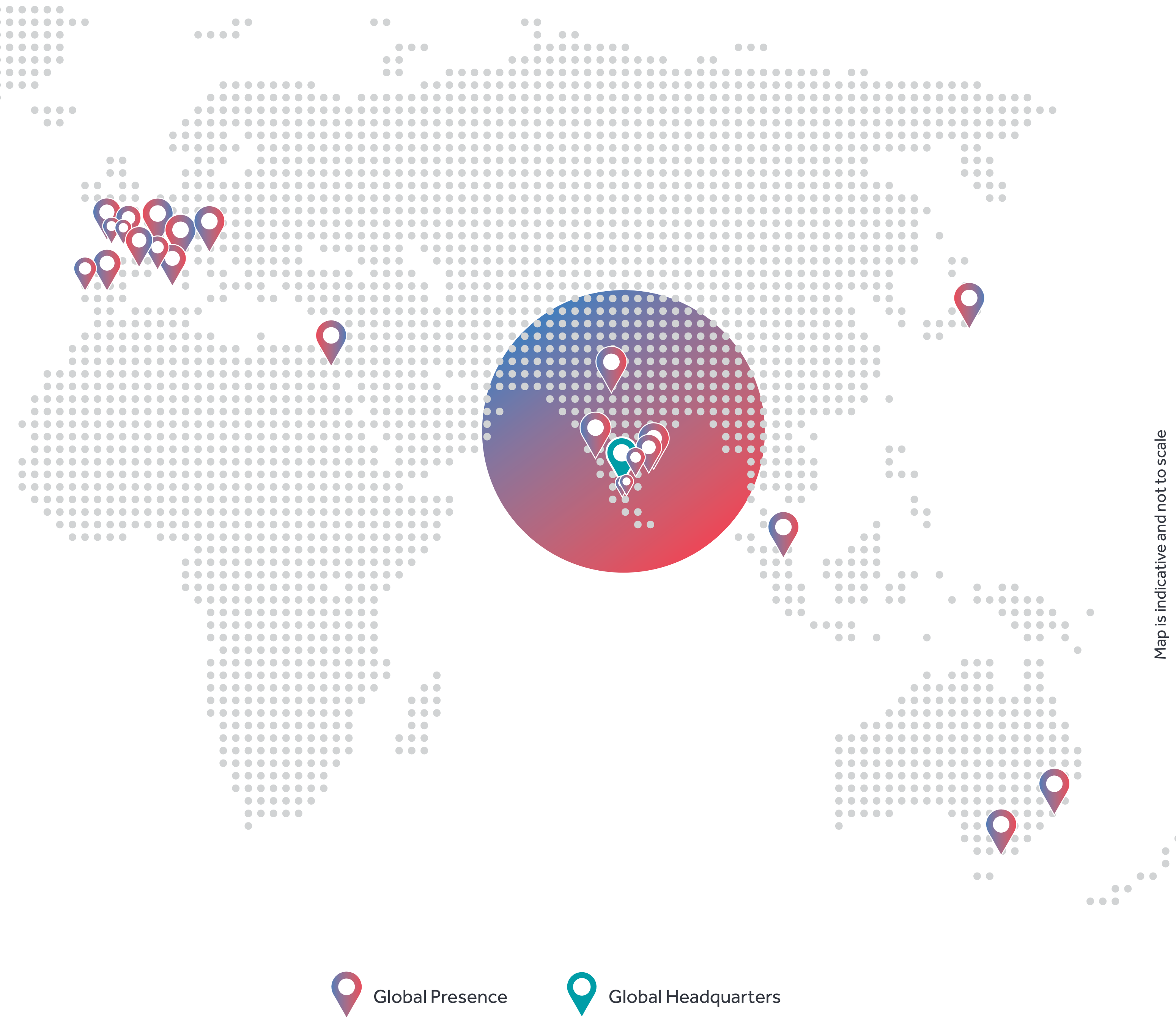
GLOBAL
FOOTPRINT

At Cyient, we are committed to accelerating the convergence of Engineering and Technology to meet our customers' evolving needs. As technology disruptions reshape industries, we are focused on delivering innovative and sustainable solutions for our customers. We embrace change and continuously direct our attention to meet evolving customer and market dynamics.

16,000+
ASSOCIATES

22
COUNTRIES

250+
CUSTOMERS

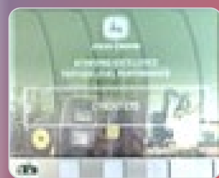


Global Presence
Global Headquarters
Map is indicative and not to scale

AWARDS AND RECOGNITIONS FY23

From Customers

Received the Enrico Apex Award for our strategic contributions in scaling up and supporting Bosch Global Software Technologies globally



Conferred with the ‘Partner’ status by John Deere for the high standards set in the supply chain charter for quality, cost, and innovation.

From Analysts and Industry Bodies

Recognized as the 'Rising Star' For Managed Services in the US region in ISG Provider Lens™ 2022 report on the Internet of Things – services and solutions

Named as a 'Leader' in the ISG Provider Lens Quadrant study on Digital Engineering Services in Intelligent Operations

Featured in the Leader quadrant (Established & Expansive) on the overall ER&D services ratings from Zinnov Zones 2022

Named as one of the Top 15 Engineering Services Providers of the Year in Everest Group's Peak Matrix

Recognized as a Major Contender in the first edition of Everest Group's PEAK Matrix® for Digital Product Engineering Service Provider 2022

Everest Group's Peak Matrix® 2022 - Major Contender in Industry 4.0 Services and for Connected Medical Device Services

Others

Dr. B.V.R. Mohan Reddy was recognized at the recent Outlook Business Icons Awards with the **'Lifetime Achievement Award'**

Awarded a Gold EcoVadis Medal for our Ethics, Labour, Human Rights, Environment and Business Sustainability practices and efforts

The integrated campaign for the Mirror into the Megatrends report was awarded the "Marketing Campaign of the Year" by ET Ascent

Certified as a "Great Place to Work" in India. Reinforces our commitment to making Cyient a destination for talent and innovation

Received the Brandon Hall Group Excellence Award in the L&D Category for 'The Best Advance in Creating a Learning Strategy'

Received an award for 'Digital Learning Transformation' at the 11th Edition Future of L&D Summit and Awards 2023

The Cyient Foundation was conferred with the Gold Awards for Quality Education and our Go Green Initiative at the National CSR Summit and Awards 2022

MESSAGE FROM THE NON–EXECUTIVE CHAIRMAN

Dear Shareholders,

Cyient had a very good Financial Year2022/23. The company has grown its business despite declining economic trends across the world, has built new capabilities, enhanced product and service offerings, and widened its geographical footprint. With the pandemic having receded in most parts of the world, Cyient has also found new ways of hybrid working, explored new avenues, and met fresh challenges. It has been a year of both consolidation and discovering new horizons.

Cyient's financial performance during the year under review has been consistent and positive in terms of growth and profitability. This has been possible due to good leadership and a focused team effort across all company parts, subsidiaries, and associates. The Board has recommended the highest dividend thus far in Cyient's history. Good governance and openness to embracing good industry practices and taking the lead in many areas continue to build the company's strength and have been the hallmark of the year's activity. The relentless focus on large orders and offering design-led manufacturing solutions have resulted in a good order book as we start the year ahead.

MM Murugappan
Non-Executive Chairman

Two significant acquisitions during the year have enabled Cyient to grow its portfolio and add to its expertise. Citec, based in Finland, specializes in Plant and Process Engineering, Decarbonisation, and sustainable technologies. This enables the company to reiterate and reinforce its commitment to customers' ESG goals. Celfinet, based in Portugal, specializes in Wireless Communications, end-to-end Network Planning, and Performance Optimization services. Through these capabilities, Cyient has a strengthened Wireless Engineering practice. On behalf of all of us at Cyient, I welcome all the associates in these two organizations to the Cyient family.

The beginning of the Financial year 2023/24 brought with it important changes in Cyient's leadership. Mr.Krishna Bodanapu has been appointed the Executive Vice Chairman and Managing Director. Krishna will continue to lead the company's strategic initiatives. Mr.Karthikeyan Natarajan moves to the position of Chief Executive Officer while continuing as an Executive Director of the company. I wish Krishna and Karthik the very best in their new roles. After serving Cyient for over a decade as the Chief Financial Officer and as a member of the Board, Mr.Ajay Aggarwal retired in April 2023. Ajay's contributions to the company have been immense. I thank him for his dedication and diligence and wish him a restful and rewarding retirement. Mr.Prabhakar Atla, who headed the Aerospace, Rail, and Communications business, succeeded Ajay as the CFO. He brings a wide and varied business perspective to the role. I wish Prabhakar all success.

My colleagues on the Board have been a great strength and support to the company and me. I thank them for emphasizing business performance and shareholder returns, providing a strategic direction while ensuring diversity and inclusion, and thus enhancing principles of good governance. Members of the Board have been generous with their time and encouragement to the leadership and management of the company. Our Founder Chairman, Dr. BVR Mohan Reddy's, continued presence on the Board provides the company continuity, stability, and inspiration. My thanks to my colleagues on the Board for their support and counsel.

Cyient has always put its people first, along with its core values. This has resulted in the company being selected and certified as "A Great Place To Work" in India. This reflects the continued emphasis on creating a responsible and equitable workplace through diversity and inclusion. My congratulations to the teams at Cyient for having gained this prestigious recognition. This pursuit of excellence enables Cyient to accelerate toward technology convergence in a rapidly changing world while being rooted in its core values and being a globally responsible organization.

We value your unstinted support and are grateful for your involvement and encouragement.

Sincerely Yours,

M M Murugappan
Non-Executive Chairman

MESSAGE FROM THE
EXECUTIVE VICE CHAIRMAN & MANAGING DIRECTOR

Dear Shareholders,

As I look back on this year, I am proud of the milestones Cyient has achieved. We have made significant progress in growing our capabilities, accelerating the adoption of technology solutions, and enabling our associates to deliver on our ambitious long-term goals.

This year, we expanded Cyient's capabilities in new markets with the acquisitions of Citec and Celfinet. These key acquisitions strengthened our sustainability and connectivity offerings to our customers.

Citec was the largest outbound acquisition by an Indian engineering services company and Cyient's largest acquisition to date, demonstrating our ambition to proactively address the sustainability market. Citec is a leader in Plant and Product engineering services with customers across the energy, process, oil, gas, and manufacturing industries. The combined portfolio will position Cyient as one of the largest independent plant engineering firms globally.

The acquisition of Celfinet strengthens our position to be a technology partner with the world's leading Communication Services Providers (CSP) with end-to-end network planning in the rollout of 5G.

Krishna Bodanapu
Executive Vice Chairman & Managing Director

I believe these acquisitions have further reinforced our core and emerging capabilities and position Cyient as a strategic partner with several new customers. I convey my gratitude to all the teams that ensured that the acquisition and subsequent integration of the companies were completed successfully.

To strengthen our solutions, we have made considerable investments in the Megatrends areas that we believe are the technology-driven disruptions that will shape investments, opportunities, and lifestyles over the next decade. These include Human Well Being, Smart Operations, Intelligent Transport, Sustainability, and Meta Mobility and Space. The launch of our CyFAST, CyMedge, and PlatformX solutions is a testament to our commitment to addressing these megatrends.

I am proud to report that Cyient was certified as a "Great Place to Work" (GPTW) in India. This certification is a result of gathering valuable employee feedback about the programs and practices that make a unique place to work. This recognition reinforces our commitment to ensuring we have an inclusive and equitable workplace for all our associates. Along with the GPTW certification, our Learning and Development team continued to ensure we upskill and cross-skill our associates in next-generation technologies, enabling our associates to grow in their own professional development.

In FY23, nearly 5,000 of our associates underwent training in digital, emerging technology, and traditional skills such as Data Analytics, Cloud Computing, Software Development, Software Testing, Fiber Optics Design, Design and Drafting, Analysis, and Simulation. With nearly a third of our associates cross-skilled in key digital technologies, we are poised to provide the best solutions in the key Megatrend areas.

FY23 Business Performance

Against a backdrop of technology disruption, recessions, and Forex volatility, we delivered a robust performance for the year in line with our expectations.

We recorded significant YoY improvements in Group revenue, order intake, and large deal completion. Our Group revenue was $ 746.3 Mn, representing a growth of 26.9% YoY in constant currency. Our Core services business revenue at $ 544.7 Mn witnessed a growth of 12.1% YoY, led by New Growth Areas, Communications, and Transportation verticals. Group Normalized EBIT margin was 12.8%, and Net Profit was INR 565.1 crores, higher by 8.2% YoY. We performed well across all key operational parameters throughout the year.

Cyient won five large deals worth over $185Mn across our services and design-led manufacturing businesses. A key highlight was Cyient's partnership with Honeywell to manufacture Honeywell Anthem, the first Cloud-Connected Cockpit System. This multi-year deal will raise our credentials as strategic partners in the Aerospace and Defence sector and highlight our design-led manufacturing capabilities.

Industry Recognitions and Accolades

Cyient was named a 'Leader' in the ISG Provider Lens Quadrant study on Digital Engineering Services in Intelligent Operations, which moved us up the scale on several industry-leading analyst reports.

We are also proud to have released the Megatrend report with Everest Group, a research piece that highlighted trends and their impact on business across multiple industries.

John Deere recently awarded Cyient the coveted 'Partner' status for the high standards set in our supply chain charter for quality, cost, and innovation. We also received the Enrico Apex Award for our strategic contributions in scaling up and supporting Bosch Global Software Technologies globally.

Cyient Design Led Manufacturing

We filed our prospects with SEBI for the public listing of the manufacturing business (Cyient DLM) and propose to complete the listing this year. The opportunity for manufacturing outsourcing is tremendous due to a confluence of factors, including the adoption of electronics and technology in products, location diversification due to geopolitics, and the emergence of India as a vibrant market. We believe, with the right capitalization, Cyient DLM is set for significant growth and propose to use the proceeds of the IPO to accelerate growth in the segment.

Our Outlook and the Future

FY24 will prove to be an exciting and transformational year for the Cyient group as we grow Cyient Ltd and Cyient DLM as separate entities. The new structure promises to boost the growth and ambitions of each organization in its own trajectory. We will continue to apply technology imaginatively to solve problems that matter across the high-growth sectors of transport, connectivity, sustainability, healthcare, automotive, semiconductor, and design-led manufacturing.

Thank you for your commitment and support in FY23. I look forward to a successful and exciting FY24.

Sincerely Yours,

Krishna Bodanapu
Executive Vice Chairman & Managing Director

CORPORATE INFORMATION

Registered Office

Cyient Limited
4^{th} Floor, 'A' Wing
11, Software Units Layout
Infocity, Madhapur
Hyderabad – 500081
Tel: +91 40 6764 1000

Auditors

S.R.Batliboi & Associates LLP
Chartered Accountants, The Skyview 10,
18th Floor, Zone B, Survey No.83/1,
Raidurgam, Hyderabad,
Telangana 500032

Internal Auditors

KPMG
Salarpuria Knowledge city, Orwell,
6th floor, Unit-3, Sy. No. 83/1, Plot No 2,
Raidurg, Hyderabad-500034

Secretarial Auditor

S Chidambaram
#6-3-855/10/A, Flat No. 4A
Sampathji Apartments, Ameerpet
Hyderabad – 500016
Tel: +91 40 2341 3376

Tax Advisors

GP Associates
Flat No. 603, 6th Floor
'Cyber Heights', Plot No. 13
HUDA Layout, Road No. 2, Banjara Hills
Hyderabad – 500033
Tel: +91 40 2354 0822

Bankers

The Hongkong and Shanghai Banking Corporation Limited
6-3-1107 & 1108,
Raj Bhavan Road, Somajiguda
Hyderabad – 500082
Tel: +91 40 6616 2077

Citibank NA
'Queens Plaza', 1st Floor
Sardar Patel Road
Secunderabad – 500003
Tel: +91 40 4000 5720

Punjab National Bank
(Formerly Oriental Bank of Commerce),
9-1-128/1,
Oxford Plaza Complex, S.D.Road,
Secunderabad – 500 003
Tel: +91 40 2770 4935

Company Secretary & Compliance Officer

Sudheendhra Putty
4^{th} Floor, 'A' Wing, 11,
Software Units Layout
Infocity, Madhapur
Hyderabad – 500081
Tel: +91 40 6764 1322

Registrar & Share Transfer Agents

KFin Technologies Limited
Karvy Selenium Tower B,
Plot No 31&32
Financial District, Gachibowli
Hyderabad – 500032
Tel: +91 40 6716 1562

CYIENT HELPS THE CITY OF OSLO IN DESIGNING A SUSTAINABLE TOMORROW

The fight against climate change has had an active demand; Decarbonization, or reducing carbon emissions from human activity. The increase in global temperatures threatens the world. This is mostly caused by the accumulation of greenhouse gases in the atmosphere. Decarbonization is imperative because it is the only way to slow down or reverse this trend, which is threatening the health of our planet. This urgency has led several organizations, countries, and cities to pivot their goals and create more sustainable roadmaps that are aligned with future requirements.

Investing in CCUS technologies that capture carbon dioxide emissions from power plants and other industrial processes and store them underground or use them for other purposes has seen huge potential upsides in recent years. For instance, Norway's Hafslund Oslo Celsio carbon capture project has a significant capture capacity of 400,000 tonnes of CO_2 per year. The waste-to-energy plant is responsible for 17 per cent of the city's emissions and is Oslo's biggest single emitter of CO_2. From 2026, the target is that up to 400,000 tonnes of CO_2 will be captured each year. This corresponds to the annual emissions from 200,000 cars!

The Nordic countries are forerunners in this development, and Citec – a Cyient company – has been happy to drive the decarbonization development for Oslo, the capital of Norway. The City of Oslo has ambitious climate targets and needs CO_2 capture at the waste-to-energy plant to reach its goals. Of the many measures that can help societies achieve climate goals, carbon capture is seen among those with a significant actual climate effect.

Cyient has been actively involved in carbon capture and storage since 2016 – we have supported the decarbonization of industries, such as waste to energy, from feasibility to FEED. The decarbonization

project of Oslo is a strong case where we as a company, right from the start, wanted to impact the environment strongly and measurably, fully in line with our strategy to help our customers reach their sustainability goals.

In 2022, we were proud to be selected as engineering partners for the CCS project. Before 2022, we also participated in the concept, pre-FEED, and FEED phases of the project. We have also been involved in further design optimizations and cost reduction initiatives in the application to the EU Innovation Fund, the negotiations of the EPC contract with Technip, a new CO_2 capture piloting campaign, and the general benefit realization activities. In February 2019, the pilot plant began capturing its first CO_2.

It is commonly acknowledged that the Hafslund Oslo Celsio CCS project can contribute invaluable knowledge and experience to the industry as a whole, including the 450 waste-to-energy plants across Europe.

***A realization of this project will give significant learning to other Norwegian and European cities that have targets for climate-positive waste handling. We have highly appreciated Citec's (a Cyient company) partnering attitude, expertise, and quality of deliverables throughout the project's different demanding phases*.**

- **Jannicke Gerner Bjerkås**, Director CCS, Hafslund Oslo Celsio

"The carbon capture project is essential for Oslo to have the opportunity to achieve its climate goals in 2030", says Jannicke Gerner Bjerkås, Director CCS, Hafslund Oslo Celsio. ***"A realization of this project will give significant learning to other Norwegian and European cities that have targets for climate-positive waste handling. We have highly appreciated Citec's (a Cyient company) partnering attitude, expertise, and quality of deliverables throughout the project's different demanding phases"***, says **Jannicke**.

At Cyient, we are proud to be a partner in cases where industries are applying technology imaginatively to solve problems that matter to the planet.

Hafslund Oslo Celsio is joint-owned by Hafslund Eco (60%), Infranode (20%) and Hitec Vision (20%). Celsio is a leading clean-energy company that provides its customers with electricity, heating and cooling as well as smart solutions to improve resource efficiency.

The project is well underway but was temporarily put on hold in May 2023 in order to further review cost reducing measures after inflation and geo-political disruptions in the supply chain inflated the budget framework.

CYIENT

Great Place To Work®
Certified
JAN 2023 – JAN 2024
INDIA

CYIENT HAS BEEN CERTIFIED AS A "GREAT PLACE TO WORK" IN INDIA

The survey assessed aspects of our values as well as trust in management, and how our associates feel about their roles and workplace. This certification is testament to our **AGILE Culture** and **ValuesFIRST** initiatives. We are committed to be an employer that drives talent and innovation.

#ProudToBeACyientist

ACCELERATING ENGINEERING AND TECHNOLOGY CONVERGENCE IN ACTION

ACCELERATOR FOR SOFTWARE-DEFINED INTELLIGENT PRODUCTS

The landscape of technology has been rapidly transformed by the emergence of software-defined intelligent products. These products, from smartphones and smart appliances to autonomous vehicles and industrial machinery, rely heavily on advanced software algorithms to deliver sophisticated functionalities and intelligent capabilities. However, as the complexity of these software-defined systems increases, so does the demand for higher computational power and efficiency. This is where accelerators for software-defined intelligent products come into play.

As the complexity of software-defined systems increases, so does the demand for higher computational power and efficiency.

CyMedge

Accelerator for Healthcare Medical Device Manufacturers

SDX

Accelerator for the Automotive & Mobility Industry

Autonomous

Accelerator for adopting autonomous intelligence (multi-industry)

Autonomous World

UAM
URBAN AIR MOBILITY

Urban Air Mobility (UAM) offers seamless, secure, and rapid transportation, helping mitigate current and potential challenges faced in urban areas such as rising urbanization, growing population, aging infrastructure, and an e-commerce/logistics boom that necessitates a modern, safe and affordable mode of transportation for people and goods. Cyient has built core capabilities and expertise to accelerate the Urban Air Mobility adoption journey at a global level in the following areas:

- Structural, Interior Design & Advanced Composites
- Avionics and Electrical Systems - Design Lead Manufacturing (DLM)
- System Testing and Automation
- FAA EASA Certification & Qualification
- Intelli Supply Chain & Digital Aftermarket
- AR VR customer experience and training
- Intelligent and Smart Cabin

Seamless, secure, and rapid transportation, helping mitigate current and potential challenges faced in urban areas.

CLOUD PLATFORM ACCELERATOR - PlatformX

PlatformX is a software services platform that caters to the rapid adoption of Cloud technologies, from building Cloud Platforms to Enabling Enterprise Security to ensuring future-proofing digital solutions that combine new-age technologies such as edge & fog computing to real-time analytics. Customers can achieve distributed computing capability by taking advancements in 5G connectivity, AR/VR, compute, storage, and network technologies and environment. Strategic Partnerships with Hyperscale Cloud Providers enhance the capabilities further.

CyPICH
Accelerator for creating Digital Healthcare Platform Services

IDMS
for Data @ utilities

IDF
for manufacturing

Digital Twin
Multi-industry offering

Customers can achieve distributed computing capability by taking advancements in 5G connectivity, AR/VR, compute, storage, and network technologies and environment.

Autonomous World

CyFAST
CYIENT'S AI-POWERED END-TO-END TEST AUTOMATION PLATFORM

Scalable, reusable, and executable across heterogeneous platforms using AI-driven risk-based test ordering and multisite remote execution of complex embedded systems. A single framework that can test across multiplatform apps, simulators, and embedded devices. CyFAST's cognitive engine analyses change intelligently, test cases are automatically selected to generate test plans, and tests are executed based on previous test results and risk.

Using CyFAST, 60% of test cases can be automated, resulting in **50-60% saving** in execution time across accessories.

Integrated solution can reduce **test automation effort by 50%** and save cost and reduce time to market.

Saves **more than 65% time and effort** by reducing/removing manual efforts.

A single framework that can test across multiplatform apps, simulators, and embedded devices.

CyARC
SAVIOR FOR REGULATORY EXPERTS

Regulatory experts' one-stop shop for compliance needs. With a unique feature and leveraging AI technology and robust algorithms, CyARC aims to simplify the regulatory process and thereby deliver more sustainable and cloud-based solutions for regulatory compliance.

automating a **40% reduction in cost** by automating – compliance gap analysis and standard assessment

---

Up to **40% reduction in process execution timeline** and **20% reduction in learning time**

Up to **30% improvement** in **productivity** by optimizing search and comparing worldwide regulations by tags

With a unique feature and leveraging AI technology and robust algorithms, CyARC aims to simplify the regulatory process and thereby deliver more sustainable and cloud-based solutions.

DIVERSITY MATTERS: ONE CYIENT

BOARD OF DIRECTORS

As Cyient accelerates toward Engineering and Technology Convergence, we also consider sustainable growth and the long-term interests of all our stakeholders. Our experienced and mindful Board of Directors guides us to meet our business excellence objectives while adhering to best practices in corporate governance.

BVR Mohan Reddy
Founder Chairman & Board Member

Krishna Bodanapu
Executive Vice Chairman & MD

MM Murugappan
Non-Executive Chairman

Karthikeyan Natarajan
Executive Director & CEO

Matangi Gowrishankar
Independent Director

Ramesh Abhishek
Independent Director

Vikas Sehgal
Independent Director

Vivek Gour
Independent Director

SENIOR LEADERSHIP

Our senior leadership team cultivates and nurtures new opportunities in our dynamic business landscape. They are at the forefront of providing strategic direction for Cyient's growth. They are crucial in building and sustaining relationships as we design and deliver innovative solutions to our customers.

Karthikeyan Natarajan
Executive Director & CEO

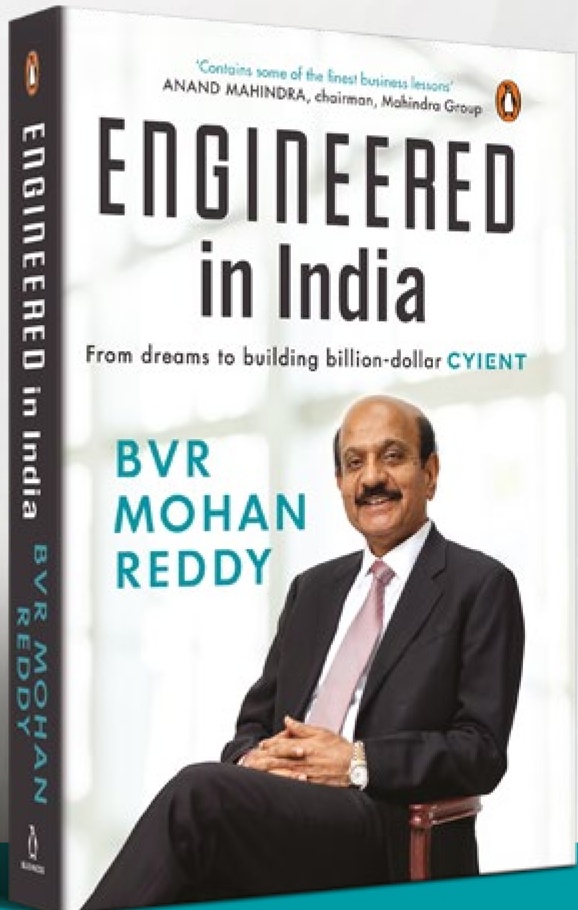
Dr. Pnsv Narasimham
President &
Head of Corporate Functions

Ramya Mohan
Chief Strategy Officer

Prabhakar Atla
President &
Chief Financial Officer

CYIENT

A Master Class in Leadership by Dr. B.V.R. Mohan Reddy



Follow **Mr. Reddy** on Linkedin for more insights from the book

Book copies available from Amazon

#DesigningTomorrowTogether

IN THE MEDIA

CYIENT LAUNCHES RESEARCH REPORT IN PARTNERSHIP WITH EVEREST ON "DECADE DEFINING" MEGATRENDS AND TECHNOLOGY-LED DISRUPTION

Cyient launched a research report in partnership with the Everest Group titled "Mirror into the Megatrends: Technology-Driven Disruptions that will Define the Decade." The megatrends are global, technology-driven disruptions shaping investments, opportunities, and lifestyles over the next decade.

FIRST 5G IOT CHIP COMBINING "DESIGN IN INDIA" AND "MAKE IN INDIA" CAPABILITIES BY CYIENT, IIT H, AND WiSig NETWORKS

Cyient partnered with IIT Hyderabad (IITH) and WiSig Networks, a startup incubated at IITH, to enable volume production of India's first architected and designed chip - the Koala NB-IoT SoC (Narrowband-IoT System-on-Chip). The Memorandum of Understanding (MOU) signed between them is aligned with MEITY's (Ministry of Electronics and Information Technology, India) goals of building a vibrant semiconductor design and innovation ecosystem.

FIRST 5G IOT CHIP COMBINING "DESIGN IN INDIA" AND "MAKE IN

Cyient signed definitive agreements to acquire Celfinet in June 2022. Celfinet is an international Wireless Engineering Services company focused on providing end-to-end Network Planning and Performance Optimization services.

CYIENT PARTNERS WITH HONEYWELL TO MANUFACTURE HONEYWELL ANTHEM, THE FIRST CLOUD-CONNECTED COCKPIT SYSTEM

Cyient announced a partnership with Honeywell to manufacture the aviation industry's first cloud-connected cockpit system – The Honeywell Anthem. Cyient inked a multi-year deal with Honeywell for this project.

CYIENT TO ACQUIRE CITEC; POSITIONS ITSELF TO BE A LEADER IN PLANT AND PRODUCT ENGINEERING

In April 2022, Cyient announced that it would acquire Citec, an international Plant and Product engineering services company serving customers across the energy, process, oil and gas, and manufacturing industries. This was the largest outbound acquisition by an Indian engineering services company and Cyient's largest acquisition to date.

CYIENT AND THINGTRAX ANNOUNCE A PARTNERSHIP TO ENABLE MANUFACTURERS TO REDUCE COSTS AND INCREASE EFFICIENCY

Cyient announced a partnership with Thingtrax to enable manufacturers to increase efficiency and reduce costs. The partnership will enable global manufacturers to drive higher performance across their entire manufacturing operation through AI-powered data.

CYIENT AND iBASEt INAUGURATE CENTER OF EXCELLENCE (COE) TO DRIVE DIGITAL INNOVATION IN AEROSPACE AND HEAVY EQUIPMENT INDUSTRIES

Cyient announced opening a Center of Excellence (CoE) to strengthen its partnership with iBASEt to drive digital transformation in the aerospace and heavy equipment industries. The opening of the CoE is a testament to the continued investments made by both companies to address complex problems manufacturers face.

EMPOWERING TOMORROW TOGETHER

Cyient is committed to delivering on its promise to shareholders, customers, associates, and society through our robust growth journey as a global engineering and technology solutions company. Further, we strongly believe in giving back to society in direct proportion to our success in business. This thinking shapes our corporate social responsibility, and we give back through the Cyient Foundation with a focus on quality education and digital literacy, skill development and employment, women empowerment, community development, and innovation and entrepreneurship.

Here are the Foundation's FY23 highlights:

Helped over **1.5 lakh** children access quality education by providing various teaching aids, school infrastructure, health and nutrition, and ICT/IoT facilities in Cyient-adopted schools.

Worked with **30** government schools to provide quality education to **21,000** children across India.

Across four states in India and through **82** Cyient Digital Centers (CDCs) provided access to IT education to **35,000** children and adults. Trained over **11,000** women and certified them in digital skills.

Trained all government high school teachers in Wanaparthy District in IoT/ICT usage and provided ICT infrastructure to all **121** high schools in the district. This initiative helped in giving access to digital pedagogical tools to over **25,000** rural children.

Our Cyient Urban Micro Skill Center (CUMSC) and Cyient IT/ITES Skill Centers trained over **4,100** unemployed youth and women in tailoring, baking, beauty courses, retailing, and bedside assistance skills, helping contribute to sustainable livelihood generation. Provided employment to **3,500** unemployed youth with these initiatives.

As a part of our environmental initiatives, over **31,000** sq m of land in and around Cyient-adopted schools and villages was developed. Also, over **50** rainwater harvesting pits were created to augment groundwater recharging.

As a part of our renewable energy goals, two Cyient-adopted schools have switched over entirely to using solar power, and over **2500 sq ft** of school building rooftops were installed with solar panels and generated green energy.

Planted nearly **80,000** trees in the last seven years, with a survival rate of over **85%**. Received an award from CII Telangana for the seventh consecutive year for these plantation initiatives.

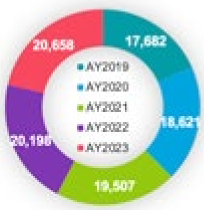
In collaboration with IIT Hyderabad, Cyient Foundation and Shibodhi Foundation began work on the **Dr. BVR Mohan Reddy School of Innovation and Entrepreneurship at IIT Hyderabad**. Shri Dharmendra Pradhan, Hon'ble Education Minister of India, and Dr. BVR Mohan Reddy laid the foundation stone for the School of Innovation and Entrepreneurship (SCIENT) on August 18, 2022, and the School will be functional in the 2023 academic year.

Education, Digital Literacy, and Skill Development

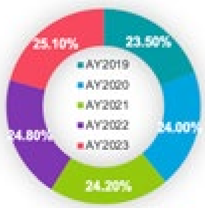
Cyient initiated its government school adoption program in 2007-08 to develop a system conducive to learning. We began with two government schools and **850** children. Today, the Cyient Foundation supports 30 government schools with **20,658** children across four states in India.

No. of Schools

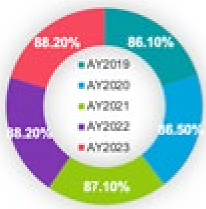
No. of Children



% New Admission



% SSC Pass



% Girl Child

Cyient has helped **over 1.5 lakh** children access quality education by providing various teaching aids, school infrastructure, health and nutrition, and ICT/IoT facilities in our **30** adopted schools.

Cyient's interventions in the past 15 years have improved girl child enrolment in our adopted schools from **20% to 56%**. The overall SSC pass percentage in Cyient-adopted schools has increased from **30% to 88%**.

We kicked off the Cyient Digital Center (CDC) initiative with four National Digital Literacy Mission Centers in 2014. Today, **82** Cyient Digital Centers operate in Telangana and Andhra Pradesh. Through these CDCs, around **22,000** adults (men and women) from 16 to 60 years of age are successfully certified for L1 and L2 IT literacy as part of the Digital India Initiative.

Operating

82

Cyient Digital Centers across communities

21,615

Adults (Men & Women) age from 16 to 60 years are certified L1&L2 IT Literacy

11,904

Adult women certified L1 program for the AY22-23

55%

AY22-23 Adult women participation % in IT Literacy Trainings

82% of Adults/ Students

Found IT Education useful, impact assessment – Nirmaan & Janma Foundation

100%

All the CDC's are functional across the district

Cyient continues to provide IT literacy to non-IT literates in and around our local communities; over **11,000** adult women were provided digital literacy through these centers. **Over 80%** of these community women found that digital skills are helpful for using e-governance facilities.

Cyient Urban Micro Skill Center (CUMSC) and Cyient IT/ITES Skill Centers have pioneered a collective action model for bringing about large-scale social transformation across the city of Hyderabad and Ranga Reddy District. CUMSC enables the government, corporates, non-profits, and citizens to come together for social development.

The CUMSC and Cyient IT/ITES Skill Centers have together trained over **4,100** unemployed youth and women in both IT/ITES (entry-level IT jobs, basic electronic and manufacturing skills) and vocational skills (tailoring, baking, beauty courses, retailing, bedside assistance skills). It provided over **86%** placement assistance and helped in sustainable livelihood generation.

4,106

Unemployed men and women were trained through our IT & Vocational Skill Centers

3,220

Over 85% of the 3772 total trained women in CUMSC on Vocation Skills were employed

21,129

Over 21K Population living in largest slum in Papireddy Colony were benefited through CUMSC

85.1%

of the trained women were given jobs with sustainable income in vocational courses

88.6%

of the unemployed youth provided jobs in IT/ITES industry through Cyient IT Skill Centre

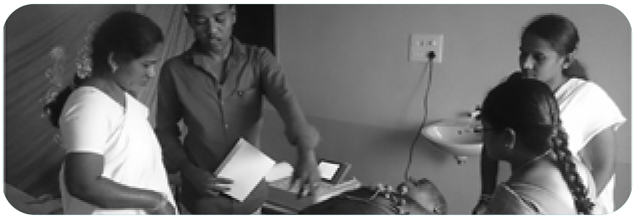
92.3%

of the Bedside Care Attendants were placed through GDA Trainings in Healthcare

Healthcare and Community Development

As a part of our social innovation in healthcare initiatives for the larger benefit of the underserved community, Cyient Foundation is working with the Asian Healthcare Foundation (AHF) to conduct scientific research in healthcare. Cyient Foundation had entered into an MoU with AHF for this purpose to fund Rs 50 lakh a year for four years. We commenced our support to AHF in the last financial year with the necessary approvals.

During 2022-23, as COVID-19 continued to restrict the world, AHF conducted extensive research in diagnosis and variant identification (especially Delta and Omicron) to help clinicians treat pandemic patients with monoclonal antibodies. Vaccine response was also evaluated in hospitalized patients, and it was found that severely diseased patients with breakthrough infections had poor responses.



Cyient Foundation continued to support Mokshagundam village with sustainable interventions in primary healthcare, sanitation, safe drinking water, and education initiatives. We conducted **8,564** general and **1,018** cardiac health checkups, helping protect 39 lives from cardiac risks.

We achieved **0%** open defecation in all the government schools in Serilingampally Mandal, Rangareddy District, Telangana, through our Cyient Swachh Telangana–Swachh Pathashala initiative. Cyient built and continues to maintain sanitation facilities in all the government schools in Serilingampally Mandal as part of this initiative. Over **15,000** girl students have thus gained access to clean sanitation facilities.

As a part of our environmental initiatives in FY23, we developed over **30,000** square meters of unattended government lands in Hyderabad into a park and planted greenery in and around adopted schools and villages. We also enabled the creation of over **42** rainwater harvesting pits and helped in groundwater recharge.

As a part of the Telangana Harithaharam (Go Green) initiative, we have planted nearly **80K** plant saplings with an **85%** survival rate in the last seven years. This was achieved with support from Cyient CSR volunteers, Cyient-adopted school children, CDC students, and Cyient Skill Center trainees.

3,093

homes are provided in the adopted village

11,314

girls in the district schools were provided access to clean sanitation facilities for AY2022-23

7,643

community people got access to low-cost healthcare living in and around adopted village through PHC

100%

Achieved open defecation free in the adopted village – provided sanitation facility to every house

0%

Preventable infant deaths and malnutrition reduced to 0% in the adopted village

0%

School dropouts reduced to 0% in the adopted village – Every child attending primary school

79,828

Planted samplings in the last 7 years, since FY16-17

Developed **31,042** Sq. Mtr.

of Green Cover since last 5 Years

10,162

Children participated in plantation drives across the community in FY22-23

86.2%

Plants survival rate increased from 82.05% to 86.21% in the last 5 years

41.3%

of the school children participated in environmental protection awareness sessions

81.3%

of the school children participated in environmental protection drives in schools.

Cyient Foundation and Shibodhi Foundation, in collaboration with IIT Hyderabad, signed an MoU to set up the BVR Mohan Reddy School of Innovation and Entrepreneurship (BVR SCIENT) to re-orient the existing curriculum from **"industry"** to **"innovation and entrepreneurship."** The BVR Mohan Reddy School of Innovation and Entrepreneurship aims to nurture and develop India's innovation and entrepreneurial talent to be world-class. The School will offer a wide range of courses, including bachelor's, master's, executive education, Ph.D. programs, and certification courses consistent with NEP 2020. The School will operate within the existing IIT Hyderabad campus.

Laid Foundation Stone on August 18, 2022; construction work is underway.

CYIENT

Valuesfirst

fairness integrity respect Sincerity transparency

Values always come **first** at Cyient

ValuesFIRST stands for

fairness	integrity	respect	Sincerity	transparency
Unbiased in decisions and impartial in actions	Objectivity, and honesty in every transaction	Dignity at all time, Recognition when it is due	Realistic and reliable at all times	Open to suggestions, feedback, and ideas

This year we introduced the ValuesFIRST Navigator to reaffirm our Values and celebrate the 'Cyientists' living these values every day.

Scan the QR code to know more

NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 32nd (Thirty Second) Annual General Meeting ("**AGM**") of the shareholders of the company will be held on Wednesday, 21 June 2023 at 1600 hours (IST) through Video Conference (VC) or Other Audio-Visual Means (OAVM) to transact the following business:

I. ORDINARY BUSINESS

1. To receive, consider and adopt:

a. the audited financial statements of the company for the financial year ended 31 March 2023 together with the reports of the board of directors and the auditors thereon;

b. the audited consolidated financial statements of the company for the financial year ended 31 March 2023, together with the report of the auditors thereon;

2. To confirm the payment of interim dividend on the equity shares and to declare a final dividend on the equity shares for the financial year 2022-23.

3. To appoint a director in place of Mr. Krishna Bodanapu (DIN: 00605187), who retires by rotation and being eligible, offers himself for re-appointment as a Director liable to retire by rotation.

4. To appoint a director in place of Mr. Karthikeyan Natarajan (DIN 03099771), who retires by rotation and being eligible, offers himself for re-appointment as a Director liable to retire by rotation.

II. SPECIAL BUSINESS

5. RE-APPOINTMENT OF MR. RAMESH ABHISHEK (DIN: 07452293) AS AN INDEPENDENT DIRECTOR:

*To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special resolution:***

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) (the "**Act**"), and the Articles of Association of the Company, and upon recommendations of Leadership, Nomination and Remuneration Committee and approval of Board of Directors at their meetings held on 19 April 2023 and 20 April 2023 respectively, Mr. Ramesh Abhishek (DIN: 07452293), who holds office as an independent director up to 11 August 2023 be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of five years with effect from 12 August 2023 till 11 August 2028.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. APPOINTMENT AND RE-DESIGNATION OF MR. KRISHNA BODANAPU (DIN: 00605187) AS EXECUTIVE VICE CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY:

*To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special resolution:***

"**RESOLVED THAT** pursuant to the provisions of sections 152, 196, 197, 203 and other applicable provision(s), if any, of the Companies Act, 2013 (the "**Act**") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the Articles of Association of the Company and pursuant to the recommendations of Leadership, Nomination and Remuneration Committee and approval of Board of Directors at their meeting held on 3 April 2023, consent of the members be and is hereby accorded for the appointment and re-designation of Mr. Krishna Bodanapu (DIN: 00605187) as the Executive Vice Chairman and Managing Director for a period of 3 (three) years with effect from 3 April 2023.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution"

7. APPROVAL FOR PAYMENT OF REMUNERATION TO MR. KRISHNA BODANAPU (DIN: 00605187), EXECUTIVE VICE CHAIRMAN AND MANAGING DIRECTOR OF THE COMPANY:

*To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special resolution:***

"**RESOLVED THAT** pursuant to the provisions of sections 196, 197, 203 and other applicable provision(s), if any, of the Companies Act, 2013 (the "**Act**"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), the Articles of Association of the Company and pursuant to the recommendations of Leadership, Nomination and Remuneration Committee and approval of Board of Directors at their meeting held on 3 April 2023, and subject to such other approvals as may be necessary, consent of the members be and is hereby accorded for payment of remuneration to Mr. Krishna Bodanapu (DIN: 00605187), Executive Vice Chairman and Managing Director for a period of 3 (three) years with effect from 3 April 2023 as detailed below:

I. Salary:

Salary shall not be less than ₹ 20,00,000 (Indian Rupees Twenty Lakhs only) per month. The salary may progressively go up subject to his performance and industry trends, subject however that in no case, the salary shall exceed ₹ 30,00,000 (Indian Rupees Thirty Lakhs only) per month subject to the confirmation of the board of directors based on the recommendations of the Leadership, Nomination & Remuneration committee of directors.

II. Commission:

The Percentage of net profits of the company as commission payable shall be determined by the Leadership, Nomination & Remuneration Committee / Board of Directors of the company, subject to the total remuneration (i.e., salary, perquisites, commission and allowances) in any one financial year shall not exceed 2.5% of the profits of the Company as prescribed from time to time under section 196, 197 and other applicable provisions of the Act, read with schedule V to the said Act, as may for the time being, be in force and any amendments thereto.

III. Perquisites:

Perquisites as follows will be paid and/or provided in addition to salary. Perquisites shall be valued in terms of actual expenditure incurred by the company. However, in cases where the actual amount of expenditure cannot be ascertained with reasonable accuracy the perquisites shall be valued as per Income Tax Rules:

a) Medical Reimbursement:

Reimbursement of medical expenses actually incurred for self and family as per the rules of the company.

b) Leave Travel Concession / allowance:

For self and family, twice a year in accordance with the rules of the company.

c) Club Fees:

Fees of Club payable as per the rules of the company.

d) Provident Fund, Pension Fund & Superannuation Fund:

Company's Contribution to Provident Fund, Pension Fund & Superannuation Fund as per the rules of the company.

e) Gratuity:

Gratuity is payable as per the rules of the company.

f) Car:

Use of two fully maintained company cars with chauffeur and fuel reimbursement.

g) Telephone:

Reimbursement of residential telephone bills at actuals. Use of telephone for official purpose shall not be considered as perquisite.

Use of one mobile phone for official purpose.

IV. Other Benefits:

On full pay and allowances as per the rules of the Company, not more than one month's leave for every 11 (eleven) months of service.

V. Overall Remuneration:

That the total remuneration (i.e., salary, perquisites, commission and allowances) in any one financial year shall not exceed the limits prescribed from time to time under sections 196, 197 and other applicable provisions of the Act read with Schedule V to the Companies Act, 2013 or any statutory modification(s) and re-enactment thereof. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the board of directors on the recommendation of Leadership, Nomination & Remuneration committee. Further, within the overall remuneration, the individual components may be changed as desired by Mr. Krishna Bodanapu and accepted by the Leadership, Nomination & Remuneration committee;

VI. Minimum Remuneration:

In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being in force.

VII. Termination:

6 (Six) months' notice shall be required to be served on either side for termination of service.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution"

8. APPOINTMENT AND RE-DESIGNATION OF MR. KARTHIKEYAN NATARAJAN (DIN: 03099771) AS EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY:

To consider and if thought fit to pass with or without modification(s), the following resolution as a ***Special resolution:***

"**RESOLVED THAT** pursuant to the provisions of section 152, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), and pursuant to the recommendations of Leadership, Nomination and Remuneration Committee and the approval of Board of Directors at their meeting held on 3 April 2023, consent of the members be and is hereby accorded for the appointment and re-designation of Mr. Karthikeyan Natarajan (DIN 03099771) as an Executive Director and Chief Executive Officer for a period of 3 (three) years with effect from 3 April 2023 or the attainment of the age of 60 years.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution"

9. APPROVAL FOR PAYMENT OF REMUNERATION TO MR. KARTHIKEYAN NATARAJAN (DIN: 03099771), EXECUTIVE DIRECTOR AND CHIEF EXECUTIVE OFFICER OF THE COMPANY:

To consider and if thought fit to pass with or without modification(s), the following resolution as a ***Special resolution:***

"**RESOLVED THAT** pursuant to the provisions of section 203 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**"), read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and re-enactment thereof for the time being in force), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), and pursuant to the recommendations of Leadership, Nomination and Remuneration

Committee and the approval of Board of Directors at their meeting held on 3 April 2023, and subject to such other approvals as may be necessary, consent of the members be and is hereby accorded for payment of remuneration of Mr. Karthikeyan Natarajan (DIN 03099771), Executive Director and Chief Executive Officer for a period of 3 (three) years with effect from 3 April 2023 or the attainment of the age of 60 years as detailed below:

1. **Salary:**

   ₹ 25,00,000 (Indian Rupees Twenty-Five Lakhs only) per month. The salary may progressively go up subject to his performance and industry trends, subject however that in no case, the salary shall exceed ₹ 35,00,000 (Indian Rupees Thirty-Five Lakhs only) per month subject to the confirmation of the Board of Directors based on the recommendations of the Leadership, Nomination & Remuneration committee of directors.

2. **Commission:**

   1% of the profit per year on achieving 100% (One Hundred percent) target. On exceeding targets there is an accelerator plan for senior management that will be used based on the company's EBIT achievement. The scheme will be capped at 200% (Two Hundred percent) payout. The yearly increase in on-target commission will be in line with the budgeted increase in EBIT compared to the previous year.

3. **Perquisites and Benefits:**

   Medical Reimbursement, Leave Travel Concession/ allowance, Provident Fund, Pension Fund & Superannuation Fund, Gratuity, Associate Stock Options, Company Car and Telephone/Broadband-as per Rules of the Company and subject to applicable tax laws.

4. **Overall Remuneration:**

   That the total remuneration (i.e., salary, perquisites, including stock options, commission and allowances) in any one financial year shall not exceed the limits prescribed from time to time under sections 196, 197 and other applicable provisions of the Act read with Schedule V to the said Act, as may for the time being, be in force and any amendments thereto. In case of any doubt / discrepancy / clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the board of directors on the recommendation of Leadership, Nomination & Remuneration committee of directors. Further, within the overall remuneration, the individual components may be changed as desired by the Director and accepted by the Leadership, Nomination & Remuneration committee.

5. **Minimum Remuneration:**

   In the event of loss or inadequacy of profits, in any financial year during the currency of tenure of service, the payment of salary, commission, perquisites and other allowances shall be governed by Schedule V to the Act, including any statutory modifications or re-enactment thereof, as may, for the time being, be in force.

6. **Termination:**

   6 (Six) months' notice shall be required to be served on either side for termination of service.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution"

10. APPROVAL OF THE CYIENT ASSOCIATE STOCK OPTION PLAN 2023:

*To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special resolution:***

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (the "**SEBI SBEB & SE Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and any other circular(s)/ notification(s)/ guidance issued thereunder by the Securities and Exchange Board of India and in accordance with the provisions of articles of association of the Company and on the basis the recommendations of Leadership, Nomination and Remuneration Committee and the approval of Board of Directors in their meeting held on

20 April 2023, the consent of the members of the Company be and is hereby accorded to introduce and implement the Cyient Associate Stock Option Plan 2023 ("**ASOP 2023**" or the "**Scheme**"), the salient features of which are furnished in the explanatory statement annexed hereto, authorising the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee including the Leadership, Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers conferred by this resolution read with Regulation 5 of SEBI SBEB & SE Regulations) to create, issue and grant not exceeding 12,00,000 (Twelve Lakhs) employee stock options ("**Options**"), in one or more tranches, from time to time, to such employees as defined under the SEBI SBEB & SE Regulations, subject to their eligibility as may be determined under ASOP 2023 (of which 8,00,000 (Eight Lakhs) options be issued to the associates of the company and 4,00,000 (Four Lakhs) options be issued to the associates of its subsidiaries and associate companies in India and abroad), which upon exercise shall not exceed in aggregate 12,00,000 (Twelve Lakhs) fully paid-up equity shares ("**Equity Shares**") of face value of ₹ 5/- (Indian Rupees Five only) each, where one Option upon exercise shall convert in to one Equity Share subject to payment/ recovery of requisite exercise price and applicable taxes, on such terms and conditions and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ASOP 2023.

RESOLVED FURTHER THAT the Equity Shares as specified hereinabove shall be issued and allotted to the Option grantees upon exercise of Options in accordance with the terms of the grant and provisions of the ASOP 2023 and such Equity Shares shall rank pari passu in all respects with the then existing Equity Shares of the Company.

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, change in capital structure, or other re-organization, the ceiling aforesaid in terms of number of Equity Shares reserved under the ASOP 2023 shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible employees as per provisions of the SEBI SBEB & SE Regulations and such adjusted number of Equity Shares shall be deemed to be the ceiling as originally approved.

RESOLVED FURTHER THAT in case the Equity Shares of the Company are either sub-divided or consolidated, then the number of Shares to be allotted and to the extent allowed exercise price payable by the Option grantees under the ASOP 2023 shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 5/- (Indian Rupees Five only) each bears to the revised face value of the Equity Shares of the Company after such consolidation or sub-division, without affecting any other rights or obligations of the said Option grantees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take requisite steps for listing of the Equity Shares allotted under the ASOP 2023 on the National Stock Exchange of India Limited and BSE Limited in due compliance with SEBI SBEB & SE Regulations and other applicable laws.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid."

11. APPROVAL FOR GRANT OF OPTIONS UNDER CYIENT ASSOCIATE STOCK OPTION PLAN 2023 TO THE EMPLOYEES OF THE SUBSIDIARIES AND ASSOCIATE COMPANIES OF THE COMPANY:

*To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special resolution:***

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") read with Rule 12 of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules, the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time (the "**SEBI SBEB & SE Regulations**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and any other circular(s)/ notification(s)/ guidance issued thereunder by the Securities and Exchange Board of India, and in accordance with the provisions of articles of association of the Company and on the basis the recommendations of Leadership, Nomination and Remuneration Committee and the approval of Board of Directors in their meeting held on 20 April 2023, the consent of the members of the Company be and is hereby accorded to introduce and implement the Cyient Associate Stock Option Plan 2023 ("**ASOP 2023**" or the "**Scheme**"), the salient features of which are furnished in the explanatory statement annexed hereto, authorising the Board of Directors of the Company (hereinafter referred to as the "**Board**" which term shall be deemed to include any Committee including the Leadership, Nomination and Remuneration Committee which the Board has constituted to exercise its powers, including the powers conferred by this resolution read with Regulation 5 of SEBI SBEB & SE Regulations) to create, issue and grant of employee stock options not exceeding 4,00,000 (Four Lakhs) employee stock options ("**Options**"), in one or more tranches, from time to time, to such employees as defined under the SEBI SBEB & SE Regulations of the Subsidiaries and Associate Companies (both present and future), subject to their eligibility as may be determined under ASOP 2023, which upon exercise shall result in issue of fully paid-up equity shares ("**Equity Shares**") of face value of ₹ 5/- (Indian Rupees Five only) each, where one Option upon exercise shall convert in to one Equity Share subject to payment/ recovery of requisite exercise price and applicable taxes, on such terms and conditions and in such manner as the Board may decide in accordance with the provisions of the applicable laws and the provisions of ASOP 2023.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) be and is hereby authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid."

By Order of the Board of Directors
For Cyient Limited

Sudheendhra Putty
Company Secretary
M. No. F5689

Place: Hyderabad
Date: 20 April 2023

Registered Office

Cyient Limited
4th Floor, A Wing, Plot No.11, Software Units Layout, Infocity,
Madhapur, Hyderabad 500 081, Telangana, India
CIN: L72200TG1991PLC013134
Email: company.secretary@cyient.com;
Website: www.cyient.com;
Tel: +91 40 6764 1000

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 (the "**Act**") relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto. **Refer Annexure-A.**
2. The relevant details as required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI(LODR) Regulations, 2015) and Secretarial Standard on General Meetings (SS 2) issued by The Institute of Company Secretaries of India, of directors seeking appointments/re-appointments is annexed hereto. Refer **Annexure -B.**
3. All the documents referred to in this Notice are available for inspection by the members. Those who desire to obtain the same may write to company.secretary@cyient.com
4. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
5. Corporate shareholders intending to authorize their authorized representatives to attend the AGM are requested to send a certified copy of the board resolution to the company authorizing them to attend and vote on their behalf at the AGM. The scanned copy (PDF / JPEG format) of the Board Resolution authorising its representatives to attend and vote at the AGM, pursuant to Section 113 of the Act together with attested specimen signature(s) of the duly authorised representative(s), be sent to:
   (i) the Company Secretary at the E-mail: company.secretary@cyient.com
   (ii) the Scrutinizer at E-mail: schid285@gmail.com
   (iii) a copy marked to evoting@kfintech.com

   The scanned image of the above-mentioned documents should be in the naming format "Corporate Name and Event No."
6. The Register of Members and the Share Transfer Books of the company will remain closed from 13 June 2023 to 21 June 2023 (both days inclusive) in connection with the AGM and for the purpose of dividend.
7. The Board of Directors of the company had declared an interim dividend of ₹ 10/- per share i.e., at the rate of 200% on face value of ₹ 5/- on 13 October 2022. The same was paid on 9 November 2022.
8. Final dividend of ₹ 16/- per share, i.e., at the rate of 320% on face value of ₹ 5/- each for the year ended 31 March 2023, as recommended by the board, if declared at the AGM, will be payable to those persons whose names appear in the Register of Members of the company as at the close of business hours on 12 June 2023. Dividend will be paid within 30 days from the date of AGM.
9. Members holding shares in physical form may write to the company/company's R&T agents for any change in their address and bank mandates; members holding shares in electronic form may inform the same to their depository participants immediately so as to enable the Company to dispatch dividend warrants at their correct addresses, where applicable.
10. In terms of Schedule I of the SEBI (LODR) Regulations, 2015, listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as National Automated Clearing House (NACH), National Electronic Fund Transfer (NEFT) and Real Time Gross Settlement (RTGS) for making payments like dividend to the members. Accordingly, members holding securities in demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form may send a request updating their bank details to the company's Registrar and Transfer Agent.
11. **Deduction of tax at source (TDS) on dividend:**
    i. As you may be aware, in terms of the provisions of the Income-tax Act, 1961, (the "**IT Act**") as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1 April 2020 shall be taxable in the hands of the shareholders. The Company shall therefore be required to deduct tax at source at the time of payment of dividend.
    ii. In order to enable us to determine the appropriate TDS rate, members are requested to submit the documents in accordance with the provisions of the IT Act, as set out hereunder:
       a) **For resident shareholders:** Tax will be deducted at source under Section 194 of the IT Act @ 10% on the amount of dividend payable unless exempt under any of the provisions of the IT Act. However, in case of individuals, TDS would not apply, if the aggregate of total dividend distributed to them by the Company during FY 2022-23 does not exceed ₹ 5,000.

Tax at source will not be deducted in cases where a shareholder provides Form 15G (applicable to an individual below the age of sixty years) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met.

Blank Form 15G and 15H can also be downloaded from the website of the Company, viz., https://www.cyient.com/investors/financial-information

NEEDLESS TO STATE, THE PERMANENT ACCOUNT NUMBER (PAN) WILL NEED TO BE MANDATORILY MENTIONED.

In order to provide exemption from withholding of tax, the following entities must provide a self-declaration as listed below:

- **Insurance companies**: A declaration that they are beneficial owners of shares held along with a copy of certificate of registration granted by IRDAI
- **Mutual Funds**: A declaration that they are governed by the provisions of section 10(23D) of the Act along with copy of registration documents (self-attested).
- **Alternative Investment Fund (AIF) established in India**: A declaration that its income is exempt under section 10(23FBA) of the IT Act and they are established as Category I or Category II AIF under the SEBI Regulations. Copy of registration documents(self-attested) should be provided.
- **Entities covered by Circular 18 of 2017 issued by the Central Board of Direct Tax**: a declaration containing the following along with supporting a document:

  We are an entity covered by Circular 18 of 2017 issued by the Central Board of Direct Tax and our income is unconditionally exempt under Section 10 of the Income-Tax Act, 1961 and we are statutorily not required to file return of income under Section 139 of the IT Act.
- **Department of Government:** such entities will need to provide a declaration stating:

  We are a Corporation named _______________<> set up under ____________ <<<>Act>>whose income is exempt from any income-tax or can be considered as a 'Government' and qualify for exemption under section 196 of the Income tax Act, 1961.
- **NPS Trusts**: such trusts will need to provide a declaration stating the following along with a supporting document:

  We qualify as NPS Trust for the purpose of section 197A(1E) of the Income-tax Act, 1961 and our income is eligible for exemption under section 10(44) of the Income-tax Act, 1961.

  The Resident Non-Individual Members i.e. Insurance companies, Mutual Funds and Alternative Investment Fund (AIF) established in India and Non-Resident Non-Individual Members i.e. Foreign Institutional Investors and Foreign Portfolio Investors may alternatively submit the relevant forms / declarations / documents stated above through their respective custodian who is registered on NSDL/CDSL platform, on or before the aforesaid timelines.

b) **For non-resident shareholders:** Tax is required to be withheld in accordance with the provisions of Section 195 and Section 196D of the IT Act at applicable rates in force. As per the relevant provisions of the IT Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable.

However, as per Section 90 of the IT Act, a non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("**DTAA**") between India and the country of tax residence of the shareholder, if they are more beneficial to the shareholder.

For this purpose, i.e., to avail of the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

a) Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities;

b) Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident for FY 2022-23;

c) Self-declaration in Form 10F, if all the details required in the form are not mentioned in the TRC;

d) Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable Tax Treaty;

e) Self-declaration of beneficial ownership by the non-resident shareholder.

f) Self -declaration by the non-resident shareholder for eligibility of DTAA rate;

g) Self-declaration by the non-resident shareholder for no Place of effective management;

h) Self-declaration by the non-resident shareholders for no business connection;

The documents referred to in point nos. (c) to (e) above can be downloaded from the Company's website viz. https://www.cyient.com/investors/financial-information

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate will depend upon the completeness and satisfactory review by the Company of the documents submitted by Non-Resident shareholder.

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than 21 June 2023.

iii. **Dividend will be paid after deducting the tax at source as under:**

a) **NIL** for resident shareholders receiving dividend up to ₹ 5,000 or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN is submitted.

b) **10%** for resident shareholders in case PAN is provided/available.

c) **20%** for resident shareholders, if PAN is not provided / not available.

d) **20%** for resident shareholders who have not furnished the ITR for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted and for which the time limit to file tax return as per section 139(1) of the IT Act has expired and the aggregate amount of TDS and TCS in whose case exceeds ₹ 50,000 or more in the said previous year.

e) Tax will be assessed on the basis of documents submitted by the non-resident shareholders

f) **20%** plus applicable surcharge and cess for non-resident shareholders in case the aforementioned documents are not submitted.

Further, please note that as per the provisions of section 206AB of the IT Act, tax will be deducted in the case of non-resident shareholders at twice the abovementioned rate in case the non-resident shareholder has not furnished return of income for the assessment year relevant to the previous year immediately preceding the financial year in which tax is required to be deducted, for which the time limit for furnishing the return of income under sub-section (1) of section 139 of the IT Act has expired and the aggregate of tax deducted at source and tax collected at source in his case is rupees fifty thousand or more in the said previous year.

However, in case the non-resident shareholders submit a declaration that it does not have a permanent establishment in India, then the provisions of section 206AB may not apply to such shareholder.

g) Lower/ NIL TDS on submission of self-attested copy of the certificate issued undersection 197 of the IT Act.

Kindly note that the aforementioned documents should be uploaded with KFin Technologies Limited, the Registrar and Transfer Agent at https://ris.kfintech.com/form15 or emailed to einward.ris@kfintech.com. No communication on the tax determination/deduction shall be entertained after 21 June 2023.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details/ documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such taxes deducted.

The tax credit can also be viewed in Form 26AS by logging in with your credentials (with valid PAN) at TRACES https://www.tdscpc.gov.in/app/login.xhtml or the e-filing website of the Income Tax department of India https://eportal.incometax.gov.in/iec/foservices/#/login

12. Members who wish to claim unclaimed dividends of the past years, are requested to correspond with Mr. N. Ravi Kumar, Deputy Company Secretary at the company's registered office. Pursuant to provisions of sections 124 and 125, and other applicable provisions, if any, of the Act, all unclaimed / unpaid dividends for a period of seven years from the date they become due for payment are required to be transferred to the Investor Education Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, shareholders are requested to claim the dividend from the company within the stipulated timeline.

13. In case of joint holders attending the AGM, the shareholder whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote.

14. Shareholders desirous of obtaining any information concerning the accounts and operations of the company are requested to send their queries to the registered office of the company at least seven days before the date of the AGM, so that the information requested may be made available.

15. The certificates from the secretarial auditors of the company under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, will be available for inspection by the shareholders at the AGM.

16. The Ministry of Corporate Affairs ("**MCA**") vide its circular nos. 14/2020 and 17/2020 dated 8 April 2020 and 13 April 2020 respectively, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19", circular no. 20/2020 dated 5 May 2020 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" and Circular no. 02/2021 dated 13 January 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM), circular no. 19/2021 dated 08 December 2021 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or Other Audio Visual Means (OAVM), circular no. 21/2021 and circular No. 10/2022 dated 28 December 2022 in relation to "Clarification on holding of Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" collectively referred to as "**MCA Circulars**"). In compliance with the MCA Circulars, the AGM of the members of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

17. As the AGM will be conducted through VC / OAVM, the facility for appointment of Proxy by the Members is not available for this AGM and hence the Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.

18. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.

19. **ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING ANNUAL REPORT:**

    a. In accordance with, the General Circular Nos. 20/2020 dated 5 May 2020, 19/20 dated 12 December 2021 and 21/2021 dated 14 December 2021 and 10/2022 dated 28 December 2022 issued by MCA, owing to the difficulties involved in dispatching of physical copies of the financial statements (including Report of Board of Directors, Auditor's report or other documents required to be attached therewith), such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the company or the Depository Participant(s).

    b. The Notice of AGM along with Annual Report for the financial year 2022-23, will also be available on the Company's website at https://www.cyient.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia. com respectively, and on the website of KFin Technologies Private Limited ('KFin'/'RTA') at https://evoting.kfintech. com.

    c. Procedure for registering the e-mail address and obtaining the Notice and Remote E-voting instructions by the shareholders whose e-mail addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case of shareholders holding shares in physical form):

        i. Those Members who have not yet registered their e-mail addresses are requested to get their e-mail addresses registered by following the procedure given below:

            a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.

            b. Members holding shares in physical form may register their e-mail address and mobile number with KFin by sending e-mail to einward.ris@kfintech.com along with signed scanned copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and copy of share certificate for receiving the Notice and the e-voting instructions.

c. Further, those members who have not registered their e-mail addresses and mobile nos. and in consequence could not be served the Notice, may temporarily get themselves registered with KFin, by clicking the link: https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx

d. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communication through e-mail going forward.

ii. With a view to help us serve better, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company/RTA to consolidate their holdings in one folio.

iii. Members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin, in case the shares are held in physical form.

20. PROCEDURE FOR REMOTE E-VOTING AND E VOTING DURING THE AGM

Instructions for E-voting:

i. In terms of the provisions of Section 108 and 109 of the Companies Act, 2013 (the "Act") read with Rule 20 and 21 of the Companies (Management and Administration) Rules, 2014 (hereinafter called "the Rules" for the purpose of this Section of the Notice) and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system to members holding shares as on 12 June 2023 (End of Day) being the Cut-off date fixed for determining voting rights of members, entitled to participate in the e-voting process and poll.

ii. The remote e-Voting period commences on 18 June 2023 (0900 hours IST) and ends on 20 June 2023 (1700 hours IST).

iii. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

iv. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1 :

Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 :

Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.

Details on Step 1 are mentioned below:

I) **Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. **User already registered for IDeAS facility:** I. Visit URL: https://eservices.nsdl.com II. Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. III. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 2. **User not registered for IDeAS e-Services** I. To register click on link: https://eservices.nsdl.com II. Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp III. Proceed with completing the required fields. IV. Follow steps given in points 1.

Type of shareholders	Login Method
	3. Alternatively by directly accessing the e-Voting website of NSDL I. Open URL: https://www.evoting.nsdl.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will requested to select the name of the company and the e-Voting Service Provider name, i.e. KFintech. V. On successful selection, you will be redirected to KFintech e-Voting page for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in demat mode with CDSL	**1. Existing user who have opted for Easi / Easiest** I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com II. Click on New System Myeasi; III. Login with your registered user id and password. IV. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFintech e-Voting portal. V. Click on e-Voting service provider name to cast your vote. **2. User not registered for Easi/Easiest** I. Option to register is available at: https://web.cdslindia.com/myeasi/Registration/EasiRegistration II. Proceed with completing the required fields. III. Follow the steps given in point 1 **3. Alternatively, by directly accessing the e-Voting website of CDSL** I. Visit URL: www.cdslindia.com II. Provide your demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP, i.e **KFintech** where the e- Voting is in progress.
Individual Shareholder login through their demat accounts / Website of Depository Participant	I. You can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. III. Click on options available against company name or e-Voting service provider – **Kfintech** and you will be redirected to e-Voting website of **KFintech** for casting your vote during the remote e-Voting period without any further authentication.

Important note:

Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com; or contact at toll free no. 1800 22 55 33

Details on Step 2 are mentioned below:

II) **Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:

i. Launch internet browser by typing the URL: https://evoting.kfintech.com/

ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.

iii. After entering these details appropriately, click on "LOGIN".

iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the "EVENT" i.e., 'Cyient Limited- Annual General Meeting" and click on "Submit".

vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either-head.

viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.

ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

x. You may then cast your vote by selecting an appropriate option and click on "Submit".

xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

Instructions for members for voting during the e-AGM session:

1. The e-voting window shall be activated upon instructions of the Chairman during the e-AGM.
2. E-voting during the AGM is integrated with the VC platform and no separate login is required for the same. The shareholders shall be guided on the process during the e-AGM.
3. Members/shareholders, attending the e-AGM through Video Conference and who have not cast their vote on resolutions through Remote e-Voting shall be eligible to cast their vote through e-voting system available during the e-AGM.
4. Members who have voted through Remote e-Voting will be eligible to attend the e-AGM, however, they shall not be allowed to cast their vote again during the e-AGM.
5. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, email id. Questions /queries received by the Company till 19 June 2023 (1700 hours) shall only be considered and responded during the AGM.

21. OTHER INSTRUCTIONS:

a) **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit https://emeetings.kfintech.com and login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Speaker Registration' which will opened from 17 June 2023 (0900 hours IST) and ends on 19 June 2023 (1700 hours IST). Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

b) **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting https://emeetings.kfintech.com. Please login through the user id and password provided in the mail received from Kfintech. On successful login, select 'Post Your Question' option which will opened from 17 June 2023 (0900 hours IST) and ends on 19 June 2023 (1700 hours IST).

c) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of https://evoting.kfintech.com (KFintech Website) or contact evoting@kfintech.com or call KFintech's toll free No. 1-800-309-4001 for any further clarifications.

d) The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 12 June 2023, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

e) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting, he/she may obtain the User ID and Password in the manner as mentioned below:

   i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

      1. Example for NSDL:
      2. MYEPWD <SPACE> IN12345612345678
      3. Example for CDSL:
      4. MYEPWD <SPACE> 1402345612345678
      5. Example for Physical:
      6. MYEPWD <SPACE> XXXX1234567890

   ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of https://evoting.kfintech.com/, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

iii. Members who may require any technical assistance or support before or during the AGM are requested to contact KFintech at toll free number 1-800-309-4001 or write to them at evoting@kfintech.com.

f) **Scrutinizer**: The Company has appointed Mr. S Chidambaram, Practicing Company Secretary (Membership No. F3935 and CP No. 2286) having address at Flat No. 4A, Sampathji Apartments, 6-3-855/10/A, Saadat Manzil, Nr. Neeraj Public School, Ameerpet, Telangana, Hyderabad-500016, Telangana, India as the Scrutinizer to conduct the voting process (e-voting and poll) in a fair and transparent manner.

g) The Scrutinizer will submit his report to the Chairman of the Company or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The results of the electronic voting shall be declared to the Stock Exchanges after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

* * *

Annexure-A

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item 5:

Mr. Ramesh Abhishek (DIN: 07452293) was appointed as an independent director of the Company pursuant to Section 149 of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, by the members at the AGM held on 17 June 2021, for a term of 3 (three) years, to hold office up to 11 August 2023. Accordingly, his term as an independent director comes to an end on 11 August 2023 and he is due for retirement from the first term as an independent director on 11 August 2023.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term.

The Leadership, Nomination and Remuneration Committee has considered his knowledge, expertise, experience and his contributions to the Company during his first tenure as an Independent Director and recommended to the Board that continued association of the said Director as an Independent Director would be in the interest of the Company and recommended the reappointment for a second term for 5 (five) years. Further, in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Ramesh Abhishek, being eligible for reappointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for a second term.

Based on the recommendation of the Leadership, Nomination and Remuneration Committee, the Board at its meeting held on 20 April 2023, has recommended the reappointment of Mr. Ramesh Abhishek as an independent director, not liable to retire by rotation, for a second term of five years effective from 12 August 2023 till 11 August 2028.

Mr. Ramesh Abhishek is not disqualified from being re-appointed as Director in terms of Section 164 of the Companies Act, 2013, as amended from time to time. Further, he has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that he fulfils the conditions specified in the Act for re-appointment as an Independent Director.

A copy of the draft letter for the re-appointment of Mr. Ramesh Abhishek as Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day and the same has also been uploaded on the Company website https://www.cyient.com.

Accordingly, the approval of members is sought for the reappointment of Mr. Ramesh Abhishek as an independent director of the Company for a second term of five years effective from 12 August 2023 till 11 August 2028, pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.

Brief profile and other details of Mr. Ramesh Abhishek required under the SEBI Listing Regulations and Secretarial Standard on General Meetings are enclosed as **Annexure - B.**

None of the directors, key managerial personnel or their relatives except Mr. Ramesh Abhishek, to whom the resolution relates, is interested in or concerned, financially or otherwise, in passing the proposed resolution set out in item no. 5.

The Board recommends the resolution set forth in item no. 5 for the approval of members.

Item 6 & 7:

Mr. Krishna Bodanapu was appointed as Managing Director & Chief Executive Officer of the Company for a period of five years with effect from 24 April 2014 and was re-appointed further for a period of 5 (five) years with effect from 25 April 2019.

Krishna Bodanapu is responsible for providing strategic direction to the company and creating long-term value for stakeholders. An alumnus of the Kellogg School of Management, Northwestern University, Krishna is a member of several industry associations, including CII and the IndiaUS CEO Forum, and is well-known for his outstanding leadership in advancing the use of technology in engineering and manufacturing practices.

The Board has, at its meeting held on 3 April 2023, based on the recommendation of the Leadership, Nomination and Remuneration Committee and subject to the approval of the Members, approved the appointment and re-designation of Mr. Krishna Bodanapu as Executive Vice Chairman and Managing Director for a period of 3 (three) years, on terms and conditions including remuneration as recommended by the Leadership, Nomination and Remuneration Committee and approved by the Board. The proposed increase in remuneration to Mr. Krishna Bodanapu will be in line with his contribution for achievement of significant growth in all key operations and performance parameters of the company and also the progress made by the company in the last several years under his stewardship and guidance. Further, as Executive Vice-Chairman & Managing Director, Mr. Krishna Bodanapu will;

— Have increased focus on international M&A of a significantly higher scale than in the past
— Exercise enhanced governance over multiple entities world-wide
— Ensure logical growth trajectory for the business
— Have oversight of global initiative impacting future business including DEI and ESG
— Drive the process of unlocking value/potential for DLM

The re-designation and appointment forms part of leadership re-organisation to accelerate its technology led growth.

Mr. Krishna Bodanapu is not disqualified from being appointed and re-designated as a Director in terms of Section 164 of the Act and has given his consent to act as Executive Vice Chairman and Managing Director of the Company. Mr. Krishna Bodanapu satisfies all the conditions as set out in Section 196(3) of the Act and Part-I of Schedule V to the Act, for being eligible for his appointment.

Accordingly, it is proposed to seek the members' approval for the appointment and re-designation of Mr. Krishna Bodanapu as Executive Vice Chairman and Managing Director of the Company and the remuneration payable to him, in terms of the applicable provisions of the Act and the relevant Rules made thereunder. This Explanatory Statement may also be considered as the requisite abstract under Section 190 of the Companies Act, 2013 setting out the terms and conditions of appointment and re-designation of Mr. Krishna Bodanapu as the Executive Vice Chairman and Managing Director of the Company.

Brief profile and other details of Mr. Krishna Bodanapu required under the SEBI Listing Regulations and Secretarial Standard on General Meetings are enclosed as **Annexure - B.**

Except Mr. Krishna Bodanapu and Mr. B.V.R. Mohan Reddy, none of the Directors or Key Managerial Personnel (KMP) or relatives of other directors and KMP is concerned or interested in the Resolutions at Item No. 6 and 7 of the accompanying Notice.

Your directors recommend the resolutions set forth in item nos. 6 and 7 for the approval of the members.

Item 8 & 9:

The Board has, at its meeting held on 3 April 2023, based on the recommendation of the Leadership, Nomination and Remuneration Committee and subject to the approval of the Members, approved the appointment and re-designation of Mr. Karthikeyan Natarajan as Executive Director and the Chief Executive Officer as of the company for a period of 3 (three) years, on terms and conditions including remuneration as recommended by the Leadership, Nomination and Remuneration Committee and approved by the Board. The appointment and re-designation forms part of leadership re-organisation to accelerate the technology led growth of the Company.

Mr. Karthikeyan Natarajan was appointed as Chief Operating Officer of the Company in March 2020 and has provided excellent leadership for the Operations of the Company since then. Mr. Natarajan will have overall responsibility of Operations, Delivery, Sales and Business Development for all the company businesses. He focuses on developing business opportunities and executing them towards the goals and objectives of the company.

Based on the recommendation of the Leadership, Nomination and Remuneration Committee as Executive Director & Chief Operating and the approval of the board and further by the members of the company in the 30th (Thirtieth) AGM held on 17 June 2021, Mr. Karthikeyan Natarajan was appointed as an Executive Director & Chief Operating Officer of the Company.

As Cyient's Executive Director, Karthikeyan Natarajan drives global operations. He led its transformation from pure play engineering services to a technology solutions partner. In his recent stint at Cyient, he has put the company on a high growth track with a sharpened focus on developing talent, service capabilities, innovation initiatives, and reinforcing customer-centricity.

Mr. Karthikeyan Natarajan satisfies all the conditions as set in the Act and the applicable rules for being eligible for the proposed appointment and re-designation. This explanatory statement may be considered as the requisite abstract under section 190 of the Companies Act, 2013 setting out the terms and conditions of the appointment.

Brief profile and other details of Mr. Karthikeyan Natarajan required under the SEBI Listing Regulations and Secretarial Standard on General Meetings are enclosed as **Annexure - B.**

None of the Directors, Key Managerial Personnel and their relatives except Mr. Karthikeyan Natarajan himself and his relatives may be deemed to be concerned or interested in the Resolutions at Item No. 8 and 9 of the accompanying Notice.

Your directors recommend the resolutions set forth in item nos. 8 and 9 for the approval of the members.

Item 10 & 11:

In order to attract and retain qualified, talented and competent personnel in the Company, your Company intends to set up and implement an employee stock option plan namely Cyient Associate Stock Option Plan 2023 ("**ASOP 2023**" or the "**Scheme**") seeking to cover eligible employees of the Company and its subsidiary(ies) and associate companies.

The Leadership, Nomination & Remuneration Committee (the "**Committee**") of the Board of Directors of the Company shall administer the scheme and grant Options to employees on the basis of eligibility criteria and also determine the quantum of distribution of Options which could vary from employee to employee or any class thereof under ASOP 2023.

As per provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("**SEBI SBEB & SE Regulations**"), the Company seeks your approval for:

a. Introduction and implementation of the ASOP 2023;

b. Grant of Options to the eligible employees (Applicable for both present and future employees) of the Company; and

c. Grant of Options to the eligible employees of the subsidiary company(ies) and Associate Companies (Applicable for both present and future employees and present and future subsidiaries and Associate Companies)) as per terms of the ASOP 2023 (*a separate resolution to this effect forms part of this notice. Refer Item No. 11*);

   Accordingly, the Committee and the Board of Directors the Company ("**Board**") at their respective meetings held 19 April 2023 and 20 April 2023 respectively have approved the ASOP 2023, subject to the members approval.

Specific disclosures as required under the SEBI SBEB & SE Regulations are as follows:

a) Brief description of the ASOP 2023:

In order to attract and retain qualified, talented and competent personnel in the Company, your company has instituted ASOP 2023 in accordance with the SEBI SBEB & SE Regulations and reserved an appropriate number of shares thereunder to allot equity shares against the stock options to be granted to the associates of the company and it's subsidiaries, joint ventures and associates in India and abroad.

b) The total number of options to be offered and granted under ASOP 2023:

The total number of options to be granted is 12,00,000 (Twelve Lakhs) to the associates of the company (i.e. 8,00,000 (Eight Lakhs) options for the associates of the company and 4,00,000 (Four Lakhs) options for the associates of its subsidiaries and associate companies in India and abroad).

c) Identification of classes of employees entitled to participate and be beneficiaries in the ASOP 2023:

All employees as defined under the said regulations shall be entitled to participate in the ASOP 2023.

d) Requirements of vesting and period of vesting under ASOP 2023:

Vesting of Options will be as per the schedule given below:

Period	% Options Vested
12 months from the date of Grant	33.33%
24 months from the date of Grant	33.33%
36 months from the date of Grant	33.34%

The options may vest subject to the terms and conditions as may be stipulated by the Committee, which may include satisfactory performance of the Employee/Directors and their continued employment with the company, as the case may be, unless such employment is discontinued on account of death, permanent/total disability or on retirement.

In case of unvested options at the time of exit of an employee, such unvested options will be added back to the ASOP 2023 pool and be available for future grants.

e) Maximum period within which the options shall be vested:

The maximum period within which the options shall be vested is 36 months from the date of grant.

f) Exercise price or pricing formula:

The exercise price per option shall be the latest available closing price of an equity share of the Company on the stock exchange on which the equity shares are listed, on the date immediately prior to the date of the meeting of the Committee at which the options are granted. As the equity shares of the Company are listed on more than one stock exchange, the latest available closing price on the stock exchange with higher trading volume on the said date shall be considered.

g) Exercise period/ and process of exercise:

There shall be a minimum gap of one year between the date of grant of options and the date of vesting of options. Options can be exercised by making an application for issue of shares against the options vested within a maximum period of 5 years from the date of grant. Payment of exercise price has to be by normal banking channels. The detailed process for exercise is available on the company's internal portal and accessible to eligible employees.

h) The appraisal process for determining the eligibility of employees for the ASOP 2023:

The options to be granted to eligible associates shall be determined by the committee based on an appraisal process consisting, *inter alia,* of the employee's Grade, Performance, Impact of the role, tenure and potential of the person. To add further the plan intends to cover :

i. 80% of the grants for associates in Middle Management grades and 20% in Senior Management grades

ii. Consistent Top 2 Performance Rating Categories will be eligible

i) Maximum number of options to be offered and issued per employee and in aggregate, if any under ASOP 2023:

Maximum number of options to be issued per employee per year shall not exceed 60,000 (Sixty Thousand) and 12,00,000 (Twelve Lakhs) in the aggregate.

j) Maximum quantum of benefits to be provided per employee under ASOP 2023:

Maximum quantum of benefits to be issued per employee under the scheme shall not exceed 60,000 (Sixty Thousand) per year.

k) Implementation or administration of the ASOP 2023:

The ASOP 2023 will be implemented and administered directly by the company.

l) Source of issue of shares under the ASOP 2023

The shares to be issued on exercise of options under ASOP 2023 involves issue of new shares by the company

m) The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.:

No loan will be provided for implementation of the ASOP 2023.

n) Maximum percentage of secondary acquisition that can be made by the trust for the purposes of the ASOP 2023:

There is no secondary acquisition contemplated under the ASOP 2023.

o) Accounting Disclosures:

The company shall conform to the accounting policies specified in regulation 15 of SEBI SBEB & SE Regulations;

p) the method used to value the options under ASOP 2023:

The company adopts the Fair Value method for valuing the stock options.

q) Declaration:

Not Applicable as the company adopts the Fair Value method for valuing the stock options.

r) Period of lock-in:

There shall be no lock–in period after vesting of options.

s) Terms & conditions for buyback, if any, of specified securities covered under ASOP 2023:

Buybacks if any will be exercised, subject to necessary approvals.

A draft copy of ASOP 2023 is available for inspection at the Company's Registered Office / Corporate Office during official hours on all working days (excluding Saturdays, Sundays and Public Holidays) till the date of passing of this resolution.

None of the Directors, Key Managerial Personnel of the Company including their relatives are concerned or interested in the resolutions, except to the extent of their entitlements determined lawfully, if any, under ASOP 2023. Non-promoter/Non-independent Directors recused themselves from this agenda at the board meeting concerned.

The Board, accordingly, recommends the passing of special resolutions as set out at Item No. 10 and 11 of this notice, for the approval of the members.

By Order of the Board of Directors
For Cyient Limited

Sudheendhra Putty
Company Secretary
M. No. F5689

Place: Hyderabad
Date: 20 April 2023

Registered Office

Cyient Limited
4th Floor, A Wing, Plot No.11,
Software Units Layout, Infocity,
Madhapur, Hyderabad 500 081,
Telangana, India
CIN: L72200TG1991PLC013134
Email: company.secretary@cyient.com;
Website: www.cyient.com;
Tel: +91 40 6764 1000

Annexure-B

Additional information on directors recommended for appointment / reappointment as required under regulation 36 of the Sebi Listing Regulations and applicable secretarial standards:

RAMESH ABHISHEK

Brief Resume:

Ramesh Abhishek serves as an Independent Director at Cyient. An IAS officer with decades of valuable experience as a bureaucrat, his last role was Secretary to the Government of India in the Department for Promotion of Industry and Internal Trade (DPIIT) till 2019. Mr. Abhishek is an eminent reformer and brings expertise in governance, policy design and implementation, competitiveness and investment promotion, and intellectual property rights to his role. He serves as Director at the US-India Business Council.

In his 37-year tenure with the Indian Administrative Service, Mr. Abhishek spearheaded a number of key government initiatives such as Make in India, Start-up India, and Ease of Doing Business. He played a crucial role in driving the Invest India initiative to strengthen investment promotion and usher in FDI. He also oversaw the implementation of the National IPR Policy 2016 and launched the Global Innovation Index in India in 2019 in conjunction with the World Intellectual Property Organization.

Mr. Abhishek holds a master's degree in public administration from the Harvard Kennedy School, an MBA from Sikkim Manipal University, and a Master's in international politics from Jawaharlal Nehru University.

DIN	:	07452293
Nationality	:	Indian
Date of birth/Age	:	03 July 1959/64 years
Qualifications	:	Master Degree in public administration and master's in international politics
Nature of expertise in specific functional areas;	:	Public Administration & Governance
Date of first appointment on the Board of the Company	:	12 August 2020
Shareholding in the Company including shareholding as a beneficial owner	:	Nil
Disclosure of relationships between directors inter-se;	:	No relationship with any Director
Remuneration proposed to be paid	:	As per the draft letter for the re-appointment. The same is available at the website of the Company.
Key Terms of Appointment	:	As per the resolution at item 5 of the notice.
Remuneration Last drawn and details of board meetings attended	:	The details of the same are provided in the report on corporate governance enclosed to the Annual Report.
Names of listed entities in which the person holds the directorship;	:	i. Ravindra Energy Limited ii. Aditya Birla Sun Life Amc Limited iii. Indus Towers Limited (w.e.f. 01.04.2023)
Names of listed entities in which the person holds the membership of Committees of the board	:	Aditya Birla Sun Life AMC Ltd – Member of Audit Committee; Nomination and Remuneration Committee and Stakeholder Relationship Committee
Names of listed entities from which the person has resigned/retired in the past three years;	:	Nil

KRISHNA BODANAPU

Brief Resume:

Krishna Bodanapu is responsible for providing strategic direction to the company and creating long-term value for stakeholders. An alumnus of the Kellogg School of Management, Northwestern University, Krishna is a member of several industry associations, including CII and the India-US CEO Forum, and is well-known for his outstanding leadership in advancing the use of technology in engineering and manufacturing practices.

DIN	:	00605187
Nationality	:	Indian
Date of birth/Age	:	28 August 1976/47 years
Qualifications	:	B.E., MBA
Nature of expertise in specific functional areas;	:	Engineering, business management and strategy
Date of first appointment on the Board of the Company	:	24 April 2014
Shareholding in the Company including shareholding as a beneficial owner	:	1,913,260 Equity Shares of INR 5
Disclosure of relationships between directors inter-se;	:	Relative of Mr. B.V.R. Mohan Reddy
Remuneration proposed to be paid	:	As per the resolutions at item 6 and 7 of the notice.
Key Terms of Appointment	:	As per the resolutions at item 6 and 7 of the notice.
Remuneration Last drawn and details of board meetings attended	:	The details of the same are provided in the report on corporate governance enclosed to the Annual Report.
Names of listed entities in which the person holds the directorship;	:	Nil
Names of listed entities in which the person holds the membership of Committees of the board	:	Nil
Names of listed entities from which the person has resigned/retired in the past three years;	:	Nil

KARTHIKEYAN NATARAJAN

Brief Resume:

Karthikeyan (Karthik) Natarajan drives global operations. He led its transformation from pure play engineering services to a technology solutions partner. In his recent stint at Cyient, he has put the company on a high growth track with a sharpened focus on developing talent, service capabilities, innovation initiatives, and reinforcing customer-centricity.

With over 30 years of experience in the engineering and technology domain, Karthik brings a strong focus on product development, R&D, and engineering/digital strategies for global organizations, including Fortune 500 companies. He is widely recognized as a thought leader in the engineering and technology domain and serves as the Engineering R&D Council Chair, and is a member of the Executive Council at NASSCOM

DIN	:	03099771
Nationality	:	Indian
Date of birth/Age	:	26 June 1972/51 years
Qualifications	:	Graduate in Mechanical Engineering & MBA
Nature of expertise in specific functional areas;	:	Engineering and technology services & Management
Date of first appointment on the Board of the Company	:	22 April 2021
Shareholding in the Company including shareholding as a beneficial owner	:	1,22,072
Disclosure of relationships between directors inter-se;	:	No relationship with any Director
Remuneration proposed to be paid	:	As per the resolutions at item 8 and 9 of the notice.
Key Terms of Appointment	:	As per the resolutions at item 8 and 9 of the notice.
Remuneration Last drawn and details of board meetings attended	:	The details of the same are provided in the report on corporate governance enclosed to the Annual Report.
Names of listed entities in which the person holds the directorship;	:	Nil
Names of listed entities in which the person holds the membership of Committees of the board	:	Nil
Names of listed entities from which the person has resigned/retired in the past three years;	:	Nil

Note :

An aggregate of 2,01,040 stock options/RSUs (cumulative) have been granted to Mr. Karthik Natarajan under the extant stock option/RSU schemes of the company. The shares held by him as on 31 March 2023 and the options outstanding for him are published in the Report on Corporate Governance.

Board's Report

Dear members,

Your directors take pleasure in presenting the Thirty Second (32nd) Board's Report on the business and operations of your Company (the "**Company**" or "**Cyient**"), along with the audited financial statements for the FY ended 31 March 2023. The consolidated performance of the Company and its subsidiaries has been referred to wherever required in the report.

1. FINANCIAL HIGHLIGHTS:

(*Amount in ₹ Million, except for EPS data***)**

Particulars	Standalone		Consolidated	
	2022-2023	**2021-2022**	**2022-2023**	**2021-2022**
Revenue from operations	22,279	17,505	60,159	45,344
Other Income	822	2,753	814	1,121
Total Income	**23,101**	**20,258**	**60,973**	**46,465**
Expenses				
Operating Expenditure	17177	12,377	50,128	37166
Depreciation and amortization expense	1,135	967	2,566	1,922
Total Expenses	**18,312**	**13,344**	**52,694**	**39,088**
Profit before finance cost, tax and share of profit from Joint Venture	4,789	6,914	7812	7377
Finance Cost	166	104	1,000	393
Exceptional item	-	-	467	-
Profit before tax (PBT)	**4,623**	6,810	**6,812**	6,984
Current tax	1,099	1,162	2,016	1,692
Deferred tax	(24)	(43)	(348)	69
Profit after Tax (PAT)	**3,548**	**5,691**	**5,144**	**5,223**
Non- controlling Interest	-	-	-	-
Profit attributable to Shareholders of the Company	**3,548**	**5,691**	**5,144**	**5,223**
Other Comprehensive Income attributable to shareholders of the Company	(258)	(34)	602	19
Non-Controlling Interest	-	-	-	-
Basic EPS	32.44	52.03	47.03	47.75
Diluted EPS	32.22	51.80	46.71	47.54
Paid up share capital	553	552	553	552
Other Equity	26,476	25,435	34,114	30,614

2. STATE OF AFFAIRS AND COMPANY'S PERFORMANCE:

Your Company is a global engineering and technology solutions company. It engages with customers across their value chain helping to design, build, operate and maintain the products and services that make them leaders and respected brands in their industries and markets. Customers draw on the Company's expertise in engineering, manufacturing, and digital technology to deliver and support their next-generation solutions that meet the highest standards of safety, reliability and performance.

Your Company provides engineering, manufacturing, geospatial, network and operations management services to global industry leaders. It delivers innovative solutions that add value to businesses through the deployment of robust processes and state-of-the-art technology. The Company's high-quality products and services help clients leverage market opportunities and gain competitive advantage.

There has been no change in the nature of business of the Company during the FY 2023.

3. DIVIDEND:

In terms of regulation 43A of SEBI Listing Regulations, the Company has formulated and uploaded dividend distribution policy on its' corporate website. The web-link for the same has been disclosed separately at the end of this report.

Details of dividend declared by the Company are as follows:

	FY 2023		FY 2022	
	Dividend per share (in ₹)	Dividend %	Dividend per share (in ₹)	Dividend %
Interim dividend	10	200	10	200
Final dividend[1]	16	320	14	280
Total dividend	**26**	**520**	**24**	**480**

[1] Final Dividend was recommend by the Board of Directors at its Meeting held on 20 April 2023 which is subject to approval of the shareholders of the Company in the ensuing Annual General Meeting of the Company.

4. EARNINGS PER SHARE (EPS):

The Basic EPS of the Company stood at ₹ 32.44 at standalone level and basic EPS at consolidated level stood at ₹ 47.03 for the FY ended 31 March 2023.

5. TRANSFER TO RESERVES:

The Company has not transferred any amount to reserves during the year under review.

6. LIQUIDITY:

The Company continues to be debt-free and maintains sufficient cash reserves to meet its operations and strategic objectives. As at 31 March 2023, your Company had liquid assets of ₹ 4,731 Million as against ₹ 11,772 Million at the previous year end. These funds have been invested in short-term deposits with scheduled banks & financial institutions, mutual funds, perpetual bonds and tax-free bonds.

7. PUBLIC DEPOSITS:

Your Company has not accepted any deposits falling within the meaning of Section 73 or 74 of the Act during the FY 2023 and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

8. SHARE CAPITAL:

8.1. The Particulars of share capital of the Company are as follows:

Particulars	Amount (₹)
Authorized share capital (28,00,00,000 Equity Shares of ₹ 5 each)	140,00,00,000
Issued, subscribed and paid-up share capital (11,05,75,006 Equity Shares of ₹ 5 each)	55,28,75,030

8.2. Shares allotted during the FY 2023:

Your Company has allotted in aggregate 257,590 equity shares of ₹5 each in the FY 2023 to the associates of the Company and its subsidiaries upon exercise of an equal number of stock options vested in them pursuant to the extant Stock Option Schemes of the Company.

9. SUBSIDIARIES AND JOINT VENTURES:

The details of the subsidiaries and joint venture (JV) company have been provided as part of the financial statements. During the year, there has been no material change in the nature of the business of the subsidiaries and JV. As per the provisions of Sections 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies/Associate Companies/JV in Form AOC-1 is published as a part of the Annual Report.

Further, Cyient DLM Limited (Cyient DLM) – the wholly owned subsidiary of the company is proposing an initial public offering of its equity shares of up to ₹ 7,400.00 million (the "Issue") in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and other applicable laws. The Draft Red Herring Prospectus (DRHP) of Cyient DLM was filed with SEBI on January 9, 2023 and SEBI issued its final observation letter on the DRHP on 29 March 2023..

In June 2022, the company acquired Celfient – Consultoria Em Telecomunicacoes, SA, a Portugal based company through Cyient Europe Limited, its wholly owned subsidiary.

In April 2022, the company acquired Citec to expand its footprint in the Nordic countries of Finland, Norway and Sweden and in Germany and France through Cyient Europe Limited, its wholly owned subsidiary. The company also acquired Citec Engineering India Limited in India. Citec is a plant and product engineering services company. Celfinet provides engineering and operations services for wireless (macro and small cells) deployment.

In April 2022, the company acquired Grit Consulting, Singapore, through Cyient Singapore Pvt Ltd, a wholly owned subsidiary. Grit is a global performance improvement design consultancy that provides consulting services with a core focus on asset intensive industries such as metal mining and energy.

10. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Cyient is committed to 'Design a Sustainable Tomorrow Together' and to integrating environmental, social, and governance (ESG) considerations throughout the value chain, from our operations to our suppliers, clients, and the communities in which we operate. We are dedicated to working together to ensure consistency throughout, concentrating on circularity, and producing social value that will benefit the ecosystem in the long run.

In pursuance of Regulation 34 of the SEBI Listing Regulations, the Business Responsibility and Sustainability Report describing the initiatives taken by the Company from an environmental, social and governance perspective is enclosed to this report. Kindly refer to **Annexure A**. The web-link for the same has been disclosed separately at the end of this report.

11. CORPORATE SOCIAL RESPONSIBILITY:

Your Company believes in giving back to society in some measure that is proportionate to its success in business. In view of this, the Company's corporate social responsibility (CSR) aims to extend beyond charity and enhance social impact.

Cyient's 'Global Policy on Corporate Social Responsibility' outlines its philosophy of "Empowering Tomorrow Together". Cyient and its subsidiaries have an abiding concern for society and environment. As responsible corporate citizens, we undertake several transformational initiatives that contribute towards community empowerment and all-round societal development. With strategic social investments in several key areas like healthcare, smart villages, skill development, and education, we foster long-term sustainable community development, and drive growth initiatives that aim to make a meaningful impact in people's lives.

Cyient's CSR activities are spearheaded by the Cyient Foundation and Cyient Urban Micro Skill Centre Foundation. Cyient is guided by its CSR committee and CSR Policy and vision. The Company has formed a CSR committee (*designated as ESG Committee*) as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified by law.

CSR programs are focused under 4 pillars i.e.,

a) Education & IT Literacy - School Education, Digital / IT Literacy;

b) Skills & employment, Innovation & Entrepreneurship – Women Empowerment, School of Innovation and Entrepreneurship;

c) Preventive Health Care, Sanitation & Hygiene – Health care and WASH Facilities, Disaster Relief and Rehabilitation;

d) Environmental Protection & Community Development – Promotion of Greenery, Water Conservation and Renewable Energy;

During the Financial year 2022-23, the Company has spent an amount of ₹ 81,236,741 in pursuance of CSR Activities. The details of the CSR initiatives of the Company forms part of the annual report. The CSR Annual Report is enclosed to this report. Kindly refer to **Annexure D.**

The details of the Committee can be found at the Report of Corporate Governance, which forms part of this report. The CSR Policy of the Company can be accessed at the Company's website. The web-link for the same has been disclosed separately at the end of this report.

12. BOARD OF DIRECTORS & KMP:

12.1. Board of Directors:

The Board of the Company is duly constituted. None of the directors of the Company is disqualified under the provisions of the Act or under the SEBI Listing Regulations.

12.2. Board Diversity:

The Company has a truly diverse Board that includes and makes good use of diversity in the skills, regional and industry experience, background, race, gender, ethnicity and other distinctions among directors. This diversity is considered in determining the optimum composition of the Board. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

12.3. Independent Directors:

As a policy, the Company believes that independent directors comprise at least 50% of the board strength. Mr. Vivek Gour has been nominated as Lead Independent Director. He acts as a liaison between the non-executive directors and the management and performs such other duties as the Board/ Independent Directors may decide from time to time.

12.4. Declaration by Independent Directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulations.

12.5. Certificate from company secretary in practice:

The Certificate on Non- Disqualification of Directors pursuant to Regulation 34(3) and Schedule V Para C clause 10 (i) of the SEBI Listing Regulations is published elsewhere in the Annual Report.

12.6. Registration of Independent Directors in Independent Directors Databank:

All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

12.7. Changes in the composition of Board of Directors:

Your Company has reorganized Executive Leadership to Accelerate Technology Led Growth and made certain changes to the Board composition as follows:

12.7.1. Appointments/Re-appointments and Change in Designation (Including those made after the end of financial year and the date of this report):

12.7.1.1. Mr. Krishna Bodanapu (DIN: 00605187): Mr. Krishna Bodanapu, was serving as the MD and CEO of the Company. He has been appointed and re-designated as Executive Vice-Chairman and MD of the Company for a period of 3 years w.e.f. 3 April 2023, subject to confirmation of the same by the shareholders in the ensuing AGM. The details of the same forms part of the notice convening the AGM.

12.7.1.2. Mr. Karthikeyan Natarajan (DIN: 03099771) Mr. Karthikeyan Natarajan was serving as an Executive Director and COO of the Company. He has been appointed and re-designated as an Executive Director and CEO of the Company for a period of 3 years w.e.f. 3 April 2023, subject to confirmation of the same by the shareholders in the ensuing AGM. The details of the same forms part of the notice convening the AGM.

12.7.2. Retirements and resignations during the financial year:

12.7.2.1. Mr. Alain De Taeye (DIN: 03015749), Non-Executive – Non-Independent Director stepped down as Director from the Board w.e.f. 3 June 2022;

12.7.2.2. Amb. Vinai Kumar Thummalapally (DIN: 07797921), Independent Director of the Company retired from Board of Directors on completion of his term (i.e. w.e.f. 3 June 2022).

12.7.2.3. Mr. Ajay Aggarwal (DIN: 02565242) retired as Executive Director w.e.f. 2 March 2023.

12.7.3. Re-Appointments (Director liable to retire by rotation):

The following directors retire by rotation and being eligible, offer themselves for re-appointment in the ensuing AGM:

12.7.3.1. Mr. Krishna Bodanapu (DIN: 00605187); and

12.7.3.2. Mr. Karthikeyan Natarajan (DIN: 03099771);

12.7.4. Re-appointment of Independent Director:

12.7.4.1. Mr. Ramesh Abhishek (DIN: 07452293) is proposed to be appointed for a second term of 5 years in the ensuing AGM. The details of the same form part of the notice convening the AGM.

Pursuant to the provisions of regulation 36 of the SEBI Listing Regulations and SS 2 on General Meetings issued by ICSI, brief particulars of the director proposed to be re-appointed are provided as an annexure to the notice convening the AGM.

12.8. KMP as at the end of the financial year:

12.8.1. Following are the KMP of the Company in accordance with the provisions of Section 2(51), and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as at 31 March 2023:

Sl. No.	Name of the KMP	Designation
1.	Mr. Krishna Bodanapu	MD and CEO
2.	Mr. Karthikeyan Natarajan	WTD and COO
3.	Mr. Ajay Aggarwal	CFO
4.	Mr. Sudheendhra Putty	Company Secretary

12.8.2. Changes in composition of KMP:

There was no change in the composition of the KMP for the FY 2023.

12.8.2.1. Changes in composition of KMP after the end of financial year and the date of this report:

12.8.2.1.1. Mr. Krishna Bodanapu has stepped down from his position of CEO effective 3 April 2023;

12.8.2.1.2. Mr. Karthikeyan Natarajan has been appointed as the CEO effective 3 April 2023;

12.8.2.1.3. Mr. Ajay Aggarwal has stepped down from his position of CFO effective 20 April 2023;

12.8.2.1.4. Mr. Prabhakar Atla has been appointed as CFO of the Company effective 21 April 2023;

12.9. Summary of Changes after the end of the financial year and the date of this report in the board of directors and KMP:

Sl. No.	Name of the Director/ KMP	Designation as on 31 March 2023	Effective Date of Appointment/change in Designation	Designation as on the date of this report
1.	Krishna Bodanapu (DIN: 00605187)	MD & CEO	3 April 2023	Executive Vice-Chairman and MD*
2.	Karthikeyan Natarajan (DIN: 03099771)	WTD & COO	3 April 2023	WTD and CEO*
3.	Ajay Aggarwal**	CFO	20 April 2023	-
4.	Prabhakar Atla	-	21 April 2023	CFO

** Subject to confirmation of appointment in the ensuing AGM.*

*** Retired as CFO.*

The details about the composition of board, KMP and the committees of the board can be found at the Report of Corporate Governance, which forms part of this report.

13. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS:

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the report on Corporate Governance, which forms part of the directors' report. The web-link for the same has been disclosed separately at the end of this report.

14. BOARD MEETINGS DURING THE YEAR:

During the FY 2023, Nine (09) meetings of the board were held, the details of which have been disclosed in the report on Corporate Governance, which forms part of this report. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act.

15. BOARD EVALUATION AND ASSESSMENT:

The Company believes that formal evaluation of the board and of the individual directors, on an annual basis, is a potentially effective way to respond to the demand for greater board accountability and effectiveness. For the Company, evaluations provide an ongoing means for directors to assess their individual and collective performance and effectiveness. In addition to greater board accountability, evaluation of board members helps in:

- More effective board processes;
- Better collaboration and communication;
- Greater clarity with regard to members' roles and responsibilities; and
- Improved Chairman - Managing Director – Board relations;

By focusing on the board as a team and on its overall performance, the Company ensures that communication and overall level of participation and engagement also improves.

In order to facilitate the same, the board undertook a formal board assessment and evaluation process during 2022-23. The board evaluation was performed after seeking inputs from all the directors and included criteria such as the board composition and structure, effectiveness of board processes, information and functioning as provided by the Guidance Note on Board Evaluation issued by the SEBI on 5 January 2017.

The Leadership, Nomination & Remuneration Committee has overall stewardship for the process. The evaluation process covers the following aspects:

- Peer and self-evaluation of Directors;
- Evaluation of the performance and effectiveness of the board;
- Evaluation of the performance and effectiveness of Board Committees;
- Evaluation of the performance of the Non-Executive Chairman;
- Evaluation of the performance of the MD & CEO
- Feedback on management support to the Board;

The evaluation process elicits responses from the directors in a judicious manner - ranging from composition and induction of the board to effectiveness and governance. It also sought feedback on board and committee charters, strategy, risk management and quality of discussion and deliberations at the board. The evaluation process also ensures the fulfilment of independence criteria as specified in the applicable regulations and that the latter are independent of the management.

16. COMMITTEES OF THE BOARD:

As required under the provisions of the Act and the SEBI Listing Regulations, as on 31 March 2023, the Board has the following committees:

- Audit Committee;
- Leadership, Nomination & Remuneration Committee;
- Risk Management Committee;
- Stakeholders Engagement Committee.
- ESG committee (this committee handles the matters pertaining to Corporate Social Responsibility and Diversity and Inclusion Committee);

During the year, all recommendations made by the committees were approved by the Board. A detailed note on the composition of the various committees (including non-mandatory committees not mentioned here) is provided in the report on Corporate Governance, which forms part of this report.

17. ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Internal Financial Controls are part of risk management process addressing financial and financial reporting risks. They ensure the orderly and efficient conduct of business, including adherence to Company policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records. They aid in the timely preparation of financial statements. The Internal Financial Controls have been documented, digitized and embedded in the business process.

18. AUDITORS:

18.1. Statutory Auditors:

At the 28th (Twenty Eighth) AGM held on 6 June 2019, the members had approved the appointment of S.R. Batliboi & Associates LLP, Chartered Accountants, (ICAI Firm Registration Number 101049W/E300004) as the Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 33rd (Thirty Third) AGM.

18.2. Secretarial Auditors:

The Board has appointed Mr. S. Chidambaram (CP No.2286) as the Secretarial Auditors for the financial year ended 31 March 2023.

18.3. Internal Auditors:

M/s KPMG are the internal auditors of the Company for the financial year ended 31 March 2023.

19. AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT:

19.1. Auditor's Report:

The Auditors' Report for Financial Year 2023 does not contain any qualification, reservation or adverse remark. The Report is enclosed with the financial statements in this Annual Report.

19.2. Secretarial Auditors' Report:

The Company has undertaken an audit for the Financial Year 2023 as required under the Act and the SEBI Listing Regulations. The Secretarial Auditors' Report for FY 2023 does not contain any qualification, reservation or adverse remark. The Secretarial Audit Report for the financial year ended 31 March 2023 is enclosed to this report. Kindly refer to **Annexure G.**

The Secretarial Audit Report issued by Mr. S. Chidambaram, Secretarial Auditors (CP No.2286) for Cyient DLM Private Limited, a material unlisted subsidiary for the Financial Year 2023 is enclosed to this report. Kindly refer to **Annexure H.**

19.3. Instances of fraud reported by the Auditors:

During the FY 2023, the statutory auditors and the secretarial auditor have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Act to the Central Government or the Audit Committee under section 143(12) of the Companies Act.

19.4. Annual Secretarial Compliance Report:

The Annual Secretarial Compliance Report for the Financial Year 2023 for all applicable compliance as per the Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder has been duly obtained by the Company.

The Annual Secretarial Compliance Report issued by Mr. S. Chidambaram, practicing company secretary (CP No.2286) will be submitted to the Stock Exchanges within 60 days of the end of the Financial Year.

20. VIGIL MECHANISM

The Company has put in place a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations for employees and others to report concerns about unethical behaviour. It also provides for adequate safeguards against the victimisation of employees who avail of mechanism. No person has been denied access to the Chairman of the audit committee.

The Whistle blower Policy is available on the website of the company. The web-link for the same has been disclosed separately at the end of this report**.** The Company has implemented a web based/online mechanism under the whistle blower policy. This mechanism encompasses the entire trail from the login of a complaint to its eventual redressal. The system also affords a dial-in facility to associates in various languages across the countries where the company has its operations.

21. ESOP:

During the year, the company had granted options to the associates of the company and its subsidiaries, in accordance with the SEBI (SBEB & SE) Regulations. Disclosures pursuant to the said regulations are enclosed to this report. Kindly refer to **Annexure J.** The web-link for the same has been disclosed separately at the end of this report.

Further, a Certificate from the secretarial auditors of the company as prescribed under SEBI (SBEB & SE) Regulations shall be placed before the members in the AGM.

22. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to conservation of energy, research and development, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Companies Act, 2013 are enclosed to this report. Kindly refer to **Annexure I.**

23. MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to the provisions of Regulation 34 read with Schedule V of the SEBI Listing Regulations, a report on Management Discussion & Analysis is enclosed to this report. Kindly refer to **Annexure C.**

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the board of directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and operating effectively;

f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

25. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan, guarantee, or security is proposed to be utilised by the recipient are provided in the Standalone Financial Statements. (Kindly refer note 24 to the Standalone Financial Statements).

26. RELATED PARTY TRANSACTIONS

The company has complied with the provisions of section 188(1) of the Act dealing with related party transactions. The information on transactions with related parties pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 and is enclosed to this report. Kindly refer to **Annexure B.** Reference is also made to Note No. 24 of standalone financial statements.

27. ANNUAL RETURN:

In accordance with the Act, a copy of the annual return in the prescribed form as on March 31, 2023 is available on the Company's website. The web-link for the same has been disclosed separately at the end of this report.

28. PARTICULARS OF EMPLOYEES:

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

I. Disclosures as per Rule 5(1):

a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

i) **Executive Directors:**

Name	DIN	Designation	Ratio to Median remuneration
Krishna Bodanapu	00605187	Managing Director & CEO	168.99
Karthikeyan Natarajan	03099771	WTD & COO	103.45
Ajay Aggarwal	02565242	WTD & CFO	43.57

ii) **Non-Executive/ Independent Directors:**

Name	DIN	Designation	Ratio to Median remuneration
M.M. Murugappan	00170478	Director	2.01
B V R Mohan Reddy	00058215	Director	6.03
Matangi Gowrishankar	01518137	Director	2.01
Ramesh Abhishek	07452293	Director	2.01
Vikas Seghal	05218876	Director	4.12
Vivek N Gour	00254383	Director	2.01

b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the financial year:

Name	Designation	% increase in remuneration in the financial year
Krishna Bodanapu	Managing Director & CEO	6.40
Karthikeyan Natarajan	Whole-time Director & COO	-39.60
M.M. Murugappan	Director	33.3
B V R Mohan Reddy	Director	20.0
Matangi Gowrishankar	Director	33.3
Ramesh Abhishek	Director	33.3
Vikas Seghal	Director	0
Vivek N Gour	Director	33.3
Ajay Aggarwal	WTD & CFO	-34.00
Sudheendhra Putty	Company Secretary	-5.0

c) The percentage increase in the median remuneration of employees in the financial year: 13.57%

d) The number of permanent employees on the rolls of Company: 12,014

e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average annual increase was around 8.64% and the average annual increase of managerial personnel 6%.

f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

II. **Disclosures as per Rule 5(2):**

The names of the top ten employees in terms of remuneration drawn and the name of every employee, who:

a. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;

c. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in an annexure forming part of this report. Further, the report and the financial statements are being sent to the members excluding the aforesaid sub-annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary at company.secretary@cyient.com.

29. LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED:

The information as required to be provided under Schedule V Para C clause 10 (m) of the SEBI Listing Regulations forms part of the report on Corporate Governance enclosed to the Annual Report.

30. DETAILS OF MATERIAL SUBSIDIARIES OF THE LISTED ENTITY:

The information as required to be provided under Schedule V Para C clause 10 (n) of the SEBI Listing Regulations forms part of the report on Corporate Governance enclosed to the Annual Report.

31. PARTICULARS RELATING TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (POSH):

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the FY 2023.

List of Initiatives under POSH for 2022-23

- Posh Panel connect every quarter to ensure all the complaints registered are duly discussed with improved approach on building awareness. Further, the Company continues to have the posh committee meetings to enhance the awareness among associates.
- Digital compliance of POSH-100% in the portal.
- Awareness sessions to associates through Virtual platforms and also through other business monthly meetings. Awareness and sensitization continue during Induction of associates.
- Awareness worked out creatively through "Theater Play" and Musical Platforms making it more interesting for associates to watch and understand in the digitally.
- POSH panel have been nominated for training in various national and state level forums (NHRD, NASSCOM and CII)
- Further, the Company has introduced mandatory POSH Course for all the new joiners in Dcafe (L&D portal). A new module to the course has been introduced from the FY 23 onwards.
- For DLM, a session specifically for all the blue collared employees in Hyderabad campus on POSH awareness was held during the year.

There are no pending complaints either at the beginning or at end of the financial year. The following is the summary of the complaints received and disposed off during the FY 2022 - 23:

(a) No. of Complaints Received: 1

(b) No. of complaints disposed: 1

(c) number of complaints pending as on end of the financial year: Nil

32. RISK MANAGEMENT:

The company pursues a comprehensive risk management programme as an essential element of sound corporate governance and is committed to continuously embedding risk management in its daily culture. This process is followed in five steps:

- Identify risks and opportunities
- assess risk and performance for key processes
- evaluate the risk impact across business operations
- develop mitigation plan for the risks identified and
- monitor the risks at regular intervals and report to
- the Risk Management Committee

The company has classified the risks into five categories:

i. Strategic

ii. Reputational

iii. Operational

iv. Financial

v. Compliance/Litigation.

Each identified risk is assessed according to its probability and impact on the company.

The Board of Directors has formed an internal risk management committee to identify, evaluate, mitigate and monitor the risk management in the company. The committee comprises cross-functional membership from the senior management of the company. The primary objectives of the Committee are to assist the Board in the following:

- To provide an oversight for all categories of risk and promulgate risk culture in the organization.
- To adopt leading risk management practices in the industry and manage risk proactively at organizational level.
- Help to develop a culture of the enterprise that all levels of people understand risks.
- Provide input to management of risk appetite and tolerance and monitor the organization's risk on an ongoing basis.
- Approve and review risk management plan which includes company's risk management structure, framework, methodologies adopted, guidelines and details of assurance and review of the risk management process.
- Monitor risks and risk management capabilities and mitigation plans.

More details on the risk management committee of the board can be found in the report on corporate governance. Members may also refer to the Management Discussion & Analysis Report.

33. CORPORATE GOVERNANCE:

The Company will continue to uphold the true spirit of Corporate Governance and implement the best governance practices. A report on Corporate Governance pursuant to the provisions of Corporate Governance Code stipulated under the SEBI Listing Regulations forms part of the Annual Report. Kindly refer to **Annexure F.**

Full details of the various board committees are also provided therein along with Auditors' Certificate regarding compliance of conditions of corporate governance is enclosed as **Annexure E**.

34. SIGNIFICANT AND MATERIAL ORDERS:

There are no orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

35. DECLARATION BY THE CEO

Pursuant to the provisions of Regulation 17 of the SEBI Listing Regulations, a declaration by the CEO of the company declaring that all the members of the board and the senior management personnel of the company have affirmed compliance with the Code of Conduct of the company is enclosed to this report. Kindly refer to **Annexure K**.

The CEO/CFO certification to the board pursuant to Regulation 17 of the SEBI Listing Regulations is enclosed to this report. Kindly refer to **Annexure L.**

36. MATERIAL CHANGES & COMMITMENTS:

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of financial year to which the financial statement relates on the date of this report. The other changes in commitments are provided in the relevant places of the annual report.

37. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

38. APPLICATION UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the FY 2023.

39. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The Company has not made any such valuation during the FY 2023.

40. WEB-LINKS OF VARIOUS POLICIES:

As required by the Act and the SEBI Listing Regulations, your Company provides the weblinks are provided herewith:

Sl. No.	Particulars	Weblink
1.	Annual Return	https://www.cyient.com/investors/
2.	Business Responsibility and Sustainability Report	https://www.cyient.com/investors/corporate-governance/
3.	Dividend Distribution Policy	https://www.cyient.com/hubfs/2021/investors/corporate-governance/Dividend Distribution Policy (FY22)%5B21%5D.pdf
4.	Corporate Social Responsibility Policy	https://www.cyient.com/hubfs/2021/CSR/Cyient_CSR_Policy_3.1.pdf.
5.	Policy on directors' appointment and Remuneration	https://www.cyient.com/investors/corporate-governance/
6.	Whistle Blower Policy	https://www.cyient.com/hubfs/Statutory_information/Whistle_Blower_Policy_%26_Procedure_V_1.4.pdf
7.	ESOP disclosures	https://www.cyient.com/investors/corporate-governance/
8.	Familiarization programme of the independent directors	https://www.cyient.com/investors/corporategovernance/
9.	Policy for determining material subsidiaries of the Company	https://cdn2.hubspot.net/hubfs/5724847/FY_19_Revamp_Assets_Website/Investors /Corporate Governance/Material subsidiaries Policy.pdf
10.	Policy on dealing with related party transactions	https://cdn2.hubspot.net/hubfs/5724847/FY_19_Revamp_Assets_Website/Investors /Corporate Governance/Related Party Transactions Policy.pdf
11.	Prevention of sexual harassment policy	https://www.cyient.com/investors/corporategovernance/
12.	Environment, health and safety policy	https://www.cyient.com/hubfs/FY_19_Revamp_Assets_Website/Investors / Corporate Governance/EOHS-Policy.pdf
13.	Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 of the Companies Act, 2013	https://www.cyient.com/investors/corporategovernance/

41. ACKNOWLEDGMENTS

The board of directors expresses their thanks to the company's customers, shareholders, **vendors** and bankers for their support to the company during the year. We also express our sincere appreciation to the contribution made by employees at all levels. Our consistent growth was made possible by their hardwork, cooperation and support.

Your directors would like to make a special mention of the support extended by the various Departments of the Central and State Governments, particularly the Software Technology Parks of India, Development Commissioners - SEZ, Department of Communication and Information Technology, the Direct and Indirect tax authorities, the Ministry of Commerce, the Reserve Bank of India, Ministry of Corporate Affairs/Registrar of Companies, Securities and Exchange Board of India, the Stock Exchanges and others and look forward to their support in all future endeavours.

For and on behalf of the Board

	M.M. Murugappan	**Krishna Bodanapu**
Hyderabad	Non-Executive Chairman	Managing Director
20 April 2023	00170478	00605187

GLOSSARY OF VARIOUS TERMS USED IN THE REPORT AND ITS ANNEXURES:

In this report and the annexures thereon, unless otherwise stated, the words and expressions shall have the following meaning and/or expansions:

Sl. No.	Term	Meaning
1.	"Act"	Companies Act, 2013 read along with the rules framed thereunder (including any statutory modifications, amendments thereto or re-enactment thereof, the circulars, notifications, regulations, rules, guidelines, if any, issued by the Government of India)
2.	"AGM"	Annual General Meeting
3.	"ASOP"	Associate Stock Option Plans
4.	"BSE"	Bombay Stock Exchange Limited
5.	"CEO"	Chief Executive Officer
6.	"CFO"	Chief Financial Officer
7.	"COO"	Chief Operating Officer
8.	"CSR"	Corporate Social Responsibility
9.	"EPS"	Earnings per Share
10.	"ESG"	Environmental, Social, and Governance
11.	"ESOP"	Employee Stock Option Plans
12.	"FY" or "Fiscal Year" or "Financial Year"	Financial Year
13.	"HR"	Human Resource
14.	"ICAI"	Institute of Chartered Accountants of India
15.	"ICSI"	Institute of Company Secretaries of India
16.	"IPO"	Initial Public Offering
17.	"IT"	Information Technology
18.	"KMP"	Key Managerial Personnel
19.	"LODR" or "SEBI Listing Regulations"	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended
20.	"MD"	Managing Director
21.	"NSE"	The National Stock Exchange of India Limited
22.	"₹" or "INR" or "Rs."	Indian Rupees, the lawful currency of India
23.	"QMS"	Quality Management System
24.	"RSU"	Restricted Stock Units
25.	"SEBI"	Securities and Exchange Board of India
26.	"SEBI (SBEB & SE) Regulations"	Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended
27.	"SS"	Secretarial Standards
28.	"SEZ"	Special Economic Zone
29.	"WTD"	Whole-Time Director

Business Responsibility & Sustainability Reporting (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L72200TG1991PLC013134
2.	Name of the Listed Entity	Cyient Limited
3.	Year of incorporation	1991
4.	Registered office address	4th Floor, 'A' Wing, Plot .11, Software, Units Layout, Infocity, Madhapur Hyderabad, Telangana - 500 081
5.	Corporate address	4th Floor, 'A' Wing, Plot .11, Software, Units Layout, Infocity, Madhapur Hyderabad, Telangana - 500 081
6.	E-mail	company.secretary@cyient.com
7.	Telephone	+91 40 6764 1000
8.	Website	www.cyient.com
9.	Financial year for which reporting is being done	FY 2022-2023
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange (NSE: CYIENT) and the Bombay Stock Exchange (BSE: 532175))
11.	Paid-up Capital	INR 55,28,75,030
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	PNSV Narasimham President – Corporate Functions Phone: +91-40-67641000 Email: pnsv.narasimham@cyient.com
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone (Engineering Services, India)

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY23)
1	Engineering Services	Comprises the Group service and solutions offerings across the of Aerospace & Defense, Transportation, Semiconductor, Medical & Healthcare, Communications, Energy & Utilities, HiTech and Automotive business units.	100%

15. Products/Services sold by the entity *(accounting for 90% of the entity's Turnover):*

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Engineering Services	62099	100%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Details of locations of the company's offices / plants are listed elsewhere in the Annual Report.

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	5 states
International (No. of Countries)	19 countries

b. What is the contribution of exports as a percentage of the total turnover of the entity?

- Revenue - Outside India - INR 17,786 Mn
- Exports a percentage of the total turnover – 79.83%

c. A brief on types of customers

Cyient is proud to be a trusted partner to a wide range of B2B customers across multiple industries. We collaborate with leading companies in aerospace and defense, rail transportation, communications, utilities, hi-tech, semiconductor, energy, industrial and plant engineering, geospatial, medical technology and healthcare, automotive and mobility, mining and natural resources, and digital sectors. By understanding their specific needs, we deliver tailored solutions that drive their success and contribute to their growth. Our customer-centric approach and commitment to excellence enable us to foster strong and long-lasting partnerships.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male*		Female*	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	12,042	9,068	75.30	2,947	24.47
2.	Other than Permanent (E)	873	467	53.49	328	37.57
3.	**Total employees (D + E)**	**12,915**	**9,535**	**73.83**	**3,275**	**25.36**
	WORKERS					
4.	Permanent (F)	0	0	0	0	0
5.	Other than Permanent (G)	316	216	68.35	86	27.22
6.	**Total workers (F + G)**	**316**	**216**	**68.35**	**86**	**27.22**

**At Cyient, the choice of revealing the gender and age is left to the associates hired.*

b. **Differently abled Employees and worker**

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	107	75	70.09	32	29.91
2.	Other than Permanent (E)	3	3	100	0	0
3.	**Total differently abled employees (D + E)**	**110**	**78**	**70.91**	**32**	**29.09**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	0	0	0
5.	Other than permanent (G)	4	3	75	1	25
6.	**Total differently abled workers (F + G)**	**4**	**3**	**75**	**1**	**25**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	13
Key Management Personnel	14	1	7

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	32.6	29.1	31.8	26.50	27.70	54	25.8	25.2	25.6
Permanent Workers	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Cyient, Inc. [CI]	Subsidiary	100	No
2	Cyient Europe Limited [CEL]	Subsidiary	100	No
3	Cyient GmbH (CG)	Subsidiary	100	No
4	Cyient Australia Pty Limited (CAPL)	Subsidiary	100	No
5	Cyient KK [CKK]	Subsidiary	14*	No
6	Cyient Singapore Pte Limited (CSPL)	Subsidiary	100	No
7	Cyient Israel India Limited (CIIL)	Subsidiary	100	No
8	Cyient DLM Limited (CDLML)	Subsidiary	100	No
9	Cyient Insights Private Limited (CIPL)	Subsidiary	100	No
10	Cyient Urban Micro Skill Centre Foundation (CUMSCF)	Subsidiary	100	No
11	Citec Engineering India Private Limited (CEIPL)	Subsidiary	100	No
12	Cyient Solutions and Systems Private Limited (CSSPL)	Subsidiary	51	No
13	Infotech HAL Limited (IHL)	Joint Venture	50	No

* Remaining 86% is held by CAPL

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes

(ii) Turnover ₹ - 22,279 Mn

(iii) Net worth ₹ – 27,029 Mn

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2021-22 Previous Financial Year			FY 2022-23 Current Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities							
Investors (other than shareholders)							
Shareholders	Yes	141	Nil		150	Nil	
Employees and workers							
Customers							
Value Chain Partners					1		
Other (please specify)							

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Renewable Energy	Opportunity	Adopting renewable energy sources such as solar, wind power can reduce dependency on non-renewable sources of energy like fossil fuels resulting in cost savings and a more stable energy supply. Renewable energy helps us significantly reduce our emissions which eventually results into reduced cost	-	Positive
2	Sustainable Supply Chain	Risk	The sustainability of Cyient's supply chain has been recognized as a potential risk, influenced by a range of factors. Noncompliance with sustainable practices by suppliers could directly affect Cyient's Scope 3 emissions. Furthermore, if any of Cyient's suppliers fail to comply with regulations, it could have negative impacts on the company's operations and reputation.	Our Vendor Code of Conduct (VCoC), Sustainable Supplier Assessment Framework guides us in mitigating the risks from supply chain. Periodic "Vendor Meets" enable us align our partners with our sustainability goals.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Inclusion and Diversity	Opportunity	Diversity and inclusion within our workforce enable us to leverage diverse perspectives, experiences, and ideas, driving innovation, problem-solving, and decision-making. Inclusive practices foster a supportive environment, enhancing employee engagement, productivity, and retention. Additionally, a diverse and inclusive workplace boosts our reputation, attracts top talent, expands our customer base, and fuels business growth and success.	-	Positive
4	Corporate Social Responsibility	Opportunity	Empowering the communities in which we operate provides us an opportunity to contribute to the well-being of society and the environment through various initiatives	-	Positive
5	Business Ethics	Risk	Unethical business practices can lead to legal and regulatory repercussions, including fines and disputes, jeopardizing our financial stability and damaging our reputation. Moreover, they can undermine stakeholder trust, resulting in decreased sales, market share, and ultimately, a bad reputation.	Corporate Governance Manual serves as a roadmap for the Board, management, and employees, providing guidance and direction as we pursue our vision, mission, and ESG-driven growth strategy to create long-term value for all stakeholders	Negative
6	Data Privacy	Risk	Data privacy violations can lead to legal and financial penalties, damage a company's reputation, and result in loss of customer and other stakeholder trust and business	Our robust 'Data Leak Prevention' (DLP) tool protects the intellectual property of our customers and us	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
c. Web Link of the Policies, if available									
Link to Corporate Governance Policies: https://www.cyient.com/investors/corporate-governance/									
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	-	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes, Cyient and its subsidiaries enforce a Vendor Code of Conduct that applies to all vendors, including sub-vendors and subcontractors, who engage in business relationships with us or represent us. This code encompasses clauses related to governance, environmental practices, and social responsibility.								
4. Name of the national and international codes/certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	Cyient has received certifications for quality management systems aligned with ISO 9001:2015, ISO 27001:2013, AS 9100 DQMS for Aviation, Space & Defense Organizations, ISO 13485:2016 for Medical devices QMS, ISO 22163:2017 for International Railway Industry Standards, TL 9000 R 6.0/R 5.5V for Telecom QMS, ISO 14001:2015 for Environmental Management System, certified Gold under Indian Green Building Council Leadership in Energy and Environment Design, ISO 45001-2018 for Occupational Health & Safety Management System, and CMMI-DE.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Cyient has set ambitious goals that it strives to achieve by 2025 as part of its sustainability framework. These goals are aligned with the pillars of Responsible, Equitable, and Accountable, and reflect our commitment to making a positive impact in the areas covered by our framework. Responsible Pillar • Carbon and water neutral operations • Zero Waste to Landfill • 100% Suppliers to be assessed on VCoC • To define and measure our success on sustainable solutions designed to support clients, communities, and countries in meeting their sustainable development objectives Accountable Pillar • Top quartile in stakeholders satisfaction survey • Highest levels of governance – beyond compliance • Safe and secure stakeholder data Equitable Pillar • Achieve Gender Balance • Continuous employee training & development • ZERO loss time incidents across operations • To impact 10,000 girl children through education initiatives, 5000 youth through skill development programs, over 5000 impacted through community development programs, 25000 impacted through IT literacy initiatives, 5000 beneficiaries through healthcare programs								

6.	**Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.**	Yes, the details on the performance against the above-mentioned commitments, goals, and targets will be disclosed in our Sustainability Report FY 23

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

Cyient is dedicated to its role in creating a better world and upholding its sustainability framework. We prioritize being a responsible, equitable, and accountable organization, with a focus on the well-being of our associates, clients, shareholders, and communities.

To fulfil our responsibility, we have implemented measures to reduce energy consumption and increase the use of renewable energy sources. We are actively working towards minimizing our carbon footprint through sustainable operational practices. Our efforts also extend to achieving water neutrality by optimizing water usage, implementing recycling and reuse methods, and significantly reducing our reliance on freshwater. We embrace integrated waste management principles, emphasizing the reduction, recycling, and reuse of waste materials to lower both hazardous and non-hazardous waste across our operations.

Empowering our communities in various aspects, including education, upskilling, healthcare, environmental protection, IT literacy, and social innovation, is an integral part of our growth story. We strive to make a positive impact on the holistic development of our communities.

Cyient has demonstrated its dedication to sustainability by participating in the Dow Jones Sustainability Index (DJSI), a renowned benchmark for sustainable business practices that generate long-term shareholder value. Our inaugural submission earned us an impressive score of 66, surpassing the industry average in all categories. Within the next two years, we aim to become an industry leader by further enhancing our focus on equality, data transparency, and advocating for human rights.

We have intensified our efforts in climate strategy and supporting our customers with sustainable offerings, including exploring opportunities in carbon capture technologies. While we have achieved significant progress, we acknowledge that there is still much more to accomplish. Our unwavering commitment to accountability, equity, and responsibility motivates us to persist in our sustainability journey with unwavering determination.

8.	**Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/ policies**	The Company monitors the implementation of the business responsibility policies through a leadership team chaired by the President – Corporate Functions, PNSV Narasimham. Regular discussions are conducted to discuss the Environment, Social and Governance aspects
9.	**Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.**	Yes, at Cyient, we have an ESG Committee that meets at least twice a year to review the company's performance related to sustainability, diversity and inclusion, and corporate social responsibility matters. The committee is composed of three board members. Its purpose is to support Cyient's ongoing efforts around environmental, health and safety, inclusion and diversity, sustainability, and other public policy matters.

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Committee of the Board: ESG Committee, and Risk Management Committee									ESG Committee – meets on a need basis Risk Management Committee – meets 3 times in a year								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Committee of the Board: ESG Committee, and Risk Management Committee									ESG Committee – meets on a need basis Risk Management Committee – meets 3 times in a year								

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.	Yes

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)							No		
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)							Yes		
The entity does not have the financial or/human and technical resources available for the task (Yes/No)							Yes		
It is planned to be done in the next financial year (Yes/No)							Yes		
Any other reason (please specify)							-		

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	NOT AVAILABLE		
Key Managerial Personnel (KMPs)			
Employees other than BoD and KMPs			
Workers			

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL				
Settlement					
Compounding fee					

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)

Imprisonment	NIL
Punishment	

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

   Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Cyient has a zero-tolerance policy towards bribery, which is in place to comply with anti-corruption laws such as the FCPA and UK Act. We have put in place measures to detect, prevent, and respond to any violations of anti-bribery laws and regulations. Our policy clearly states the consequences for companies and individuals found guilty of engaging in corrupt practices. Our policy is available at: Anti_Corruption_Policy_-_Version_2_0_0704161.pdf (hubspot.net)

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

	FY 2022-23 Current Financial Year		FY 2021-22Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.?**

   Not Applicable

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the aware-ness programmes
1	ESG sensitization workshop for critical suppliers	Top 100 suppliers*

   * Suppliers shortlisted basis 70 % of total spend

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.**

   Yes. Cyient has implemented procedures to prevent or manage conflicts of interest among its Board members. Associates are required to notify local management of any situation that could potentially be a conflict of interest or create the impression of one. In case of any uncertainty, it is recommended to disclose such situations. Moreover, Cyient receives an annual declaration from its Board members and Key Management Personnel (KMP) about their interests in entities, which may change over time. To prevent conflicts of interest, the company ensures that appropriate approvals are obtained in such cases. Our policy which covers the conflict of interests related clause is available at:www.cyient.com

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	5%	-	Our emphasis on digitizing operations, leads to a reduced carbon footprint and enhanced efficiency, thus reflecting our intent to make a positive contribution to the environment and society
Capex	4.33%	4.5%	Capital expenditures have been allocated towards implementing certain technologies to enhance the environmental sustainability of our operations. These technologies include the installation of solar power systems, EV charging stations, and organic waste composters

2. **Does the entity have procedures in place for sustainable sourcing? (Yes/No) b. If yes, what percentage of inputs were sourced sustainably?**

   We have developed a Sustainable Supplier Assessment Framework. To begin, we identified the suppliers critical to our operations and sensitized them about sustainability and ESG aspects. Subsequently, we distributed sustainable supplier questionnaires to all suppliers. Their responses will undergo thorough auditing before being assessed and rated. Our supply chain strategy at Cyient focuses on minimizing our impact on the environment and the community. By localizing material sourcing, we have significantly reduced our carbon footprint while fostering inclusive economic opportunities for community development.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

   This metric is not relevant to Cyient as our main business is providing engineering services, and it does not involve the manufacturing of any product.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

   If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Not Applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   No, we have not conducted Life Cycle Assessment for any of our services.

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not Applicable					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   Not Applicable

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   This metric is not relevant to Cyient as our main business is providing engineering services, and it does not involve the manufacturing of any product.

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.**

   This metric is not relevant to Cyient as our main business is providing engineering services, and it does not involve the manufacturing of any product.

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   This metric is not relevant to Cyient as our main business is providing engineering services, and it does not involve the manufacturing of any product.

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/ A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/ A)	No. (F)	% (F/ A)
Permanent employees											
Male	9068	8354	92	9068	100	-	-	9068	100	-	-
Female	2947	2300	78	2947	100	2947	100	-	-	-	-
Total	12042	10654	88	12042	100	2947	100	9068	100	-	-
Other than Permanent employees											
Male	467	22	5	24	5	-	-	-	-	-	-
Female	328	11	3	13	4	-	-	-	-	-	-
Total	873	33	4	37	4	-	-	-	-	-	-

b. Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	-	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-	-
Other than Permanent workers											
Male	216	216	100	216	100	-	-	216	100	-	-
Female	86	86	100	86	100	86	100	-	-	-	-
Total	316	316	100	316	100	86	100	216	100	-	-

2. Details of retirement benefits.

Benefits	FY 2021-22 (Previous Financial Year)			FY 2022-23 (Current Financial Year)		
	No.of employees covered as a % of total employees	No.of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No.of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	98.74	0	Y	96.63	0	Y
Gratuity	98.74	0	Y	96.63	0	Y
ESI	24.06	0	Y	18.13	0	Y
Others - pls specify	-	-	-	-	-	-

3. **Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

   Yes, our offices are accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016. We conduct sensitization and awareness programs for our managers and senior leaders to facilitate the inclusion of such employees within our organization and cater to their specific requirements, such as accessibility and accommodation.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

   At Cyient, we believe in providing equal opportunities to all individuals. We do not discriminate against employees, associates, or job applicants based on characteristics such as age, race, color, religion or creed, sex (including pregnancy), marital status, military or veteran status, disability (mental or physical), national or ethnic origin, citizenship status, social origin (including caste), gender identity or expression, sexual orientation, protected genetic information, or any other characteristic protected by law. Our Code of Ethics and Business Conduct includes a section that emphasizes our commitment to Equal Employment Opportunities and Anti-Discrimination. Additionally, we have partnered with an external agency to provide employment opportunities for people with disabilities, which is an institutionalized initiative at Cyient. This agency trains and connects potential employers, including Cyient, with skilled individuals. The Equal Employment Opportunities related policy can be accessed on our website -

   Code of Ethics and Business Conduct,

   Human Rights Policy

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	**Retention rate**	**Return to work rate**	**Retention rate**
Male	100%	92.50%	-	-
Female	99.10%	58.02%	-	-
Total	**99.82%**	**81.32%**	**-**	**-**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	(If Yes, then give details of the mechanism in brief)
Permanent Workers	An efficient grievance redressal system has been set up at Cyient. We also have an efficient whistleblower mechanism that empowers associates of the company, including subsidiaries, to approach the Ombudsperson of the company and make protective disclosures about unethical behavior and actual or suspected fraud. Further, an Internal Complaints Committee is also present, as required by law Cyient conducts regular site visits by management and undertakes annual opinion surveys with its associate community, which provides a mechanism for individual issues to be reported. We also have an anonymous, confidential, external whistleblowing hotline through which specific concerns can be raised.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2021-22 Previous Financial Year			FY 2022-23 Current Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	10,955	0	-	12,042	0	-
Male	8,396	0	-	9,068	0	-
Female	2,512	0	-	2,947	0	-
Total Permanent Workers	**-**	**0**	**-**	**0**	-	-
Male	-	0	-	0	-	-
Female	-	0	-	0	-	-

8. **Details of training given to employees and workers:**

Category	FY 2021-22 Previous Financial Year					FY 2022-23 Current Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	9,285	130	1.40	6,043	65.08	9,535	3,947	41.39	8,498	89.12
Female	3,122	17	0.54	1,941	62.17	3,275	1,306	39.88	2,393	73.07
Total	12,518	147	1.17	7,977	**63.72**	**12,915**	**5,257**	**40.70**	**10,891**	**84.33**
Workers*										
Male	157	-	-	-	-	216	-	-	-	-
Female	63	-	-	-	-	86	-	-	-	-
Total	**311**	**-**	**-**	**-**	**-**	**316**	-	**-**	**-**	**-**

*During FY 22, most of our associates were working from home due to pandemic, hence minimal number of health and safety trainings were conducted

(i) At Cyient, the choice of revealing the gender and age is left to the associates hired

(ii) Project specific skill trainings are provided to workers

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2021-22 Previous Financial Year			FY 2022-23 Current Financial Year		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	9,285	5,597	60	9,535	7,253	76
Female	3,122	1,662	53	3,275	2,300	70
Total	12,518	7,344	59	12,915	9,553	74
Workers						
Male	157	-	-	216	-	-
Female	63	-	-	86	-	-
Total	**311**	**-**	**-**	**316**	**-**	**-**

*At Cyient, the choice of revealing the gender and age is left to the associates hired

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? *(Yes/ No).* If yes, what is the coverage of such a system?

Yes. 80% of our offices have implemented occupational health and safety management system. And 40% of our offices have received EMS ISO 45001:2018 certification.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Cyient identifies hazards and risks in accordance with the Aspect Impact, Hazard Identification, and Risk Assessment (AIHIRA) Process to fulfil applicable environmental standards and any other compliance requirements. The process assesses potential environmental risks and their impacts on our operations and prescribes measures to prevent or minimize them. It includes mechanisms for reviewing the effectiveness of our efforts in line with our organizational objectives.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.

Yes. We have updated the incident management process and online EHS incident reporting tool to strengthen the system and make reporting easier. The fire and safety teams receive immediate notifications of any incidents. Individuals or teams reporting the incidents receive emails at the outset of the investigation and are continuously updated on the measures taken. The procedure is concluded only after informing the relevant individuals of the outcome.

d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?

We provide free medical checkups for our associates on a regular basis to make sure they are in excellent health and in the right frame of mind to give Cyient and our stakeholders their very best work. It is mandatory for our vendors to adopt similar measures in their operational settings to ensure a safe and healthy value chain with minimal disruptions. We have enhanced our transportation and security systems to provide additional protection to our associates during their commutes to work.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers		
Total recordable work-related injuries	Employees		
	Workers		
No. of fatalities	Employees		
	Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees		
	Workers		

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Every Cyient facility is equipped with essential emergency equipment, including automated external defibrillators (AEDs) and fire evacuation chairs designed for navigating stairs. Our associates have access to the EOHS incident report tool on MyCyient.com, enabling them to anonymously report health and safety concerns or incidents. We provide an e-learning module on Environmental, Occupational Health and Safety (EOHS) and actively encourage associates to complete it. Regular communication mailers on various health and safety topics such as heat stress, ergonomics, road safety, and holiday safety are released. HR Business Partners organize Well-Being-Wednesday programs focusing on health-related issues for all associates. Additionally, significant Health and Safety communication posters are prominently displayed across our facilities.

13. Number of complaints on the following made by employees and workers

	FY 2021-22 Previous Financial Year			FY 2022-23 Current Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	N.A	N.A	0	N.A	N.A
Health & Safety	0	N.A	N.A	0	N.A	N.A

14. Assessments for the year

At Cyient for every facility we conduct Internal Environmental, Health and Safety Audits at a frequency of every 6 months. And once in a year we have external certification/ surveillance audits.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

During the audit three minor nonconformity reports were raised. Those were duly addressed

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N). — Not applicable.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Our Vendor Business Code of Conduct incorporates a provision that obligates suppliers to comply with all pertinent laws and regulations, as well as our extensive Vendor Business Code of Conduct. Vendors must maintain accurate books and records that comply generally accepted accounting principles and applicable laws and regulations.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? *(Yes/ No)*

Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	—
Working conditions	—

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   Cyient has identified its key internal and external stakeholders through a deliberate and comprehensive process, involving both the board and management team. This process involved assessing various stakeholder groups and evaluating their potential impact on the company. The importance of each group was carefully considered through a series of deliberations, taking into account factors such as their influence and potential impact.

   To ensure the long-term success of the company and build strong relationships with stakeholders, continuous engagement and monitoring is critical. By doing so, Cyient was able to better identify and meet the needs and expectations of its key stakeholders and adapt to changing circumstances. This approach helps Cyient to maintain a strong reputation and build trust with its stakeholders, while also positioning the company for long-term growth and success.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Investors	No	• Annual General Meeting • Quarterly Meetings • Annual Report & Sustainability Report • Shareholder information • on website • Timely response to shareholder queries • Cyient's Internal Newsletter 'Communique' • Press release	Annually/ Half yearly/ Quarterly/ Need Basis	Financial and Sustainability performance of the organisation
Employees	No	• Associate surveys • Cyient's Internal Newsletter 'Communique' • Annual Report & Sustainability Report • Press release	Quarterly, Half yearly/ Continuous	Associate Engagement, Learning & development
Senior Management	No	• Associate surveys • Cyient's Internal Newsletter 'Communique' • Annual Report & Sustainability Report	Annually/ Half yearly/ Quarterly/ Need Basis	Board Evaluation, Discussions

Local Community	Yes	• Community workshops • Press releases	Annually/ Half yearly/ Quarterly/ Need Basis/ Continuous	Education & IT Literacy, Skill Development, Innovation & Infrastructure, Healthcare, Community Development
Suppliers	No	• Supplier Workshops • Annual Report & Sustainability Report • Cyient's Internal Newsletter 'Communique' • Social media platforms such as LinkedIn, and Twitter	Annually/ Half yearly/ Quarterly/ Need Basis/ Continuous	Business related discussions, awareness workshop on sustainability

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At Cyient, we prioritize stakeholder consultation on economic, environmental, and social topics to ensure a comprehensive approach to our Environmental, Social, and Governance (ESG) framework. We engage in careful deliberations with the Cyient board and management to identify our key internal and external stakeholders, which include Investors, Employees, Clients, Senior Management, Leadership, Community, and Suppliers. Through this inclusive approach, we gather valuable insights and feedback from our stakeholders. These inputs are integrated into our decision-making processes, allowing us to align our business imperatives with the critical needs of our stakeholders and the broader society. This information serves as a crucial input for informed decision-making, enabling us to navigate economic, environmental, and social considerations responsibly and sustainably.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes, to support the identification and management of material topics related to environment and social, we utilize stakeholder consultation in a 5-step process:

1. **Universe of Issues**: We prepared an exhaustive list of environmental, economic, and social issues aligned with industry specific ESG standards.
2. **Business Objectives**: We examined broad issues relevant to revenue goals, business continuity, operating costs, brand equity, and overall business goals.
3. **Risk Assessment**: We evaluated the universe of issues in the context of inherent and external risks, prioritizing them by potential impact on the business and our preparedness to address them.
4. **Stakeholder Engagement**: We sought opinions from internal and external stakeholders about the criticality of identified issues and weighted stakeholder responses vis-à-vis their influence on our business.
5. **External Requirements**: We benchmarked listed issues against other reporting frameworks, such as UN SDGs, National Voluntary Guidelines (NVGs), and Dow Jones Sustainability Index.

   Our sustainability interventions focus on material issues identified through this calibrated approach, helping us achieve our sustainability goals and better understand our stakeholders' needs.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

Cyient actively engages with the community on a regular basis, focusing on areas such as community development, environmental initiatives, skill development, and IT literacy programs. Any concerns that arise are promptly addressed and discussed in a timely manner.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

While formal Human Rights training has not been conducted, we prioritize human rights principles within our code of conduct affirmation.

Category	FY 2022-2023			FY 2021-2022		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	12,042	12,042	100	10,955	10,955	100
Other than permanent	873	873	100	1,563	1,563	100
Total employees	12,915	**12,915**	**100**	**12,518**	**12,518**	**100**
Workers						
Permanent	0	0	100	0	0	100
Other than permanent	316	316	100	311	311	100
Total workers	316	**316**	**100**	**311**	**311**	**100**

CoC affirmation, updated every year based on regulatory changes etc.,

2. **Details of minimum wages paid to employees and workers, in the following format**

Category	FY 2022-2023 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	9068	-	-	9068	100	8396	-	-	8396	100
Female	2947	-	-	2947	100	2512	-	-	2512	100
Other than Permanent										
Male	467	-	-	467	100	889	-	-	889	100
Female	328	-	-	328	100	610	-	-	610	100
Workers										
Permanent										
Male	0	-	-	0	100	0	-	-	0	100
Female	0	-	-	0	100	0	-	-	0	100
Other than Permanent										
Male	216	216	100	-	-	157	157	100	-	-
Female	86	86	100	-	-	63	63	100	-	-

3. Details of remuneration/salary/wages, in the following format:

Employees other than BoD and KMP:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	as per Board's report	1	as per Board's report
Key Managerial Personnel	5	2,56,41,400	1	-
Employees other than BoD and KMP	9,476	7,45,626	3,019	4,57,724
Workers	216	-	86	-

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, our head of ESG and DEI monitors these issues. Also, we have a panel of leaders that manages and reports on all whistleblower complaints. These complaints are also tracked by the board.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At Cyient, an effective grievance redressal procedure has been established to ensure that compliance guidelines and human rights concerns are upheld throughout the company. Additionally, we have a successful whistleblower procedure that enables our employees , including subsidiaries, to contact the Ombudsperson and make confidential disclosures regarding unethical behaviour and actual or suspected fraud. Also, there is an internal complaints committee, as mandated by law. There is a whistleblower hotline outside of Cyient that is anonymous, confidential, and accessible.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-2023 Current Financial Year			FY 2021-2022 Previous Financial Year		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Sexual Harassment	0	N.A	N.A	0	N.A	N.A
Discrimination at workplace	0	N.A	N.A	0	N.A	N.A
Child Labour	0	N.A	N.A	0	N.A	N.A
Forced Labour/ Involuntary Labour	0	N.A	N.A	0	N.A	N.A
Wages	0	N.A	N.A	0	N.A	N.A
Other human rights related issues	0	N.A	N.A	0	N.A	N.A

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

We undertake efforts to ensure that all relevant stakeholders are aware of the Cyient Business Code of Conduct and Human Rights Policies and are aware that any complaint that violates those policies will be investigated. We are dedicated to fostering an environment at work where associates can do their jobs without fearing discrimination, gender bias, or sexual harassment.

All employees have the right to be treated with respect, and if sexual harassment occurs at work or elsewhere that involves employees, it is a serious offence that must be punished. A committee has been established by management to investigate and address sexual harassment complaints. At each of the company's locations, the Chairman and Managing Director may establish the committees that may be necessary to fulfil the requirements of the Act.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements are part of our business and contracts, through our Vendor Code of Conduct. We expect of our vendors that they uphold and advocate the protection of the internationally recognized principles of human rights and that they refrain from engaging in violations of those principles.

9. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	-
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints — Not Available

2. Details of the scope and coverage of any Human rights due diligence conducted

Cyient intends to conduct a comprehensive human rights assessment with global coverage in the upcoming years.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the company comply with the Rights of persons with disabilities act. This indicates the company's commitment to fostering inclusive workplaces that are accommodating to every individual. In order to incorporate these associates into the organisation and address their unique needs, such as accessibility and accommodation, we conduct sensitization and awareness exercises for our managers and senior leaders.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	100% of our suppliers were evaluated in FY23 basis our Vendor Code of Conduct which has several clauses on Labor Practices and Human Rights like Child Labour, Freedom of Association, Working hours, Wage and Benefits, Forced or compulsory labour, Lawful Employment, Non-Discrimination and Harassment
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

We conducted evaluations of all our suppliers in accordance with our Vendor Code of Conduct. Suppliers who did not meet the compliance requirements are provided with support and assistance to help them align with the code.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total electricity consumption (A)	45,637 GJ	33,545
Total fuel consumption (B)	3,310 GJ	2,568 GJ
Energy consumption through other sources (C)	22,722 GJ	17,992 GJ
Total energy consumption (A+B+C)	71,670 GJ	54,107 GJ
Energy intensity per Crore of turnover (Total energy consumption (Kilo Joules) / turnover in crore rupees)	**32 GJ/INR Cr**	**30 GJ/INR Cr**

Note : *Row C indicates the Roof Top Solar Energy.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, our FY22 data has received a limited assurance from TUVI, and we are currently in the process of obtaining the same for FY23.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the organization is not classified as a designated consumer for the Performance, Achieve, and Trade (PAT) program administered by the Bureau of Energy Efficiency (BEE).

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater*	5891	-
(iii) Third party water (Municipal water supplies)	68,355	51,418
(iv) Seawater / desalinated water	0	0
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	74,246	51,418
Total volume of water consumption (in kiloliters) *	74,246	51,418
Water intensity per crore of turnover *(Water consumed / turnover in crores)*	**33/KL ₹ Cr**	**29 KL/ ₹ Cr**

*Flowmeter for water withdrawal from borewell was installed at Warangal office during FY 23

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, our FY22 data has received a limited assurance from TUVI, and we are currently in the process of obtaining the same for FY23.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No, however, the wastewater generated at our sites is treated through the sewage treatment plants (STPs) and the recycled water is used for sanitation and gardening purposes.

5. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
NOx	µg/m3	1996	55.2
SOx	µg/m3	986.2	28.2
Particulate matter	µg/m3	663.8	102.7
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

6. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tons of CO2 equivalent*	2409	1150
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	*Metric tons of CO2 equivalent*	10502.56	7381
Total Scope 1 and Scope 2 emissions per Crore of turnover	**tCO_2 /INR Cr**	**5.79**	**4.87**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, our FY22 data has received a limited assurance from TUVI, and we are currently in the process of obtaining the same for FY23.

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes, we are committed to reducing greenhouse gas (GHG) emissions in our operations. To achieve this goal, we have implemented several projects aimed at increasing our utilization of renewable energy sources. For example, we have installed solar panels with capacities of 100kWp in Kakinada, 240 kWp in Vizag, 100kWp in Warangal, and 140 kWp in Madhapur. At our Bangalore and Manikonda locations, over 80% of the energy consumed is derived from solar power. Additionally, we have set up EV charging stations for both two-wheelers and four-wheelers at our Manikonda, Madhapur, and Bangalore locations to encourage our associates to use electric vehicles. These projects are a testament to our commitment to reducing GHG emissions and promoting sustainable practices.

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Waste generated (in metric tons)		
Plastic waste ***(A)***	0.09	0.50
E-waste ***(B)***	7.83	10.96
Bio-medical waste ***(C)***	0	0
Construction and demolition waste ***(D)***	0	0
Battery waste ***(E)***	21.28	22.38
Radioactive waste ***(F)***	0	0
Other Hazardous waste ***(G) (DG set lube oil)***	0.6	0.77
Other Non-hazardous waste generated ***(H) (Paper waste, Food waste, Metal & scrap, miscellaneous scarp)***	61.30	20.60
Total (A+B + C + D + E + F + G + H)	**91.09**	**55.21**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tons)		
Category of waste		
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tons)		
Category of waste		
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations*	91.09	55.21
Total		

* Hazardous, Non- Hazardous, E-waste and Battery waste generated are safely disposed to PCB authorized vendors.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, our FY22 data has received a limited assurance from TUVI, and we are currently in the process of obtaining the same for FY23.

9. **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

At our organization, we prioritize waste management practices to minimize our impact on the environment.

We have established a system of segregated bins for different types of waste, including recyclable materials, organic waste, and non-recyclable waste. Our primary sources of waste, such as e-waste and computer peripherals, are collected and safely stored for three years before being disposed of through Pollution Control Board (PCB) authorized vendors. We also work with authorized vendors for paper waste management practices and use notepads made from recycled papers. Additionally, we have installed organic waste converters (OWCs) to manage food and garden waste, which process the waste and convert it into compost used for gardening and landscaping. Our associates are encouraged to avoid using hazardous and non-biodegradable products, and we periodically send awareness emails to reinforce this message.

To ensure that we comply with our waste management practices, we have implemented strict security measures at our main gate. Vendors are checked and stopped if they do not follow our waste management practices, and we encourage the use of biodegradable products. Finally, we treat wastewater generated at our establishments through a Sewage Treatment Plant (STP) to ensure it meets the necessary standards before being discharged.

Cyient minimizes the usage of toxic chemicals, including those in STP and cleaning processes. We dilute chemicals to reduce their concentrations, ensuring safer handling. Furthermore, all chemicals used at Cyient are certified by authorized agencies, providing assurance of their quality and compliance.

10. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

As a responsible organization, we are aware of the importance of environmental conservation and are committed to minimizing our impact on the environment and protecting natural habitats. Therefore, we do not conduct any activities or operations in areas that are considered ecologically sensitive.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

We have not conducted the environmental impact assessments (EIA) of our operations and as per the Environmental Impact Assessment ("EIA") notification 2006, the company is not required to comply with certain environmental regulations or assessments.

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, Cyient is fully compliant with all applicable environmental laws, regulations, and guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
NA				

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	22722	17992
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	**22722**	**17992**
From non-renewable sources		
Total electricity consumption (D)	45637	33545
Total fuel consumption (E)	3310	2568
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	**48947**	**36113**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, our FY22 data has received a limited assurance from TUVI, and we are currently in the process of obtaining the same for FY23.

2. **Provide the following details related to water discharged:**

Parameter	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilo liters)		
(i) To Surface water	0	0
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater	0	0
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third-parties	Water discharge in the majority of our sites is directed to Centralized Sewage Treatment Plants (CSTPs).	
- No treatment		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – Tertiary treatment at our in house STP*	18,286	12,316
Total water discharged (in kilo liters)	**18,286**	**12,316**

*For FY 22, the data is reported for three locations whereas for FY 23, the data is reported for four locations.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, our FY22 data has received a limited assurance from TUVI, and we are currently in the process of obtaining the same for FY23.

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilo liters):**

For each facility / plant located in areas of water stress, provide the following information:

(i) **Name of the area:**

(ii) **Nature of operations**

(iii) **Water withdrawal, consumption, and discharge in the following format:**

According to the Central Groundwater classification, our sites are not located in areas classified as "Critical" or "Over-exploited" with regards to groundwater. Hence, the question isn't applicable.

4. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	-	-
Total Scope 3 emissions per Crore of turnover		**-**	**-**

*We are currently in the process of monitoring and measuring our Scope 3 emissions.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No, we didnot obtain assurance on our Scope 3 emissions data

5. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   None of our operations and offices are not situated in ecologically sensitive areas.

6. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Installation of rooftop solar panels	As part of our efforts to promote the adoption of sustainable energy practices throughout the organization, we have been deliberately increasing the proportion of renewable energy in our energy mix.	Significant reduction in the energy costs, decreased carbon footprint, and improved overall environmental performance.
2.	Setting up of EV charging stations	We have set up EV charging stations for both two-wheelers and four-wheelers at our Manikonda, Madhapur, and Bangalore locations. These projects are a testament to our commitment to reducing GHG emissions and promoting sustainable practices.	Promoting the use of electric vehicles among our associates.
3.	Resource efficiency initiatives	Several resource efficiency initiatives have been undertaken by a company, such as maximum demand reduction in Lanco, Uppal, Bangalore, and Manikonda, replacement of air-cooled chillers in Madhapur, MD reduction in Kakinada and Vizag, Madhapur - 11 KV merging, and UPS room consolidation.	These resource efficiency initiatives, have significantly reduced energy consumption and carbon footprint, leading to cost savings.

   *Details of our initiatives will be published in our Sustainability Report FY 23

7. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Cyient recognizes the criticality of its Corporate IT infrastructure in supporting global delivery models and maintaining seamless communication with clients. To mitigate potential disruptions, Cyient has developed a comprehensive business continuity and disaster management plan. This plan involves identifying essential functions and transactions, conducting Business Impact Analysis, and dividing services into independent activities. In the event of a disaster, a Crisis Management Team (CMT) oversees recovery efforts, while an Emergency Response Team (ERT) handles on-site emergencies. The Chief Information Officer (CIO) plays a key role in building resilience within the Corporate IT infrastructure. By implementing these measures, Cyient aims to ensure continuity, minimize downtime, and safeguard its business reputation and growth.

8. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

   No, there weren't any significant adverse impact to the environment, arising from the value chain of the entity.

9. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   We have assessed our top 100 supplier (70% of spend) on ESG parameter through third party assessment.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with and industry chambers/ associations.**

The Company is a member of 7 trade and industry chambers/ associations.

b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	National Association of Software and Service Companies	National
3	Global Compact Network India	National
4	Indo-American Chamber of Commerce	National
5	National HRD Network	National
6	The Federation of Telangana Chambers of Commerce and Industry	State
7	Hyderabad Management Association	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.**

No adverse orders received from regulatory authorities for anti-competitive conduct.

Name of authority	Brief of the case	Corrective action taken
-	-	-
-	-	-

Leadership Indicators

1. **Details of public policy positions advocated by the entity:**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
	Not available				

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Quality School Education & IT Literacy Initiatives	CF/ CSR00004617/2023/ EDU/ITL/WEMP/ENV	03-01-2023	Yes	Yes	https://www.cyient.com/about-us/social-responsibility
Environmental Development Initiatives	CF/ CSR00004617/2023/ WC/GE	03-08-2023	Yes	Yes	https://www.cyient.com/about-us/social-responsibility

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results commu-nicated in public domain (Yes / No)	Relevant Web Link
Community Development Initiatives	CF/ CSR00004617/2023/ EDU/ITL/WEMP/ENV	03-01-2023	Yes	Yes	https://www.cyient.com/about-us/social-responsibility
Skill De-velopment Initiatives	CF/ CSR00004617/2023/ VS/ITS	03-03-2023	Yes	Yes	https://www.cyient.com/about-us/social-responsibility

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY 2023 (In INR)
NA						

3. Describe the mechanisms to receive and redress grievances of the community.

The Cyient Foundation has conceived and facilitated a wide range of social initiatives aimed at enhancing access to high-quality education, fostering skill development, promoting socially innovative business practices, and making substantial investments in environmental development projects. We maintain registers at each center which enables us record and resolve the grievances of the community.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2023 Current Financial Year	FY 2022 Previous Financial Year
Directly sourced from MSMEs/ small producers	INR 467.52 million	-
Sourced directly from within the district and neighboring districts	INR 197.74 million	-

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Nil	Not Applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent
1	Andhra Pradesh	Visakhapatnam	INR 18,00,000
2	Telangana	Warangal (Rural)	INR 29,00,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

No

(b) From which marginalized /vulnerable groups do you procure?

Not Applicable

(c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NA				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	School Education and Digital / IT Literacy: Adopted 30 Government Schools and providing Quality Education to vulnerable and marginalized communities	• Supporting 30 schools with 20658 children. • Girl Child enrollment is 56.80% • Until FY22-23, 21615 adults gained access to IT Literacy • 11904 adult women trained and certified.	62%
2	Community development skills & employment: Operating Cyient Urban Micro Skill Center and Cyient IT / ITES Skill Center to provide skills and employment to unemployed youth from low-income families.	• As on date trained 4106 community members on IT / Vocational skills • Over 85% of the total trainees gained potential employment / self-sustained. • In the village providing access to safe drinking water, sanitation, healthcare & education to 3093 households • Achieved 100%ODF free and 0% school dropouts and infant deaths.	54.5%
3	Preventive health care and health care: Provide quality low-cost health care to community people in Cyient Adopted Village, Extend support to research in health care	• Supported the Anganwadis located in Cyient Adopted Village & Anganwadis in Cyient Adopted Schools • Children between 3 to 6 Years were given nutritional support and preliminary healthcare • 1098 children are getting access to the facilities in 18 Anganwadis • Continue to support Asian Healthcare Foundation on the research on affordable healthcare , the aid will support research on "Pathogenesis of Human Acute Pancreatitis"	56.7%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
4	Plantation – go green initiatives Water conservation & Rainwater harvesting: To protect the environment and preserve the natural resources, maintain quality air and water our initiatives are centered in and around Cyient Offices, Cyient Schools, Cyient Skill centers and Cyient adopted villages.	• Planted over 79,828 samplings in the last 7 Years. (Including current year) • The survival rate is progressed from 82% to 86%. • Developed 31,042 Square Meters of Land in and around Telangana and AP. • Received Haritha Haram award for the 7th Consecutive year from Minister for MU&AD and IT of Telangana State • In 12 schools developed rainwater conservation from schools, community, centers roof top.	NA
5	Environmental Protection – green energy / renewable energy: To protect the environment and preserve the natural resources, use and produce the renewable energy in Cyient Schools and excess units generated helps the local community.	• The excess green energy generated is distributed to the community • Cyient Rajbhavan School is producing energy over and above the usage and is certified by IGBC with green building • The school is awarded by IGBC and received appreciation from the CII Telangana.	28%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   Cyient has a dedicated microsite for customers to provide feedback and lodge complaints, if any.

   http://www.cyient.com/contact-us

5. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:**

Parameter	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

This metric is not relevant to Cyient as our main business is providing engineering services, and it does not involve the manufacturing of any product which would carry the information.

3. **Number of consumer complaints in respect of the following:**

There have been xx complaints and none pending against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years as of March 31, 2023.

	FY 2022-23 (Current Financial Year)		Remarks	FY 2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	N.A	-	-	N.A
Advertising	0	0	N.A	0	0	N.A
Cyber-security	-	-	N.A	-	-	N.A
Delivery of essential services	-	-	N.A	-	-	N.A
Restrictive Trade Practices	-	-	N.A	-	-	N.A
Unfair Trade Practices	-	-	N.A	-	-	N.A
Other						

4. **Details of instances of product recalls on account of safety issues:**

This metric is not relevant to Cyient as our main business is providing engineering services, and it does not involve the manufacturing of any product which would carry the information.

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Cyient follows the General Data Protection Regulations (GDPR) and has an Information Security Management System (ISMS) aligned with ISO/IEC 27001:2013 for Information Technology and Security techniques and ISO/IEC 27002:2013 for information security management and protection of information assets from all internal and external threats.

The CEO, CIO, and Finance teams oversee the Cyber security strategy and align the roadmap with organizational priorities. The Risk Management Committee is responsible for the oversight of cybersecurity and the CEO is a member of the Risk Management Committee. Additionally, Cyient has a data loss prevention policy and a Data Retention policy specifies a period after which personal data is deleted permanently. It is answerable to the respective data protection authorities of the different countries in which they are present.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

We stand firm to our reputation for providing our clients with world class quality through an effective Quality Management system in place and best practices that are aligned with the internationally renowned quality standards and models like ISO 9001:2015 Quality Management Systems, ISO 27001:2013 Information Security Management Systems, AS 9100 DQMS requirements for Aviation, Space and Defense Organizations, ISO 13485:2016 Medical devices QMS, ISO 22163:2017 International Railway Industry Standards, TL 9000 R 6.0/R 5.5V the Telcom QMS, ISO 14001:2015 Environmental Management System, ISO 45001-2018 Occupational Health and Safety Management System and CMMI-DEV Version 2.0 Level 5, Capability Maturity Model Integration.

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   Information relating to all the products provided by the Company are available on the Company's website. https://www.cyient.com/

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services — Not available**

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services — Not available**

4. **Does the entity display product information on the product over & above what Is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   This metric is not relevant to Cyient as our main business is providing engineering services, and it does not involve the manufacturing of any product.

5. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact — Not available**

   b. **Percentage of data breaches involving personally identifiable information of customers — Not available**

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

The company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2022-23.

2. Details of material contracts or arrangement or transactions at arm's length basis

(a) Name(s) of the related party and nature of relationship

Sl. No.	Entity	Relationship
1.	Cyient Europe Limited	Subsidiary
2.	Cyient Benelux BV	Step down subsidiary
3.	Cyient Schweiz GmbH	Step down subsidiary
4.	Cyient SRO	Step down subsidiary
5.	Cyient NV	Step down subsidiary
6.	Cyient Inc.	Subsidiary
7.	Cyient Canada Inc.	Step down subsidiary
8.	Cyient Defense Services Inc.	Step down subsidiary
9.	Cyient GmbH	Subsidiary
10.	Cyient AB	Step down subsidiary
11.	Cyient KK	Subsidiary
12.	Cyient Insights Private Limited	Subsidiary
13.	Cyient DLM Limited	Subsidiary
14.	Cyient Australia Pty Limited	Subsidiary
15.	Integrated Global Partners Pty Limited, Australia	Step down subsidiary
16.	Integrated Global Partners Pte. Limited, Singapore	Step down subsidiary
17.	Integrated Global Partners SpA, Chile	Step down subsidiary
18.	IG Partners South Africa (Pty) Ltd, South Africa	Step down subsidiary
19.	Workforce Delta Pty Limited	Step down subsidiary
20.	Cyient Singapore Private Limited	Subsidiary
21.	Cyient Israel India Limited	Subsidiary
22.	Cyient Solutions and Systems Private Limited	Subsidiary
23.	Cyient Urban Microskill Centre Foundation	Subsidiary
24.	Infotech HAL Limited	Joint Venture
25.	Grit Consulting Pte Ltd	Step down subsidiary
26.	Celfinet – Consultoria em Telecomunicações, S.A.	Step down subsidiary
27.	METEMESONIP, UNIPESSOAL LDA	Step down subsidiary
28.	Celfinet UK Telecommunications Consulting Services Ltd	Step down subsidiary
29.	Celfinet Espanã - Consultoria en Telecomunicaciones, SL	Step down subsidiary
30.	Celfinet (Brasil) - Consultoria em Telecomunicações, Ltda.	Step down subsidiary
31.	Celfinet Mozambique – Consultoria em Telecomunicações, Limitada, Mozambique	Step down subsidiary
32.	Celfinet Mexico - Consultoria de Telecomunicaciones AS	Step down subsidiary
33.	Celfinet Germany - Telecommunications Consulting Services GmbH	Step down subsidiary
34.	Sentiec Oyj	Step down subsidiary
35.	Citec Group Oy Ab	Step down subsidiary

Sl. No.	Entity	Relationship
36.	Citec Oy Ab	Step down subsidiary
37.	Citec Engineering France Sarl	Step down subsidiary
38.	Citec AB	Step down subsidiary
39.	Citec Information & Engineering GmbH	Step down subsidiary
40.	Citec Group France SAS	Step down subsidiary
41.	Akilea Overseas Ltd	Step down subsidiary
42.	Citec Norway AS	Step down subsidiary
43.	Citec Engineering India Private Limited	Subsidiary
44.	Cyient Associate Stock Option Scheme 2021 Trust	Entity with common KMP
45.	Cyient Foundation	Entity with common KMP
46.	Infotech ESOP Trust	Entity with common KMP

(b) Nature of contracts/arrangements/transactions

IT Enabled Engineering Services & Geospatial Services.

(c) Duration of the contracts/arrangements/transactions

Intercompany agreements entered into with subsidiary companies, as amended and ongoing.

From 1 April 2022 to 31 March 2023.

(d) Salient terms of the contracts or arrangements or transactions including the value, if any:

To provide IT Enabled Engineering Services & Geospatial Services to the client/customers of the company as a tripartite agreement.

The payment terms of each project are as per the intercompany agreements entered with the respective subsidiaries.

(e) Date(s) of approval by the Board, if any: Not applicable as these are at arms' length basis and in the ordinary course of the business.

(f) Amount paid as advances, if any: Nil

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Outlook

The global economy is set to face another challenging year, with growth rates forecasted to fall from 3.4% in 2022 to 2.8% in 2023 before evening out at 3.0% in 2024. The compounding factor is being attributed to advanced economies experiencing a growth slowdown to 1.3% in 2023, owing largely to the turmoil in the financial sector and geo-political tensions. The sentiment in industry sectors toward the global economy remains negative. Growth rates in 2024 and beyond are likely to be below the pre-pandemic trend, given ongoing supply-side weakness. Inflation, while lower than experienced currently, may remain relatively elevated for several reasons, including expected persistence in labor shortages, deglobalization, and the global energy transition.

Global inflation has been more persistent than previously assumed, and high core inflation suggests that inflation may remain above pre-pandemic averages in many countries for an extended period. CAPEX-intensive customers will face expensive financing, compelling them to reconsider large deals. Lower borrowing and capex potentially may hamper investments and demand for certain products and services. While underlying price pressures persist, it is a relatively improved picture than 2022, however, potential price spikes and further monetary tightening remain a concern.

The baseline global GDP forecast, which assumes that the recent financial sector stresses are contained, is for growth to fall from 3.4%in 2022 to 2.8%in 2023 before rising slowly and settling at 3.0% five years out—the lowest medium-term forecast in decades. The advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 %in 2022 to 1.3%in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5%in 2023—the weakest growth since the global downturn of 2001, barring the initial COVID-19 crisis in 2020 and during the global financial crisis in 2009—with advanced economy growth falling below 1%.

Cyient remains positive that despite the anticipated long periods of disruptions and uncertainty, there are also opportunities. The optimism is underpinned by our organizational structure that supports technology-led growth, the development of intelligent products and platforms across digital engineering and technology. We are confident our operating model, products, and platforms are well-equipped to address the future demands of the autonomous world, digital enterprises, and decarbonization.

Engineering and R&D (ER&D) Outlook

Despite the challenges in the global economy, global investments in engineering and research and development in the engineering (ER&D) sector are set to rise strongly over the next five years, expanding at a double-digit compound annual growth rate (CAGR) of 10% up to 2026 despite currently uncertain economic conditions. As the cost of innovation continues to rise, ER&D spend looks set to rise to fund the development of new products and services as well as to improve existing ones. Investment in Digital Engineering, particularly in Artificial Intelligence (AI), machine learning, and cloud computing are to rise even higher than the growth rate of overall ER&D spend. ER&D companies have historically increased spending during recessions capitalizing on larger and longer spans of R&D work, M&A, talent acquisitions, and intellectual property investments.

The ER&D outlook for this year is set to fuel more innovation with global firms looking to maximize their ROI and overcome the pressures of shorter times to market, making new technology more affordable, embedding digital technology and capabilities, creating value in new approaches, and putting their ESG strategies at the forefront.

New Organizational Structure

Cyient implemented a new operating structure to ensure we continue to drive sustainable growth, develop CXO-level connections, achieve our strategic goals, execute technology solutions, and ensure increased collaboration across the business.

The new operating structure is a collaborative structure along the horizontal and vertical axis. Our horizontal capabilities are anchored in mechanical, embedded, digital, geospatial, networks, plant engineering, and VLSI will strengthen our ability to scale and drive automation.

At the same time, we are confident that our vertical business alignment allows us to define industry-relevant technology solutions and market-defining go-to-market propositions, which will accelerate our growth across the key focus areas of mobility, connectivity, sustainability, new growth areas, and design-led manufacturing.

Business Performance Outlook

Cyient as a company is focused on multiple industries, and below is the outlook across sustainability, connectivity, transport, new growth areas, and design-led manufacturing.

Sustainability

Mining and Natural Resources (MNR)

The global mining industry will see slower spending on gold and iron ore development, but investment in decarbonization-related mining will continue to increase. The slowing global growth and inflation will threaten industry profitability in 2023.

The Mining and Natural Resources Sector enjoyed strong growth of 31% YoY, with the initial stages of work with the 12 new logos added in the previous year. This is set to provide longevity for the business unit. ESG compliance continues to be a major driver of investor sentiment. To support customers in meeting these obligations, we are investing in technology solutions that solve issues around the monitoring and management of activities with environmental and community impacts.

We remain confident in strong growth across this industry vertical with increasing demand for solutions in safety critical areas, autonomous mining, and operations.

Energy, Industrial, and Plant Engineering (EIP)

The energy industry will be driven by global energy consumption, set to grow by 1.3% in 2023 compared to 0.9% growth in 2022, amid a slowing economy and high energy prices. Renewables will dominate the growth of global electricity supply over the next three years; Asia will continue to be the world's biggest market for renewable energy investment, with a major share from China, India, Japan, and South Korea.

The Energy, Industrial Plant Engineering (EIP) sector grew by 6.4% YoY. Our key highlight for this sector this year was the acquisition of Citec, which was the largest outbound acquisition by an Indian engineering services company. The acquisition of Citec positions Cyient strongly as one of the largest independent plant engineering firms globally for the energy transition market.

The outlook for FY24 remains positive, with a strong sentiment that we forecast strong growth across our sustainability business. This growth will be driven by increased investment from customers in areas such as digital twins, carbon capture and storage, autonomous operations, autonomous mining, and the expansion of digital factories.

Utilities

The Utilities industry is to continue its growth over the next year with investment and innovation focused on providing reliable, secure, clean, and affordable energy to the market. However, supply chain issues, inflation, extreme weather, and high energy prices may impact generation costs and demand. The increase to Capex is anticipated to enhance reliability, grid stability, security, and renewable integration. The investment will point toward grid modernization, EDG reporting, grid flexibility, decarbonized fuels, and transportation electrification.

The utilities business delivered a muted growth YoY considering project closures and phased project commencement dates; however, we remain confident that our value proposition continues to resonate well with the key industry trends of sustainability, clean energy, infrastructure upgrades, digitalization, and democratization.

The outlook for the next fiscal year remains very positive, with opportunities to drive strong growth in the areas of grid modernization, transmission capacity, Intelligent Asset Management (IAM), and the integration of smart & micro grids.

Connectivity

Communications

The global telecommunications market was valued at $2.8 Trillion in 2022 and is expected to grow to USD 3.4 Trillion by 2025 at a CAGR of 6.2 %. The market's growth has been propelled by the rapid increase in voice broadcasting, video streaming, and data sharing.

The telecommunications market has been at the forefront of technological innovation. The introduction of modern technologies such as IoT, Cloud, and Big Data to the market has created a robust digital ecosystem.

Cyient's Communication Business has delivered strong sequential growth throughout the year, with major deal wins in the areas of fiber rollouts, network densification, and 5G rollouts. Our Communications business delivered the highest revenue in FY23 and grew by 18.4% YoY.

The acquisition of Celfinet, an international Wireless Engineering Services company with a strong record of providing end-to-end Network Planning and Performance Optimization services, further adds to Cyient's capabilities as we strengthen our technology play in wireless networks for 5G rollouts.

The outlook for the year ahead is positive, with a strong focus on improving our customers time to market and growth. The forecasted growth is expected in areas such as private networks, 5G & fiber rollout, network modernization (NFV, Cloud migration, and Smart Operations.

Transport

Aerospace and Defense

The commercial aerospace sector has continued its recovery from COVID-19, and travel demand is expected to return by 2024, led by domestic travel and narrow-body planes. The outlook for the Aerospace industry is optimistic, with a strong recovery in air travel leading to increased aircraft orders and aftermarket activity. Supply chain and talent will pose the biggest challenge for A&D companies in 2023. The defense market is expected to outperform the commercial aerospace market with a boost in demand for military equipment globally due to geo-political conflict.

Cyient's Aerospace Business Unit delivered a 12% YoY growth at the end of FY23, which was a testament to our strategy to address the post-pandemic turnaround of the overall sector. This double-digit growth was underpinned by our continued strengthening of our long-standing relationships.

The FY24 outlook remains positive, and we are confident to return to pre-pandemic performance levels with a renewed focus on sustainability-led aircraft electrification, Urban Air Mobility (UAM), drones & defense and Industry 4.0.

Rail

Although the rail transportation market moderately decreased by 0.2% per annum between 2019 to 2021, the expectation for 2023 is that many countries will take advantage of new technologies to improve their networks. The recent COVID-19 pandemic reduced passenger numbers, allowing operators time to implement changes. The new era of innovation has made train technology relevant once again, and the industry is expected to recover with a growth of 3.0% p.a. until 2027.

The emergence of new technology will lead the global rail industry to rapidly increase its digital capabilities through partnerships with specialized tech providers and startups.

The global rail transport market is expected to reach $308.91Bn in 2023 with investments in developing hybrid and autonomous trains. The key investment areas will be high-speed rail, predictive maintenance, decarbonization, and IoT. These investments are likely to be balanced with government infrastructure spend policies, increased energy costs, and inflation rates across geographies.

We remain confident that our Rail business is on the path to recovery in FY24 with the increased industry emphasis on areas such as sustainability, automation, and digital.

New Growth Areas

Semiconductor

The Semiconductor market is expected to decline by 11% in 2023 due to the weakening in the global economy and weak end-market electronics demand spreading from consumers to businesses. The uncertain investment environment is coupled with an oversupply of chips, therefore, elevating inventories and reducing chip prices. A further decline in the memory industry by 35% is predicted but set to recover in 2024. The PC, tablet, and smartphone semiconductor markets will stagnate; however, areas of growth are predicted in the automotive, industrial, and aerospace semiconductor markets.

Despite the significant headwinds faced across the industry and supply chain, Cyient achieved a YoY revenue growth of 48.7% (in constant currency). This growth was driven largely by the demand for Turnkey ASIC solutions, including automotive ADAS and 5G solutions, throughout the year.

Given that the digital economy is reliant on semiconductors, the focus in the medium to long term will center on growth through the development of automotive silicon and next-generation chips.

Medical Technology and Healthcare (MTH)

In 2022, investments in the Medical Device market slowed slightly in comparison to the record high in 2021. Investment growth is expected to be marginal in 2023. Companies are accelerating investment in technologies; however, macro challenges could provide some limitations to growth within the healthcare sector.

Cyient's Healthcare division capitalized on the post COVID-19 demand for digital transformation, digital health platforms, regulatory quality standards, and connected devices, with a significant YoY growth of 58.1%.

The outlook for this sector during the upcoming fiscal year remains positive with an increased focus on connected devices, remote patient care, and tele-health.

Automotive and Mobility

The automotive industry is continuing to deal with major global disruptions, not just from COVID-19, but from so many other elements of the global economy. Factors such as the tensions in Asia Pacific and the war in Ukraine have created a climate of uncertainty and hesitation. Additionally, shortages from microchips to labor are affecting almost every touchpoint along the automotive supply chain.

However, one of the most significant global trends continues to be the industry's focus on the development of electric vehicles (EVs), whether it is improving battery performance or expanding the charging infrastructure. We will see a significant increase in research and development (R&D) by vehicle manufacturers, who seem to be charging ahead with EV technology despite the many other challenges they currently face. The expansion of EV's is set to accelerate, driven by regulatory pressures, improving technology, and higher green energy consciousness from the market.

Cyient's Automotive and Mobility business unit saw a 78.6% YoY growth and is pacing itself for a year of exponential growth. Our strong record of developing software-defined platforms in safety critical domains, such as aerospace and rail are providing increased opportunities to establish our right to play in the automotive industry.

The outlook for the next fiscal is positive with the continued growth potential in autonomous driving, connected automobiles, electrification, and investments in alternative energy vehicles.

Design Led Manufacturing

The DLM industry is expected to grow in 2023 despite volatile economic conditions as the industry pushes for "smart" digital factories. Pressures continue to be labor shortages, tighter sustainability goals, and increased demand for products.

The Opportunities for DLM business continue to be driven by growth in the Aerospace & Defense (A&D), Medical, and Industrial sectors. Cyient DLM is well positioned as one of the few EMS companies in India offering electronics solutions for safety and mission-critical applications in highly regulated industries. Cyient's key capabilities in the domain of highly complex, safety-critical electronic systems with a high criticality of failure, such as cockpit systems and flight control systems, has contributed significantly to the 15% YoY growth.

The outlook is positive for Cyient DLM with the proposed Initial Public Offering (IPO) in the next fiscal year. Cyient DLM will focus on strengthening core capabilities across focus industries and building scale while taking on more B2S contracts. We will also be strengthening our supply chain ecosystem, building operational efficiency, enhancing capabilities in aftermarket services, and offering value-added services.

Enterprise Risk Management (ERM)

The Company has an organization-wide ERM framework based on best-in-class standards. It covers various company operations and key criteria such as strategic risks, reputation risks, operational risks, financial risks, and compliance/litigation risks. The ERM framework is reviewed periodically by KPMG, the Company's internal auditor, and a report on the mitigation status of risks is presented to the Risk Committee.

The Company also has an internal risk committee that periodically reviews the risk management process.

Key Risks and Opportunities

Risk description	Risk impact	Risk mitigation
Geo-political Risks	The USA & China trade conflict has the potential to threaten internal security and defense. The risk of conflict in Taiwan poses a risk to certain industries, such as semiconductors.	Monitoring and review at management council levels. We will continue to evaluate the situation of our semiconductor business.
Recessions	The Company's operations may be adversely affected due to increased interest rates, inflation, increased energy and labor costs, supply chain delays, and geo-political instability.	Monitoring and review at management council levels. Rigorous implementation of Business Continuity Plans. Regular communication with customers and vendors. Setting up of work from home infrastructure. Setting up rigorous and innovative talent acquisition plans to mitigate talent hiring challenges. Mandating appropriate health and safety norms and advisories.
Technology Disruption	The advancement of generative AI solutions such as Chat GPT.	Monitoring and review at management council levels. Evaluating investments in generative AI to address the disruption.
Currency Risk	Exchange rate volatility in various currencies could materially and adversely impact the results of operations.	Long-term cash flow hedges are taken to minimize the impact of exchange volatility on Net profit. Regular evaluation of hedging policy by internal Risk Management to assess the effectiveness.
Inflation Risk	The inability of the future real value of investments, assets, and income to be reduced by unanticipated inflation.	To add inflation premium to the rates in which we sign contracts with our customers and vendors. Adjust cash flows for inflation to prevent changes in purchasing power.

Risk description	Risk impact	Risk mitigation
Attrition Risk	Risk of losing talent across levels in the Organization.	Focus on employee engagement initiatives. Actions around talent development, retention, and compensation corrections. Focus on acquiring on next-generation hiring.
Developing and Marketing Newer Solutions	In a fast-paced economy, there is constant pressure for innovation on all clients, including the integration of solution capabilities.	Accelerate building next-generation competencies and capability building by investing in our current and future associates. Continue to review our investments in our technology practices to develop next-generation services and solutions.
Intellectual Property Risk	The risk of inadequate protection of the intellectual property rights of our customers can lead to reputational damage and litigation.	Robust data security protection and controls to prevent unauthorized access and/or transfer. Strict physical access controls for employees across customer delivery centers and secure areas. Regular internal audits to comply with customer requirements of confidentiality and data protection.
Vendor consolidation **Demand for discounts and volume discounts across customers**	Pressure on margins due to volume discounts.	Improve efficiency for better economies of scale.
Competition risks	In this highly competitive environment, there may be a severe impact on margins due to pricing pressures.	There is a focus on providing higher value and differentiated services and venturing into new business models.
Compliance risks	Being a global company, we are exposed to the laws and regulations of multiple countries.	The Company has an in-house compliance team that monitors global compliance. The team receives updates on changes in regulations from specialist consultants and circulates the same internally.
Data privacy and Cyberse-curity	In a connected world, businesses are highly vulnerable to cyber-attacks, leading to loss of data and damage to reputation.	The Company has a stringent cybersecurity policy that ensures the timely resolution of incidents.

Internal Controls and Adequacy

The Company's global presence across multiple countries and sizeable associate strength make it imperative for us to have a robust internal controls framework. The Company has adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization, and ensuring compliance with corporate policies. The Company has a well-defined manual for the delegation of authority for approving revenue and expenditure. The Company uses the SAP system globally to record data for accounting, consolidation, and management information purposes, connecting to different locations to exchange information.

Cyient has appointed M/s KPMG as internal auditors for the financial year 2022-2023. KPMG carried out the internal audit based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors (M/s S.R. Batliboi & Associates LLP) and approved by the Audit Committee. The internal audit process is designed to review the adequacy of internal control checks and covers all significant areas of the Company's global operations.

The Company has an Audit Committee of the Board of Directors, the details of which have been provided in the corporate governance report.

The Audit Committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered, and the audit committee follows up on the implementation of corrective actions. The committee also meets the Company's statutory auditors to ascertain, *inter alia,* their views on the adequacy of internal control systems in the Company and keeps the board of directors informed of its key observations from time to time.

The statutory auditors have also independently audited the internal financial controls over financial reporting as of March 31, 2023. They have opined that adequate internal controls over financial reporting exist and that such controls were operating effectively.

Investor Engagement

The Company communicates the business outlook, strategies, and new initiatives to its investors regularly and in a structured manner. We believe that communication with the investor community is as important as timely and reliable financial performance. We engage with the investors through multiple communication channels. The Company's dedicated investor relations department and the Company's senior management team participate in various roadshows and investor conferences. The Company hosted its Investor Day recently in November 2022. The Company carries out an independent bi-annual Investor Satisfaction (ISAT) survey. The last survey was carried out in 2022, suggestions of which have been implemented, and the next survey will be done in 2024.

Whistleblower Policy

Cyient firmly believes in Values FIRST (FIRST = Fairness, Integrity, Respect, Sincerity, Transparency), and the organization-wide Whistleblower policy is a step toward ensuring transparency and accountability. The Company believes in the conduct of the affairs of its constituents fairly and transparently by adopting the highest standards of professionalism, honesty, integrity, and ethical behavior. This allows stakeholders to expose any kind of information or activity deemed illegal, unethical, or not correct within the Company that is either private or public. The stakeholder can approach the Ombudsman without fear to report any wrongdoing, impropriety, or malpractice within the Company.

Shareholder Value Creation

As a result of our significant growth in revenue and profit over the last five years:

- The market capitalization witnessed significant growth and increased from ₹ 102,347 Mn at the end of FY22 to ₹ 110,050 Mn at the end of FY23.
- The dividend payout has substantially improved from 25% in FY14 to 51% in FY22 and 56% in FY23 (51% on a normalized PAT basis in FY23).
- The Company has achieved significant growth in the free cash flow (FCF) generation capabilities of the business with an increased focus on receivables management, working capital management, and tax optimization and generated the FCF at ₹4,887 Mn in FY23.

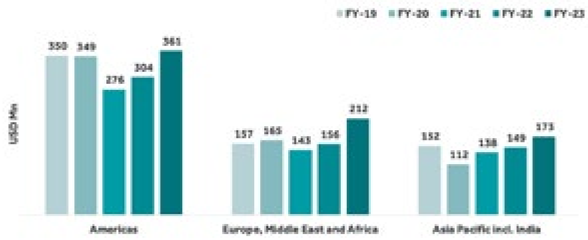
Revenue Growth

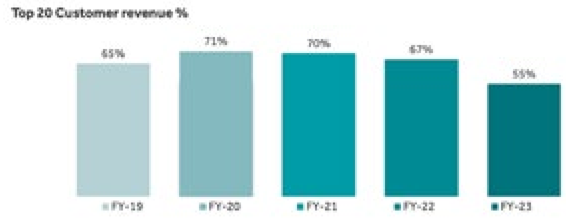
During the year, revenue has witnessed a growth of 22.7% in US $ terms and 32.7% in rupee terms. The services segment has witnessed a growth of 25.6% in US $ terms, primarily in connectivity, sustainability & new growth areas, and business units. Services (core) have grown by 12.1% in CC terms. DLM segment has witnessed a growth of 8.8% in US $ terms.

Over the last eight years, the Company has sustained robust revenue growth momentum with an impressive compounded annual growth rate (CAGR) of 9.9%. The revenue for the Company is driven by a focus on a well-diversified business and geography portfolio.

Revenue by Geography

During FY23, the Company delivered 20% YoY growth in the North America region, a growth of 35.7% in the EMEA region, and 16.4% growth in the Asia Pacific, including the India region in $ terms. Growth was primarily driven by connectivity, sustainability & new growth areas, and business units.





Revenue by Operating Segments

The Company's Chief Operating Decision Maker (CODM) reviews the business as two operating segments - 'Services' and 'Design-led Manufacturing' (DLM).

The 'Services' segment comprises ARC (Aero, Rail & Communications), MEU (Mining, Energy & Utilities), and NGA (New Growth Areas such as HiTech, Automotive, Semicon and Medical Technology) while the Digital, Embedded Solutions are across all the Business Units. The DLM segment is engaged in providing electronic manufacturing solutions predominantly in the fields of ARC, Energy, and Medical Technologies as well as Digital Services & Solutions. The DLM segment includes Cyient DLM Limited (formerly Cyient DLM Private Limited), Cyient Solutions and Systems Private Limited and Aerospace Tooling and Parts division of Cyient Defense Services Inc, USA.

During the year, the Services segment has witnessed a growth of 25.6% in US $ terms, and the DLM segment has seen a growth of 8.8% in US $ terms.

Better Customer Mining

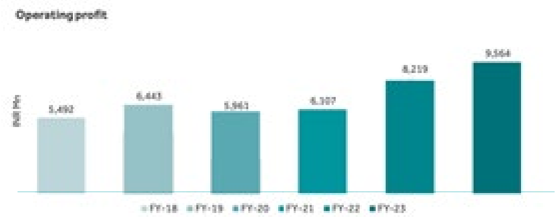
The Company continues to stress improving revenue per customer by focusing on strategic customers and generating more up-sell and cross-sell opportunities.

The below chart depicts the contribution of revenue from the top 20 customers over the last five financial years in the services segment:

Profits Trend

During the year, profits have increased due to:

- Increase in Services EBIT primarily driven by improvement in operational metrics, price hikes, and offset by wage hikes and increase in SG&A spend.
- Increase in DLM margin driven by better revenue mix and higher volume



Free Cash Flow (FCF) Generation

The Company has achieved significant improvement in the free cash flow (FCF) generation business capabilities.

In FY23, the Company generated FCF of ₹4,887 Mn as against FCF generated in FY22 at ₹5,719 Mn. The Company's FCF to PAT conversion is 95% in FY 23 to 109.5% in FY 22.

Days Sales Outstanding

The Company has delivered Days Sales Outstanding (DSO) of 78 days as of March 31, 2023, in line with March 31, 2022, owing to better collection cycle management.

* DSO Calculation: Total receivables at the end of quarter/ (Quarterly Annualized Revenue*90)

Tax Rate

The effective tax rate has decreased from 25.2% in FY22 to 24.5% in FY23, marginally decreasing by 73 bps due to efficient tax planning.

Capital Expenditure

The Company ended FY23 with a capital expenditure of ₹652 Mn, which is 1.1% of the total revenue.

Net Worth

The net worth of the Company has grown at 8.1% CAGR in the last six years from ₹23,442 Mn to ₹34,635 Mn. It is mainly attributed to the profitable growth over the years, driven by organic and inorganic initiatives.

Return to investors

The dividend payment trend for the Company has improved substantially in the last five years.

The highest-ever dividend of ₹ 26 per share was declared in FY23. A dividend of ₹ 24 per share was declared in FY22.

The dividend payout for the Company stands at 56% in FY23 (FY22: 51%) (51% on normalized PAT basis in FY23)

Market Capitalization

The Company's market capitalization has grown from ₹78,237 Mn in FY18 to ₹1,10,050 Mn in FY23.

Market capitalization has increased from ₹1,02,347 Mn as of March 31, 2022, to ₹1,10,050 Mn as of March 31, 2023.

Financial Performance for the Year 2022-23 (Consolidated)

The financial results of Cyient Limited under Indian AS discussed below are for the consolidated results of Cyient Limited and its subsidiaries, which includes the performance of its subsidiaries and joint venture. This part of the Management Discussion and Analysis refers to the consolidated financial statements of Cyient ("the Company") and its subsidiaries and joint venture, referred to as "the Group." The discussion should be read in conjunction with the consolidated financial statements and related notes to the consolidated accounts of Cyient for the year ending March 31, 2023.

Consolidated Financial Results

Particulars	31-Mar-23		31-Mar-22	
	₹ Mn	% of Revenue	₹ Mn	% of Revenue
Income				
Revenue from operations	60,159	100%	45,344	100%
Other income	814	1.4%	1,121	2.5%
Total income	**60,973**		**46,465**	
Expenses				
Employee benefits expense	30,260	50.3%	22,665	50.0%
Cost of materials consumed	6,839	11.4%	5,881	13.0%
Changes in inventories of finished goods, stock-in-trade and work in progress	125	0.2%	-175	-0.4%
Operating, administration and other expenses	13,371	22.2%	8,795	19.4%
Finance costs	1,000	1.7%	393	0.9%

Depreciation and amortization expense	2,566	4.3%	1,922	4.2%
Total expenses	**54,161**	**90.0%**	**39,481**	**87.1%**
Profit before tax and share of profit from joint venture	**6,812**	**11.3%**	**6,984**	**15.4%**
Tax expense	1,668	2.8%	1,761	3.9%
Profit before share of profit from joint venture and non-controlling interest	**5,114**	**8.6%**	**5,223**	**11.5%**
Share of loss from Joint Venture	-	-	-	-
Share of non-controlling interest	-	-	-	-
Net Profit attributable to the shareholders of the Company	**5,144**	**8.6%**	**5,223**	**11.5%**

ANALYSIS

Revenue

Revenue has grown by 32.7% in rupee terms and by 22.7% in US $ terms. The services segment has witnessed a growth of 25.6% in US $ terms, and the DLM segment has witnessed a growth of 8.8% in US $ terms.

Other income

Other income for FY23 was ₹814 Mn as compared to ₹1,121 Mn in FY22.

- Treasury income is lower by 159 Mn due to the utlisation of cash for acquisitions.
- Forward contract gain is INR 172 Mn, with unfavorable YoY movement of INR 217 Mn, due to a loss in USD partially offset by higher gains in other currencies.
- Others, higher by ₹ 74 Mn, mainly due to interest on IT refund of ₹ 53 Mn.

The movement of the Rupee against major currencies was as follows:

Particulars	YE March 2023		YE March 2022	
	Closing	Average	Closing	Average
USD	82.09	80.31	75.84	74.50
EUR	89.57	83.65	84.63	86.62
GBP	101.73	96.80	99.58	101.82
AUD	55.13	54.97	56.89	55.09

Employee benefits expense

Employee benefits expense includes salaries that have fixed and variable components, contributions to retirement and other funds, and staff welfare expenses.

Employee benefits expense as a percentage of the revenue from operations stands at 50.3% for FY23 compared to 50.0% in FY22. In value terms, employee benefits expense has increased by ₹ 7,595 Mn in FY23 compared to FY22 due to an increase in headcount globally (from 13,428 on March 31, 2022, to 15,864 on March 31, 2023).

Operating, Administration, and Other Expenses

Particulars	YE March 2023		YE March 2022	
	₹ Million	% of revenue	₹ Million	% of revenue
Rent	194	0.3%	130	0.3%
Travelling & Conveyance	1,029	1.7%	529	1.2%
Subcontracting charges	4,023	6.7%	3,139	6.9%
Repairs and maintenance	2,074	3.4%	1,412	3.1%
Others	6,051	10.1%	3,585	7.9%
Total	**13,371**	**22.2%**	**8,795**	**19.4%**

Subcontracting charges marginally decreased as a percentage of revenue, in line with the change in the revenue mix during the year.

Travel expenses increased as a percentage of revenue due to the complete relaxation of travel in FY23 post-Covid-19 as compared to partial restrictions in FY22.

Repairs and maintenance expense is in line with business requirements.

Others increased mainly due to an increase in "legal and professional charges" which includes one-off costs incurred during the year of ₹ 467 Mn toward legal fees paid in relation to the civil class action antitrust lawsuit filed against one of the Company's subsidiary and of ₹ 211 Mn toward M&A expenses in relation to acquisitions.

Finance costs

Finance costs have increased from 0.9% in FY 22 to 1.7% in FY 23 as a percentage of revenue. Increase in finance costs is primarily on account of new loans availed for acquisitions purposes.

Depreciation and amortization expense

Depreciation and amortization expense for FY23 was ₹2,566 Mn (4.3% of revenue) compared to ₹1,922 Mn (4.2% of revenue) in FY22. The increase in depreciation is on account of additional capital expenditure incurred during the year of ₹652 Mn and amortization of intangible assets acquired as part of acquisitions in FY23.

Tax expense

The effective tax rate has decreased from 25.2% in FY22 to 24.5% in FY23, marginally decreased by 73 bps due to effective tax planning.

Net profit attributable to the shareholders

The net profit stands at ₹5,144 Mn for FY23 as compared to ₹5,223 Mn in FY22.

Reasons for the decrease in the net profit during the year are:

- One-off costs of ₹ 467 Mn incurred toward legal fees paid in relation to the civil class action anti-trust lawsuit filed against one of the Company's subsidiaries.
- One-off cost of ₹ 211 Mn incurred toward M&A expenses in relation to acquisitions.
- Increase in depreciation and finance costs on account of new acquisitions.

The above costs were offset by:

- Increase in Services EBIT primarily driven by improvement in operational metrics, price hikes, and offset by wage hikes and increase in SG&A spend.
- Increase in DLM margin driven by better revenue mix and higher volume.

Consolidated Balance Sheet as of March 31, 2023

Particulars	₹ Mn	
	As of March 31, 2023	As of March 31, 2022
EQUITY AND LIABILITIES		
Shareholders' funds		
- Share capital	553	552
- Reserves and surplus	34,082	30,582
Total - Shareholders' funds	**34,635**	**31,134**
Non-current liabilities		
- Long-term borrowings and liabilities	8,169	2,424
- Long-term provisions	1,616	1,347
- Deferred tax liabilities (net)	830	345
Total - Non-current liabilities	**10,615**	**4,116**
Current liabilities		
- Short-term borrowings	4,397	3,241
- Lease liabilities	882	738
- Trade payables	7,142	5,259
- Other current liabilities	6,103	2,621
- Short-term provisions	1,707	764
Total - Current liabilities	**20, 231**	**12,623**
TOTAL - EQUITY AND LIABILITIES	**65,481**	**47,873**
ASSETS		
Non-current assets		
- Property, plant and equipment	12,328	7,398
- Goodwill	16,363	6,185
- Non-current investments	3,463	3,582
- Deferred tax assets (net)	482	248
- Other non-current assets	932	1,488
Total - Non-current assets	**33,568**	**18,901**
Current assets		
- Inventories	4,358	2,790
- Current investments	1,718	866

Particulars	₹ Mn	
	As of March 31, 2023	As of March 31, 2022
- Trade receivables	11,271	7,333
- Cash and cash equivalents	7,194	12,666
- Other current assets	7,372	5,317
Total - Current assets	**31,913**	**28,972**
TOTAL ASSETS	**65,481**	**47,873**

Share capital

The Company has only one class of shares – equity shares with a par value of ₹5 each. The Authorized share capital of the Company was 280,000,000 equity shares.

Reserves and Surplus

Reserves and surplus increased from ₹30,582 Mn as of March 31, 2022, to ₹34,082 Mn as of March 31, 2023, primarily due to profit generated during FY23 of ₹5,114 Mn.

Borrowings

The long-term borrowings increased from ₹23 Mn as of March 31, 2022, to ₹ 4,939 Mn as of March 31, 2023, due to loans availed for funding acquisitions during the year.

The short-term borrowings increased from ₹3,241 Mn as of March 31, 2022, to ₹4,397 Mn as of March 31, 2023, due to borrowings availed for working capital purposes.

Trade payables

Trade payables consist of payables toward the purchase of goods and services and stood at ₹7,142 Mn as of March 31, 2023 (₹5,259 Mn as of March 31, 2022).

Property, plant, and equipment (including intangible assets)

The increase of ₹4,930 Mn in property, plant, and equipment in FY23 is primarily attributable to the following:

- Capital expenditure incurred during FY23 of ₹ 652 Mn toward additions to computers, buildings, plant and equipment, computer software and others.
- Intangible assets recognized on the acquisition of Grit consulting, Celfinet, Citec and Klaus IT of ₹ 5,752 Mn

Goodwill

Goodwill represents the excess of purchase consideration over net assets of acquired subsidiaries. The increase in Goodwill of ₹10,178 Mn during FY23 is attributable to the following reasons:

- ₹ 9,419 Mn recognized on the acquisition of Grit Consulting, Celfinet, Citec and Klaus IT (refer note below)
- ₹ 759 Mn represents foreign exchange translation adjustments in line with the Indian Accounting Standards.

Grit Consulting: On April 26, 2022, the Company, through its wholly owned subsidiary Cyient Singapore Private Limited entered into a Share Purchase Agreement (SPA) to acquire 100% of the issued capital of Grit Consulting Pte Ltd ('Grit Consulting') for an upfront cash consideration of SGD 25 Mn and earn-out payments based on future performance.

Celfinet: On June 6, 2022, the Company, through its wholly-owned subsidiary Cyient Europe Limited, entered into a Share Purchase Agreement (SPA) to acquire 100% of the issued capital of Celfinet – Consultoria em Telecomunicações, S.A. ('Celfinet') for an upfront cash consideration of EUR 38 Mn and earn-out payments based on future performance.

Citec: On April 22, 2022, the Company, through its wholly-owned subsidiary Cyient Europe Limited entered into a Share Purchase Agreement (SPA) to acquire 100% of the issued capital of Sentiec Oyj ('Citec Group') for an upfront cash consideration of EUR 71 Mn and ₹ 906 Mn as part of 100% acquisition of Citec Engineering India Private Limited.

Klaus IT: On May 6, 2022, the Company, through its wholly owned subsidiary Cyient Limited entered into a Business Transfer Agreement (BTA) to acquire Specified Business of Klaus IT Solutions Private Limited ('Klaus IT') of provision of professional services being engineering, software and IT for an upfront cash consideration of ₹ 850 Mn.

Refer note 33, Business Combinations in consolidated financial statements of Cyient Limited for the year ended March 31, 2023, for further details.

Non-current investments

Non-current investments have decreased from ₹ 3,582 Mn as of March 31, 2022, to ₹3,463 Mn as of March 31, 2023, primarily due to the sale of perpetual and tax-free bonds ₹

297 Mn.

Cash and bank balances

Total cash and bank balances consist of:

(₹ Mn)

Particulars	As of March 31, 2023	As of March 31, 2022
Cash and bank balances	6,847	4,413
Investment in FDs	347	8,253
Investment in MFs	1,290	704
Treasury investments & Commercial Papers	2,288	2,319
Total – Cash & cash equivalents including treasury investments	**10,772**	**15,689**

During the year, the Company generated FCF from operations of ₹4,887 Mn, comprising Services FCF of ₹ 4,400 Mn and DLM FCF of ₹ 487 Mn, representing 95% conversion of PAT for FY 23.

Decrease in closing balance of cash and bank balances is due to the utilization of cash for acquisitions. The Company deploys its surplus funds in fixed deposits, bonds, mutual funds and other approved instruments in line with an approved policy.

Trade receivables

The trade receivables have increased from ₹7,333 Mn as of March 31, 2022, to ₹ 11,271 Mn as of March 31, 2023. The Company regularly monitors unbilled revenue, separately as well as collectively, along with trade receivables.

The Company has maintained DSO (Days sales outstanding) at 78 days as of March 31, 2023 and March 31, 2022 representing efficient collection management. {DSO has arrived considering trade receivables and unbilled receivables}

Other current assets

Other current assets have increased from ₹5,317 Mn as of March 31, 2022, to ₹7,372 Mn as of March 31, 2023, primarily due to an increase in prepaid expenses & balances with Government authorities by ₹ 882 Mn and unbilled revenue by ₹ 1,137 Mn.

Financial Ratios

Following are ratios for the current financial year and their comparison with the preceding financial year, along with explanations where the change has been 25% or more when compared to the immediately preceding financial year:

Sl. No	Ratio description	March 31, 2023	March 31, 2022	Variance	Explanation
1	Debtors turnover (in days)	78	78	0%	
2	Inventory turnover (in days)	177	125	42%	Note (i)
3	Interest coverage ratio	7.8	18.8	58%	Note (ii)
4	Current ratio	1.58	2.30	(31)%	Note (iii)
5	Debt equity ratio	0.35	0.19	(81)%	Note (iv)
6	Operating margin (%)	15.9%	18.1%	(12)%	
7	Net profit margin (%)	9%	12%	26%	Note (v)
8	Return on net worth (%)	15.6%	17.2%	9%	

(i) Increase in inventory turnover days is attributable to cater revenue of FY23-24 in DLM.

(ii) Decrease in the Interest coverage ratio is primarily attributable to the increase in borrowings which were availed for funding the new acquisitions during the year.

(iii) Current ratio is decreased due to increase in short-term borrowings due to working capital requirements.

(iv) Increase in debt-equity ratio is due to increase in borrowings availed during the year.

(v) Decrease in net profit ratio is due to one-off costs of ₹ 467 Mn incurred towards legal fees paid in relation to the civil class action antitrust lawsuit filed against one of the Company's subsidiary, one-off cost of ₹ 211 Mn incurred towards M&A expenses in relation to acquisitions and increase in depreciation and finance costs on account of new acquisitions.

People Function

Our associates are our most important assets. Their passion for solving complex business problems, a desire to innovate, and an urge to push boundaries have ensured that our clients are fully engaged. As an organization, we constantly strive toward making Cyient a great place to work. And our efforts in talent engagement and development were recognized by the prestigious Great Place To Work certification that we earned in India for 23-24. This external validation showed our position as best-in-class among our peer competitors. Based on our organizational growth strategy, we plan to seek GPTW certification in countries of interest. We will continue with our annual employee listening exercise to gauge and monitor our associate satisfaction.

In FY23, we continued our efforts in enhancing our hiring efficiencies & retaining talent. Apart from hiring and retaining associates, ensuring our associates' well-being in the current post-COVID recovery period, competency development around niche skills in embedded and digital streams, enriching our solutions capability, and integrating newly acquired entities have been our top priorities and remain our key focus areas in the near term.

Well-being & enablement for a resilient workforce

Associates' safety, enablement, and engagement have been our primary considerations and remain our important focus areas in the near term. Taking steps toward the same, we ensured that our associates were safe throughout the different phases of the pandemic and beyond.

At Cyient, we believe in taking care of our associates' health and well-being. Post-pandemic, too, we continue to provide our associates 24/7 instant access to consult specialist Doctors through our tie-ups with virtual healthcare providers. They can consult through phone calls, chat, or video calls, and is offered at zero cost to associates. We encourage associates to be healthy and fit. Furthermore, we also provide Crèche benefits to our associates along with leave policies that aid their paternal & maternal journeys.

We trust that the hybrid & flexible working model is a step in the right direction towards achieving an optimum work-life balance, wherein associates work from the office any three days a week. Throughout the financial year, we also ran global wellness challenges and had good associate participation in these programs.

In terms of immigration, we achieved noteworthy progress in cross-country deployments to Australia, the UK, and the USA, along with newer countries, Poland, Denmark, Laos, Italy, and China.

Process Transformation

At Cyient, we believe in AGILE way of working and have initiated a Transformational journey of process simplification, automation, insights-driven, and reaching the intelligent stage. This initiative is across Enabling Functions of HR, Finance, and IT departments. As part of this journey, a significant portion of transactional activities is outsourced to leverage scalable, optimized, and stable operations. BOTs have been introduced for handling first-level associate queries and new hire onboarding.

Strengthening our Management competencies

The focus this year has been on building competency across key elements to equip our Managers in Sales, Account Leadership, Project Management and Leadership Development.

Dedicated sales and Account Leadership training has been delivered to our Sales, Presales and Customer Service Partners and Managers. This interactive program has equipped them to build strong relationships with our customers enabling demand creation and sales.

We have continued to build the Project and Program Management capabilities, delivering a series of training and certification programs, PMI – PMP, PMI – AGILE and Certified Scrum Master.

We have enhanced Management capabilities with Managing@ Cyient, which is designed to give new and existing managers the skills needed to be a successful Manager at Cyient.

To develop and increase our pipeline of Women Leaders, we have designed and launched the Women in Leadership Program to 43 Women Leaders. This program combines workshops, mentoring and talks and Q&A sessions from inspirational women leaders within and outside of Cyient.

Technical Competency Development

Technical Competency development remains a strategic priority for us as we transition into the next era of the digital technology-driven world and strive to transform Cyient into a digital organization. We have implemented several new programs closely aligned with five MegaTrends and disruptive technologies, shaping the future of Cyient and our customers in the coming decade. Our primary focus has been enhancing our technology-driven training initiatives across various domains, bolstering our middle management capabilities, and equipping our associates to effectively navigate the significant technological changes integral to the digital era.

The Technology Leadership Program equips our associates with the skills to navigate digital disruption and understand the drivers of the evolving technology landscape. By challenging conventional thinking, they uncover the unspoken emotional needs of our customers, master co-diagnosis, and effectively communicate the business value we offer. This empowers us to strengthen existing accounts and win new customers, while embodying our vision of creatively applying technology to solve meaningful problems. Currently, 100 SMEs/Technical managers are undergoing this intensive six-month program.

We have cross skilled ~5000 associates in digital, emerging technologies, and traditional skills such as Data Analytics, Cloud Computing, Software Development, Software Testing, Fiber Optics Design, Design & Drafting, and Analysis & Simulation. This year, we have also invested in creating digital content that would aid new hires during their technical induction. The investments to acquire new skills will yield: enhanced expertise, increased productivity, innovation and adaptability, greater associate engagement, and accelerated career growth.

M&A Due Diligence & Integration

In FY23, we embarked on a strategic path of growth through acquisitions and aquihires, resulting in the addition of over 2,000 talented associates to our existing workforce. These acquisitions have not only expanded our team but have also brought valuable expertise and perspectives to our organization.

We are proud to announce that we have successfully integrated these new entities into our larger organization. Our diligent efforts have focused on fostering collaboration, sharing knowledge, and creating synergies between the acquired companies and our existing teams. By leveraging the strengths and capabilities of each entity, we are maximizing the potential for innovation and delivering even greater value to our clients.

Inclusion & Diversity

As of March 16, 2023, women hold just over 26% of technology-related jobs, and the percentage has decreased over the last two years. With only 10% of C-Suite roles and 13% of senior vice president roles being women, we need to make our gender balance programs more intentional. As part of International Women's Day, we had the pleasure of hosting four amazing female leaders from our customers. It was inspiring to get to spend time with these accomplished ladies, and we were so impressed with their authenticity, and they all expressed the importance of having a culture of psychological safety where associates can be their best selves.

At Cyient, we want to attract and retain our female associates across the entire lifecycle of their careers: entry-level to executive and everything in between. For the next 12 months, we have three key goals to intentionally build a stronger gender balance across all levels of our organization.

1. Achieve 50% gender balance in hiring our entry-level associates.
2. Roll out a Women in Leadership program to develop and mentor our mid-level female associates.
3. Focus on our culture and especially on inclusion to ensure that all our associates can bring their authentic best selves to work daily.

To attract more female talent for our entry-level roles, we have launched multiple programs, including a tool to ensure our job descriptions are unbiased, enhanced flexibility for working hours and locations, multiple workshops, and sessions to discuss both home and career opportunities and challenges and focused training and development programs.

Cyient has had multiple mentorship programs in the past, but this year we are excited to launch our new Women in Leadership program, which will combine development activities with mentorship. Given that diverse companies are more innovative and perform better, we want to ensure that we have a strong pipeline of empowered, strong female leaders that can bring their unique perspectives to ensure we are leveraging technology to solve problems that matter and to ensure that we build solutions that matter for a diverse set of people.

Culture

Having an inclusive culture is the cornerstone to creating a diverse, innovative environment that inspires growth and associate engagement. Cyient defines its culture with the acronym A G I L E (ambition, growth mindset, inclusive, lead by example, and empowered).

We believe it is critical that we invest and focus on our culture to ensure we have clear expectations of how we will lead, manage, act, and treat each other, our customers, and the community. This year we have created a focus on how we can ensure that inclusion is the key foundation for all our stakeholders to excel. This inclusive culture will ensure all of our associates have a voice and that it is heard and valued.

ANNUAL REPORT ON CSR ACTIVITIES

(Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended)

1. A BRIEF OUTLINE ON THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY ("CSR") POLICY OF THE COMPANY:

a) About Company's CSR Policy:

The CYIENT CSR Policy (herein after referred to as the "**CSR Policy**") encompasses the company's philosophy for delineating its responsibilities as a Responsible Corporate Citizen. It lays down the guidelines and mechanism for undertaking socially useful program for welfare and sustainable development of the community at large.

The CSR policy shall apply to all CSR initiatives and activities being undertaken at the various Cyient work-centers across all locations in India and activities taken up at the various offices and global locations of Cyient, for the benefit of the society—a key stakeholder of the company.

The CSR Policy and the operational guidelines are framed with subject to and pursuant to the provisions of the Companies Act, 2013 ("**Act**") and the rules and regulations made thereunder.

Cyient's CSR activities are spearheaded by the Cyient Foundation and Cyient Urban Micro Skill Centre Foundation. Cyient is guided by its CSR committee and CSR Policy and vision. The Company has formed a CSR committee (*designated as ESG Committee*) as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified by law.

CSR programs are focused under 4 pillars i.e.,

a) Education & IT Literacy - School Education, Digital / IT Literacy;

b) Skills & employment, Innovation & Entrepreneurship – Women Empowerment, School of Innovation and Entrepreneurship;

c) Preventive Health Care, Sanitation & Hygiene – Health care and WASH Facilities, Disaster Relief and Rehabilitation;

d) Environmental Protection & Community development – Promotion of Greenery, Water Conservation and Renewable Energy;

b) CSR Objective, Vision and Mission Statements:

Cyient believes in the philosophy of returning to society as a measure of gratitude for what it has taken from it. In view of this, the company's CSR aims to extend beyond charity and enhance social impact.

Cyient's 'Global Policy on Corporate Social Responsibility' outlines its philosophy of "Empowering Tomorrow Together" Cyient and its subsidiaries' abiding concern for society and environment. As responsible corporate citizens, we undertake several transformational initiatives that contribute towards community empowerment and all-round societal development. With strategic social investments in several key areas like Education, IT Literacy, Healthcare, Community Development - Smart Villages, Environmental Protection, Skill development & Employment, and Innovation & Entrepreneurship, we foster long-term sustainable community development, and drive growth initiatives that aim to make a meaningful impact in people's lives.

The Company's CSR vision includes the following:

- To help underprivileged children to access the quality education; up skill the unemployed youth and women for sustainable living.
- To participate in projects with business aligned social innovation, healthcare & preventive healthcare and responsive to the community needs.
- Support extends to the community development programs by participating in disaster management and environmental protection.
- Support extends to Innovation and Entrepreneurship.

c) **The Company's CSR mission**

Achieving long-term, holistic development of the community around us by being committed to create and support programs that bring about sustainable changes through education, digital literacy, skill development, environmental protection, innovation and entrepreneurship and healthcare systems.

d) **Undertaking CSR Activities**

Cyient's CSR activities are spearheaded by the Cyient Foundation and Cyient Urban Micro Skill Centre Foundation. Cyient is guided by its CSR committee and CSR Policy and vision. The Company has formed a CSR committee (*designated as ESG Committee*) as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified by law.

CSR programs are focused under 4 pillars i.e.,

a) Education & IT Literacy - School Education, Digital / IT Literacy;

b) Skills & employment, Innovation & Entrepreneurship – Women Empowerment, School of Innovation and Entrepreneurship;

c) Preventive Health Care, Sanitation & Hygiene – Health care and WASH Facilities, Disaster Relief and Rehabilitation;

d) Environmental Protection & Community development – Promotion of Greenery, Water Conservation and Renewable Energy;

The surplus arising out of the CSR activities, projects or programs shall not form part of the business profit of the Company;

2. THE COMPOSITION OF THE CSR COMMITTEE:

The CSR Committee subsumed on constitution of ESG Committee, which currently deals with all matters pertaining to Corporate Social Responsibility. Accordingly, the details of ESG Committee have been provided in the report. The ESG Committee has been constituted in line with the requirements of provisions of Section 135 of the Companies Act, 2013 are as follows:

Sl. No.	Name of the Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
A)	Committee composition as on 31 March 2023			
1.	Vikas Sehgal	Chairperson, Independent Director	1	NA
2.	B.V.R. Mohan Reddy	Member, Non-Executive Director	1	NA
3.	Krishna Bodanapu	Member, Executive Director	1	NA
B)	Erstwhile composition of Committee			
1.	Vinai Thummalapally	Erstwhile Chairperson, Independent Director	1	1
2.	Alain De Taeye	Member, Non-Executive Director	1	1
3.	Matangi Gowrishankar	Member, Independent Director	1	1

Notes:

a) The changes in the composition of the committee and other details pertaining to the committee can be found at the report on corporate governance forming part of the annual report .

3. WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

The details can be found at: https://www.cyient.com/hubfs/2021/CSR/Cyient_CSR_Policy_3.1.pdf

4. EXECUTIVE SUMMARY ALONG WITH THE DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014:

Cyient CSR activities are periodically assessed through Impact assessments. Cyient appoints agencies to perform SIA (Social Impact Assessments) through independent assessment agencies. Assessments were conducted on Education & IT Literacy, Skills & Employment, Community Development and Environmental Initiatives. The same nay be accessed at https://www.cyient.com/about-us/social-responsibility-0?hs_preview=IvHwHYMP-113646554680 under CSR Documents Tab.

5.

(a) Average net profit of the company as per sub-section (5) of section 135:

CSR Computation for FY 22 -23(Amount in ₹)

Particulars	FY 2019 – 20	FY 2020 - 21	FY 2021 - 2022
Net profit for deciding the CSR criteria	3,737,342,785	3,398,054,267	4,961,743,538
Average Profit for preceding 3 years			4,032,380,197
CSR @2%			**80,647,604**

(b) Two percent of average net profit of the company sub-section (5) of section 135: ₹ 80,647,604

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: NA

(d) Amount required to be set off for the financial year, if any: NA

(e) Total CSR obligation for the financial year (5(b)+5(c)-5(d)): ₹ 80,647,604

6.

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):

The details of the amount spent on CSR Projects is detailed in the table (i) and (ii) below for Ongoing Project and other than Ongoing Project respectively:

(i) Details of CSR amount spent against ongoing projects for the financial year:

1.	2.	3.	4.	5.		6.	7.	8.	9.	10.	11.	
Sl. No.	**Name of the Project**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Project duration.**	**Amount allocated for the project (in ₹).**	**Amount spent in the current financial Year (in ₹).**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).**	**Mode of Implementation – Direct (Yes/ No).**	**Mode of Implementation – Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number.**
1	Innovation, Entrepreneurship, Research and development in the Technology	Contributions to public funded Universities; Indian Institute of Technology (IITs) engaged in conducting research in science & technology	Yes	Telangana	Hyderabad and Sangareddy	3 Years	60,000,000.00	21,525,441.00	NA	Yes	Cyient Foundation	CSR00004617
2	Community Development Initiatives	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and safe drinking water	Yes	Telangana	Ranga Reddy	3 Years	20,000,000.00	5,120,000.00	NA	Yes	Cyient Foundation	CSR00004617
	Total						**80,000,000.00**	**26,645,441.00**	**NA**			

(ii) Details of CSR amount spent against other than ongoing projects for the financial year:

1)	2)	3)	4)	5)		6)	7)	8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation – Direct (Yes/No).	Mode of implementation – Through implementing agency.	
				State.	District.			Name.	CSR registration number.
1	Community Development Initiatives	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and safe drinking water	Yes	Telangana	Ranga Reddy	10,471,917.00	Yes	Cyient Foundation	CSR00004617
2	Education and Skills Initiatives	Promoting education, including special education and employment enhancing vocation skills especially among children, youth, women and elderly, livelihood enhancement projects.	Yes	Telangana	Hyderabad, Ranga Reddy & Warangal	35,281,581.00	Yes	Cyient Foundation	CSR00004617
				Andhra Pradesh	Kakinada, Visakhapatnam, Prakasam & Nellore				
				Karnataka	Bangalore & Mysore				
				Uttar Pradesh	Noida				
3	Environmental & Animal Welfare	Ensuring environmental sustainability, ecological balance and animal welfare, conservation of natural resources and maintaining quality of soil, air and water	Yes	Telangana	Hyderabad & Ranga Reddy	563,030.00	Yes	Cyient Foundation	CSR00004617
				Andhra Pradesh	Prakasam				
4	Promoting Gender Equality and Women empowerment	Promoting gender equality, empowering women and measures for reducing inequalities faced by socially and economically backward groups.	Yes	Telangana	Ranga Reddy, Hyderabad	2,228,131.00	Yes	Cyient Foundation	CSR00004617
				Andhra Pradesh	Srikakulam				
				Karnataka	Mysore & Bangalore				
5	Covid19 Relief and Rehabilitation	Disaster management, including relief, rehabilitation and reconstruction activities.	Yes	Telangana	Ranga Reddy, Hyderabad	588,000.00	Yes	Cyient Foundation	CSR00004617
				Andhra Pradesh	Srikakulam				
				Karnataka	Mysore & Bangalore				
6	Rural Development	Rural development projects	Yes	Andhra Pradesh	Prakasam	3,184,810.00	Yes	Cyient Foundation	CSR00004617
		Slum area development.		Telangana	Ranga Reddy & Wanaparthy				
	Total					52,317,469.00			

(b) Amount spent in Administrative Overheads: ₹ 2,098,831.00

(c) Amount spent on Impact Assessment, if applicable: ₹1,75,000.00

(d) Total amount spent for the Financial Year (6(a)+6(b)+6(c)): ₹81,236,741.00

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year 2022-23. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
81,236,741.00	NA	NA	NA	NA	NA

(f) Details of excess amount for set off, if any:

Sl. No.	Particulars	Amount (in ₹.)
1.	2.	3.
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	80,647,604.00
(ii)	Total amount spent for the Financial Year	81,236,741.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NA
(iv)	Surplus arising out of the CSR projects or programs or Activities of the previous financial year, if any	NA
(v)	Amount available for setoff in succeeding financial year [(iii)-(iv)]	NA

7. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

1.	2.	3.	4.	5.	6.		7.	8.
Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section subsection (6) of section 135 (in ₹)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in ₹)	Amount spent in the Reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
1.	2021-22	-	-	-	-	-	-	-
2.	2020-21	-	-	-	-	-	-	-
3.	2019-20	-	-	-	-	-	-	-
	TOTAL	-	-	-	-	-	-	-

8. WHETHER ANY CAPITAL ASSET(S) HAVE BEEN CREATED OR ACQUIRED THROUGH CSR AMOUNT SPENT IN THE FINANCIAL YEAR:

	Yes		No
		✔	

(a) If Yes, enter the number of Capital asset(s) created/ acquired: NA

(b) Details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s), including complete address and location of the property	Pin code of the property or asset(s)	Date of creation	Amount of CSR Amount spent (in ₹)	Details of entity/ Authority/ beneficiary of the registered owner		
1.	2.	3.	4.	5.	6.		
					CSR Registration Number, if applicable	**Name**	**Registered address**
	NA	NA	NA	NA	**NA**	**NA**	**NA**

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUBSECTION (5) OF SECTION 135:

Your directors state that the Company has spent an amount of ₹ 81,236,741 as against the CSR obligation of ₹ 80,647,604. The Company has accordingly spent an amount in excess of the prescribed CSR expenditure and therefore disclosing the reasons for not spending the prescribed CSR expenditure is not applicable.

Vikas Sehgal	**Krishna Bodanapu**
(Chairman-ESG Committee)	Managing Director
05218876	00605187
Hyderabad	Hyderabad
20 April 2023	20 April 2023

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

THE MEMBERS OF CYIENT LIMITED

1. The Corporate Governance Report prepared by Cyient Limited (hereinafter the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i) and (t) of sub – regulation (2) of regulation 46 and para C, D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange.

MANAGEMENT'S RESPONSIBILITY

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

AUDITOR'S RESPONSIBILITY

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
   i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
   ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
   iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
   iv. Obtained and read the minutes of the following committee meetings / other meetings held April 01, 2022 to March 31, 2023:
      (a) Board of Directors;
      (b) Audit Committee;
      (c) Annual General Meeting (AGM) / Extra Ordinary General Meeting (EGM);

(d) Nomination and Remuneration Committee;

(e) Stakeholders Relationship Committee;

(f) Risk Management Committee

v. Obtained necessary declarations from the directors of the Company.

vi. Obtained and read the policy adopted by the Company for related party transactions.

vii. Obtained the schedule of related party transactions during the year and balances at the year- end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.

viii. Performed necessary inquiries with the management and also obtained necessary specific representations from management**.**

8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

OPINION

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

OTHER MATTERS AND RESTRICTION ON USE

10. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Vikas Pansari

Partner

Membership Number: 093649

UDIN: 23093649BGXPKL3323

Place of Signature: Hyderabad

Date: April 20, 2023

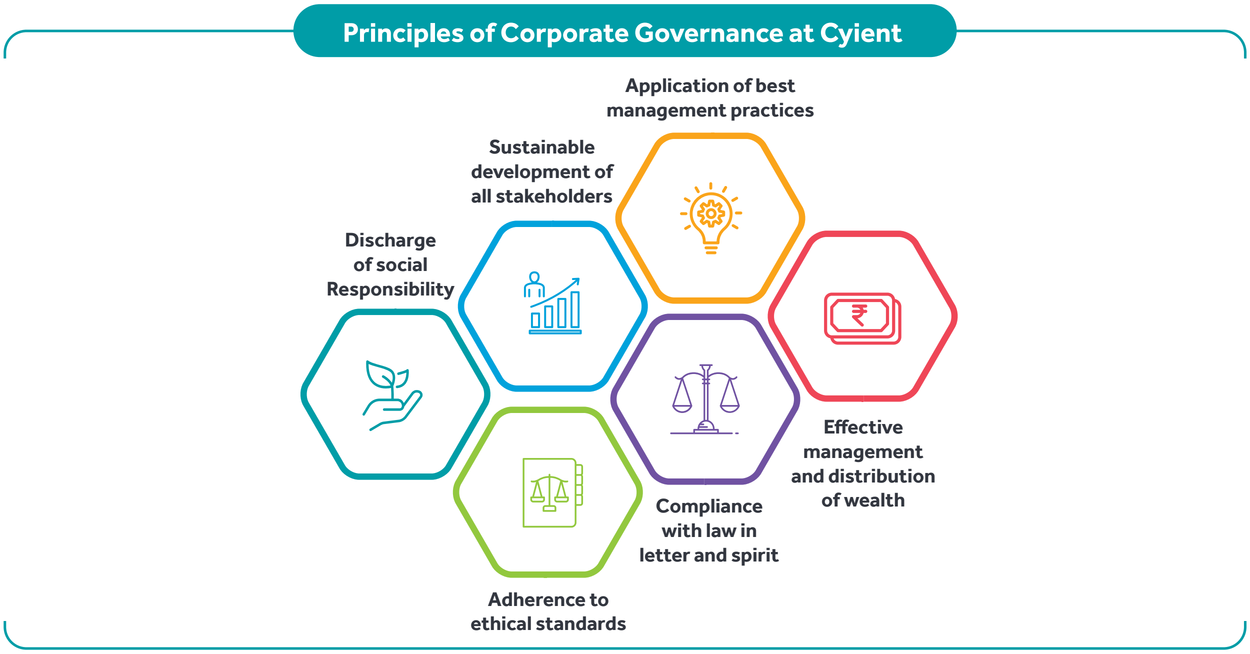
REPORT ON CORPORATE GOVERNANCE

In pursuance of Regulation 34(3) and Schedule V of the SEBI Listing Regulations, a Report on Corporate Governance for the FY 23 is presented below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

We at Cyient believe that corporate governance is about internalizing and manifesting a firm commitment to the adoption of ethical Practices across the Company to deliver value in all of its dealings with a wide group of stakeholders encompassing associates, customers, vendors, regulators and shareholders at all times. It is in this background that the company whole heartedly embraces good governance practices. The company believes that corporate governance is an integral means for the existence of the company. It ensures adherence to the moral and ethical values, legal and regulatory framework and the adoption of good practices beyond the realms of law.

Corporate governance is intertwined with the business of the company and the principles are dovetailed into its activities. The company's philosophy on corporate governance is effectively encapsulated below:

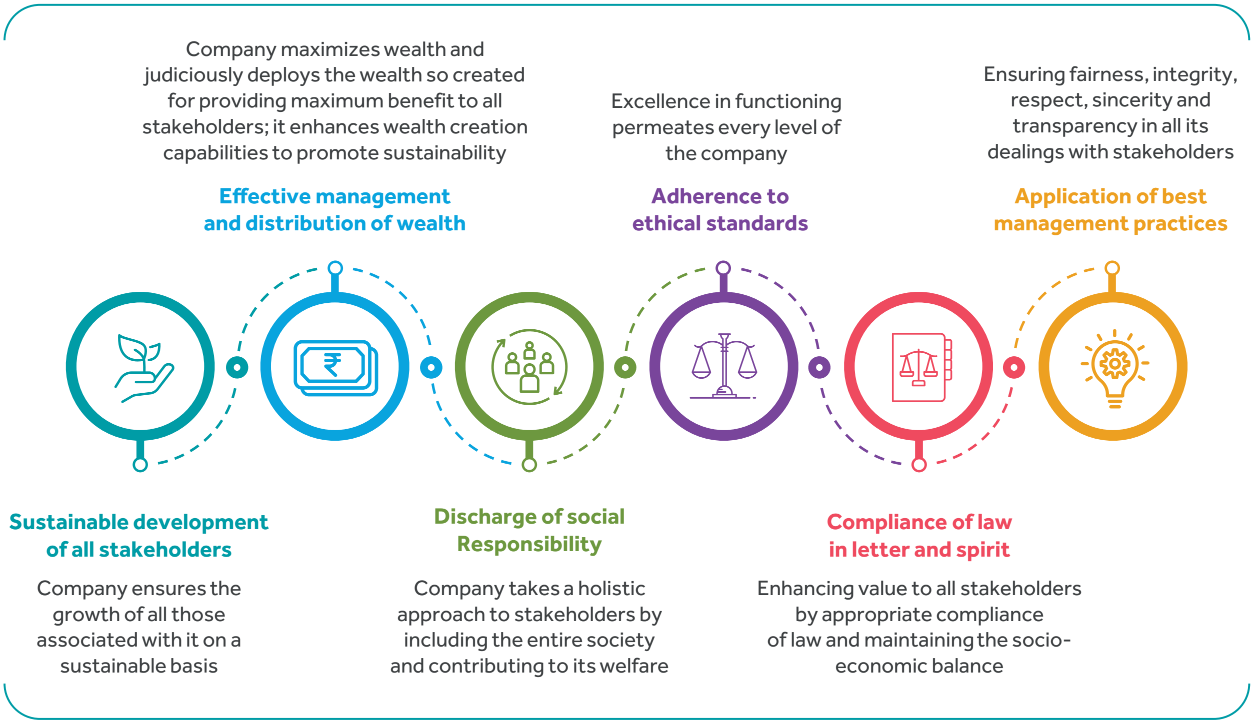


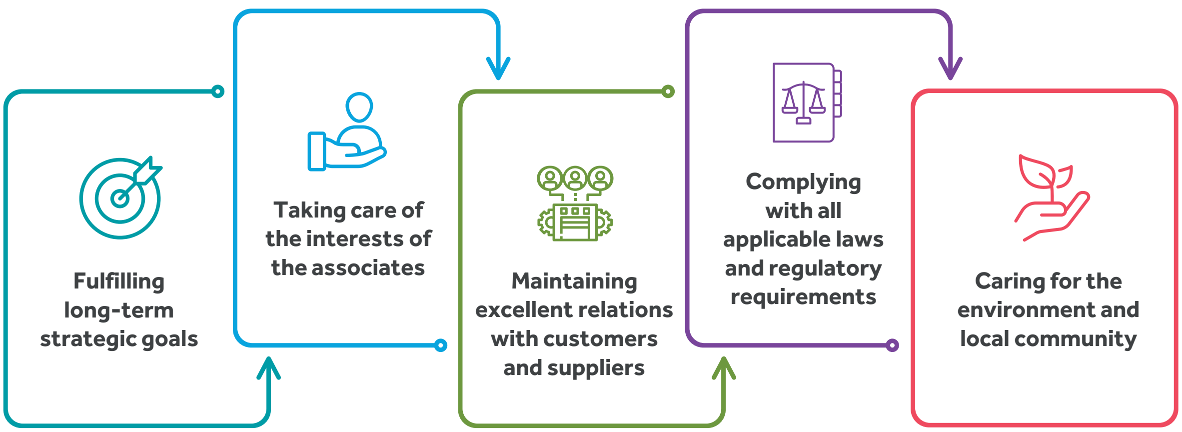
We at Cyient believe that Corporate governance is a system of structuring, operating, guiding and directing a company; corporate governance facilitates effective, entrepreneurial and prudent management that can deliver the long-term success of the company. It is a continuous process by which the values, principles, management policies and procedures of the company are inculcated and manifested.

Good corporate governance is an intrinsic part of the company's fiduciary responsibility as a responsible citizen. Further, the Company believes that good corporate governance is vital to the developing good relations with the various stakeholders and deepening the trust reposed by them.

As such, the Company emphasizes on transparency of operations. The company recognizes that to attract, meet and surpass the expectations of global investors, statutory disclosures and reporting norms alone are not sufficient and voluntary adherence to best international disclosure practices is a sine qua non. These practices enable the company to establish enduring relationships with all the stakeholders and optimize the growth paradigm.

Corporate governance in the company is predicated upon an ethos of transparency, accountability, fairness and overall sustainability. It aims at the following:





Our Values:

The Company is guided by the values 'FIRST' across all relationships with clients, stakeholders and associates. We strongly believe that our vision can be achieved by maintaining the highest standards of corporate ethics and good governance practices keeping our core values intact.

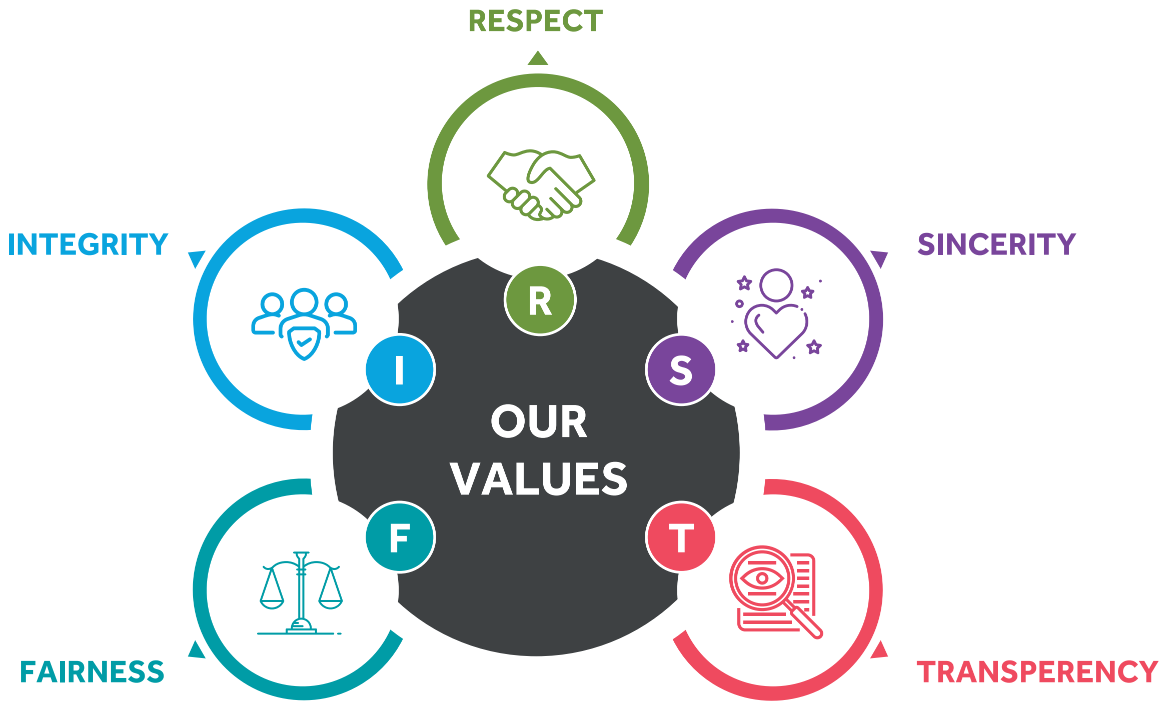
(i) **Fairness** – The company offers equity and solidarity where the associates and our customers experience an unbiased environment, irrespective of their cultural backgrounds. We believe in providing an environment that motivates associates and customers to achieve their personal and organizational goals.

(ii) **Integrity** – The company cultivates the development of high professional standards and values. In all dimensions of work, we align our actions and words and deliver what we promise. The company is committed to its moral and ethical values and the laws of the land.

(iii) **Respect** – The Company believes that the most productive environment is where associates are valued and treated with respect and dignity.

(iv) **Sincerity** – We commit to present a workplace, which establishes professionalism, dedication towards quality, cost, delivery, and value systems, and speaking and acting truly about the company's vision and realistic goals. The company has always demonstrated utmost reliability and accountability for all its commitments and promises and strives for the same going ahead.

(v) **Transparency** – An open-door policy. The company believes that fair and open communication is the key to success. The company believes in transparent billing processes and ensures the availability of relevant information required for cooperation and collective decision-making. Encouraging feedback from vendors, customers, associates help build a trustworthy company We are focused on verticals including aerospace & defense, rail transportation, off-highway & industrial, power generation, mining, oil & gas, communications, utilities, infrastructure, geospatial and navigation, semiconductor, and medical technology & healthcare. We align closely with the business needs, goals, culture, and core values of our clients, and it reflects in the deep and long-standing relationships we share with them.



BEST GOVERNANCE PRACTICES:

The company endeavors in further improving and enhancing its good governance practices in its relentless pursuit of corporate and business excellence. As such, it adopts, adapts and implements - voluntarily - some of the most robust and laudable good governance practices across the board.

- Paperless and interactive communication amongst the directors through a customized web-based portal - a sustainability initiative that helps in ease and pace of decision-making
- Increased board and board committee interaction through optimum use of technology - conduct of board meetings in the electronic mode
- Following all the secretarial standards issued by the Institute of Company Secretaries of India
- Board committee on Diversity and inclusion
- Designation of lead independent director and separate meetings of independent directors
- All board committees headed by independent directors
- Internal Audit conducted by independent professionals
- Policies and procedures for disclosure and dissemination of information by the company
- Vendor, Investor and associate satisfaction surveys conducted to elicit feedback from stakeholders

STRONG GOVERNANCE POLICIES

The company constantly strives to conduct its business and strengthen its relationships in a dignified, distinctive and responsible manner. The company lives by the ethos of Values FIRST - Fairness, Integrity, Respect, Sincerity and Transparency in all its operations and dealings. Towards this, the company has adopted several policies and guidelines for ethical and transparent operations. These include:

Code of conduct for board of directors and senior management

Code of Conduct for prevention of insider trading

Code of business conduct for all associates

Code of Practices & Procedures for disclosure of unpublished price sensitive information

Prevention of sexual harassment policy

Policy on related party transactions

Policy on material subsidiaries

Data privacy policy

Whistle blower policy/vigil mechanism

Policy on board diversity

Environment, health and safety policy

Anti-corruption policy

Policy on preservation of documents

Dividend Distribution policy

Criteria of Payment of Remuneration to Non-Executive Directors of the Company

Familiarization Programme for Non-Executive Directors

Business code of conduct for vendors

Policy for the Training of Directors

Guidelines on purchase of shares by Independent Directors

Guidance note on Governance for subsidiaries

For more information on these policies, visit the website of the company at www.cyient.com/investors/corporategovernance

Global Governance Manual

Your Company values the adoption of high standards of corporate governance in all its dealings in India and abroad. The Company also recognizes the importance of ensuring uniformity in governance processes and practices across the Group globally.

Given this, the Company has codified the Group's governance philosophy, approach, and practices and developed a Corporate Governance Manual ("Manual"). The Manual is intended to function as a structured framework and guide to the Board, management and employees and to enable the Company achieve its vision, mission and attain sustainable growth, in the best interest of all stakeholders.

The Manual –

a. Has been prepared in line with the Indian regulatory framework i.e., the Act and SEBI Listing Regulations, 2015, place of Effective Management requirements under Income Tax law and other applicable laws and the Memorandum and Articles of Association of the Company.

b. Incorporates Indian and global corporate governance best practices and key requirements under the S&P Corporate Sustainability Assessment – Dow Jones Sustainability Index ("DJSI").

c. Covers key governance aspects including those related to the Company's structure and principles, Environmental, Social and Governance ("ESG") agenda, Board, Committees and management, delegation of authority, subsidiaries and code of conduct/ ethics.

d. Should be read in tandem with the codes and policies of the Company approved by the Board from time to time. The links to the codes and policies of the Company are also provided in the Manual itself for easy reference.

e. Is intended as a 'living document' in the context of changing regulations and emerging best practices towards enhancing the Group's governance.

A process has been instituted for ongoing review of the Company's compliance with the guiding principles laid down in the Manual.

Global Compliance Initiatives:

Cyient strives for highest Corporate Governance standards and practices, It, therefore, endeavours to continuously improve and adopt the best of international Corporate Governance codes and practices. Some of the implemented global governance norms and best practices include the following:

A) **Data Protection and Privacy:**

In order to meet the requirements of General Data Protection Regulations (GDPR), the company has been working diligently to put in place a new data privacy framework including: improved procedures, policies, communications and training materials in line with the guidance received from the regulator and is committed to ongoing improvements in the area of data privacy both within Europe and its operations globally.

B) **Modern Slavery:**

Cyient prohibits all forms of modern slavery including all acts of human trafficking, forced or compulsory labour, slavery, forced marriage, servitude, debt bondage, deceptive recruiting for labour or services and the worst forms of child labour, including situations where children are subjected to slavery or similar practices, or engaged in hazardous work, in its organisation, business operations, and supply chain. The company has published a Modern Slavery Statement outlining the steps that it has taken to ensure that there is no modern slavery in its business and supply chains. In addition to ensuring compliance with the applicable laws, this demonstrates company's commitment to transparent business practices and to protection of workers' rights.

C) **Audits and Internal Checks**

Besides the external auditors, the Company has its own internal check cell that reviews internal controls and other operating systems and procedures. A dedicated compliance cell is in existence in the company to review and maintain high standards of legal, statutory and regulatory compliances. The purview of this system includes various statutes such as, industrial and labour laws, taxation laws, corporate and securities laws, health, safety and environmental laws.

D) **Management Initiatives for Controls and Compliance**

The Company incorporated an integral framework for managing risks and internal controls. The internal financial controls have been documented, embedded and digitalised in the business process. Internal controls are regularly tested for design, implementation and operating effectiveness.

E) Compliance with SEBI Regulation on Corporate Governance:

The company complies with the corporate governance provisions as specified in chapter IV of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The company lives by the principles of corporate governance and implements them in a manner so as to achieve the following avowed objectives.

F) The rights of shareholders:

The company protects and facilitates the exercise of the rights of shareholders:

a) Right to participate in, and to be sufficiently informed of, decisions concerning fundamental corporate changes.

b) Opportunity to participate effectively and vote in general meetings.

c) Being informed of the rules, including voting procedures that govern general meetings.

d) Opportunity to ask questions to the board of directors, to place items on the agenda of general meetings, and to propose resolutions, subject to reasonable and statutory limitations.

e) Exercise of ownership rights by all shareholders, including institutional investors.

f) Adequate mechanism to address the grievances of the shareholders.

g) Protection of minority shareholders from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and effective means of redress.

G) **Timely information:**

The company provides adequate and timely information to shareholders, including but not limited to sufficient and timely information concerning the date, location and agenda of general meetings, as well as full and timely information regarding the issues to be discussed at the meeting.

H) **Equitable treatment:**

The company ensures equitable treatment of all shareholders, including minority and foreign shareholders:

a) All shareholders of the same series are treated equally.

b) Effective shareholder participation.

c) Governance decisions, such as the nomination and election of members of board of directors, is facilitated.

d) Exercise of voting rights by foreign shareholders is facilitated.

e) The company has devised and implemented a framework to avoid insider trading and abusive self-dealing.

f) Processes and procedures for general shareholder meetings allow for equitable treatment of all shareholders.

g) Procedures adopted by the company do not make it unduly difficult or expensive to cast votes.

I) **Role of stakeholders in corporate governance:**

a) The company recognizes the rights of its stakeholders and encourages co-operation.

b) The company respects the rights of stakeholders that are established by law or through mutual agreements. Stakeholders have the opportunity to obtain effective redressal for violation of their rights.

c) The company ensures that all the stakeholders have access to relevant, sufficient and reliable information on a timely and regular basis to enable them to participate in corporate governance process.

d) The company has devised an effective vigil mechanism/whistle blower mechanism enabling stakeholders, including individual employees and their representative bodies, to freely communicate their concerns about illegal or unethical practices.

J) **Disclosure and transparency:**

The company ensures timely and accurate disclosure on all material matters including the financial situation, performance, ownership, and governance of the listed entity, in the following manner:

a) Information is prepared and disclosed in accordance with the prescribed standards of accounting, financial and non-financial disclosure.

b) Channels for disseminating information provide for equal, timely and cost-efficient access to relevant information by users.

c) Minutes of the meeting are maintained explicitly recording dissenting opinions, if any.

2. **BOARD OF DIRECTORS:**

A. BOARD COMPOSITION AND CATEGORY OF DIRECTORS:

As per the requirement of the SEBI Listing Regulations, the composition of the board of a listed entity shall be as follows:

1. The board of directors shall have an optimum combination of executive and non-executive directors with at least one-woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors.
2. Where the chairperson of the board of directors is a non-executive director, at least one-third of the board of directors shall comprise of independent directors and where the listed entity does not have a regular non-executive chairperson, at least half of the board of directors shall comprise of independent directors
3. Provided that where the regular non-executive chairperson is a promoter of the listed entity or is related to any promoter or person occupying management positions at the level of board of directors or at one level below the board of directors, at least half of the board of directors of the listed entity shall consist of independent directors.

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. Presently, Mr. M. M. Murugappan, non-executive director serves as the chairman of the Company. The non-executive director remains unrelated to any promoter or person occupying management positions at the level of board of director or at one level below the board of directors, including the MD and the CEO of the Company as stipulated under the SEBI Listing Regulations.

Mr. Krishna Bodanapu, executive director serves as the Executive Vice Chairman and MD of the Company.

The Company believes in compliance with the of law in letter and spirit and as a norm ensured compliance with the provisions of Regulation 17(1)(b) voluntarily and has a diverse board, with Independent Directors forming half of the total board strength.

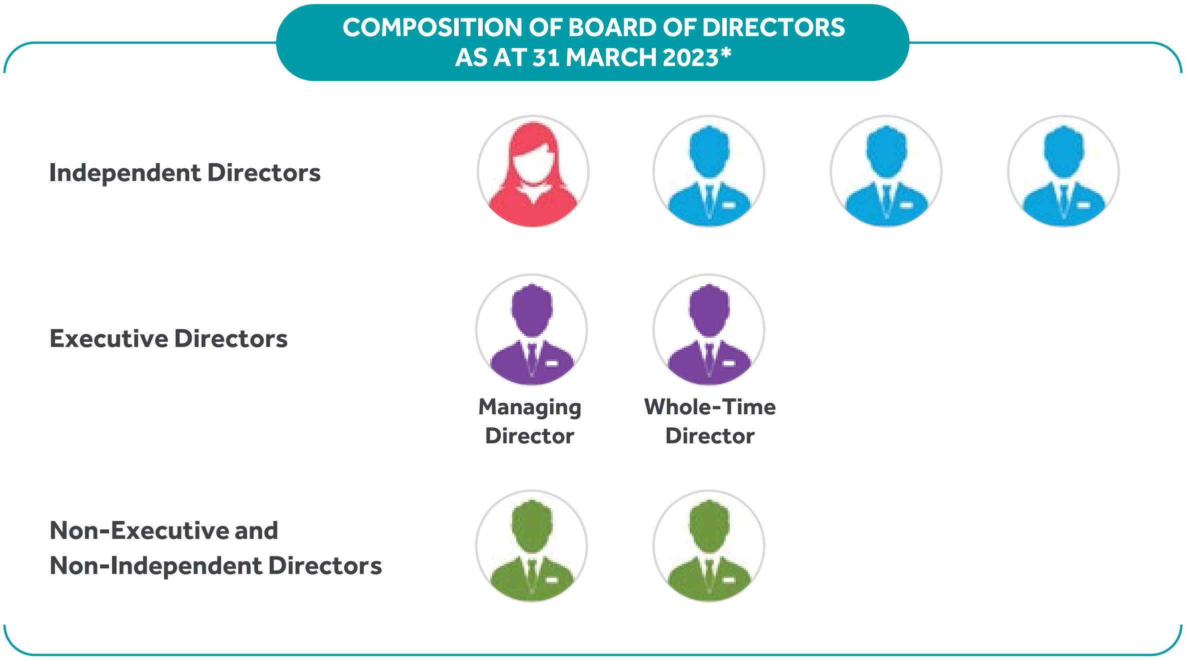
Woman Independent Director:

In Compliance with the applicable provisions of the Act and the SEBI Listing Regulations, Ms. Matangi Gowrishankar is the Woman Independent Director on the board of the Company.

Lead Independent Director:

Mr. Vivek Gour has been nominated as Lead Independent Director. He acts as a liaison between the non-executive directors and the management and performs such other duties as the Board/ Independent Directors may decide. The Lead Independent Director presides as Chairman for the meeting of Independent Directors held every year.

The composition of the board is in conformity with the SEBI Listing Regulations and is as follows:



Board Diversity

The company has a truly diverse Board that includes and makes good use of diversity in the skills, regional and industry experience, background, race, gender, ethnicity and other distinctions among directors. This diversity is considered in determining the optimum composition of the Board. All Board appointments are made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective.

Certificate by the Practicing Company Secretary

As required under the SEBI Listing Regulations, Mr. S. Chidambaram, a Company Secretary in practice has submitted a certificate to the Company that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

Changes in the Composition of Board of Directors during the FY 2023:

Retirement of Directors:

- Mr. Alain De Taeye (DIN: 03015749), Non-Executive – Non-Independent Director stepped down from the Board of Directors w.e.f 3 June 2022;
- Amb. Vinai Kumar Thummalapally (DIN: 07797921), Independent Director of the Company retired from Board of Directors on completion of his term (i.e. w.e.f 3 June 2022).
- Mr. Ajay Aggarwal (DIN: 02565242), retired as Executive Director w.e.f 2 March 2023.

Appointments/Re-appointments, Inductions and Change in Designation made after the end of financial year and the date of this report:

- Mr. Krishna Bodanapu, was serving as the MD and CEO of the Company. He has been appointed and re-designated as Executive Vice-Chairman and MD of the Company for a period of 3 years w.e.f. 3 April 2023, subject to confirmation of the same by the shareholders in the ensuing AGM.
- Mr. Karthikeyan Natarajan was serving as an Executive Director and COO of the Company. He has been appointed and re-designated as an Executive Director and CEO of the Company for a period of 3 years w.e.f. 3 April 2023, subject to confirmation of the same by the shareholders in the ensuing AGM.
- Mr. Ramesh Abhishek (DIN: 07452293) is proposed to be appointed as an independent director for a second term of 5 years in the ensuing AGM.

B. ATTENDANCE OF EACH DIRECTOR AT THE MEETING OF THE BOARD OF DIRECTORS AND THE LAST ANNUAL GENERAL MEETING:

Sl. No.	Name*	Designation and (Category)	DIN	Attendance in Board Meetings held on									Attendance in AGM held on 03.06.22
				14.04.22	21.04.22	05.05.22	21.07.22	30.09.22	13.10.22	31.10.22	12.01.23	31.03.23	
1.	MM Murugappan	Chairman, (Non-Executive)	00170478	Y	Y	Y	Y	Y	Y	Y	Y	Y	Yes
2.	BVR Mohan Reddy	Director (Promoter, Non-Executive)	00058215	Y	Y	Y	Y	Y	Y	Y	Y	Y	Yes
3.	Krishna Bodanapu	Managing Director (Promoter, Executive)	00605187	Y	Y	Y	Y	Y	Y	Y	Y	Y	Yes
4.	Karthikeyan Natarajan	Whole-Time Director (Non-Promoter, Executive)	03099771	Y	Y	Y	Y	Y	Y	Y	Y	Y	No
5.	Vikas Sehgal	Director (Independent, Non-Executive)	05218876	Y	Y	Y	Y	Y	Y	Y	Y	Y	Yes
6.	Matangi Gowrishankar	Director (Independent, Non-Executive)	01518137	Y	Y	N	Y	Y	Y	Y	Y	Y	No
7.	Vivek N Gour	Director (Independent, Non-Executive)	00254383	Y	Y	N	Y	Y	Y	Y	Y	Y	Yes
8.	Ramesh Abhishek	Director(Independent, Non-Executive)	07452293	Y	Y	Y	Y	Y	Y	Y	Y	Y	No
9.	Vinai Thummalapally	Director (Independent, Non-Executive)	07797921	N	N	Y	NA						Yes
10.	Alain De Taeye	Director (Non-Promoter, Non-Independent)	03015749	N	Y	Y	NA						Yes
11.	Ajay Aggarwal	Whole-Time Director (Non-Promoter, Executive)	02565242	Y	Y	Y	Y	Y	Y	Y	N	NA**	Yes

For the purpose of table mentioned above, Y: Yes/Attended; N: No/Not Attended; NA: Not eligible to attend;

**The changes in the composition of board of directors of the Company during the FY 23 is provided elsewhere in this report.*

*** Attended in the capacity of CFO*

C. The Tenure and holdings of directors:

Sl. No.	Name	Designation and (Category)	DIN	No. of Equity Shares held	No. of Convertible Instruments held*	Tenure in the Company (in years)
1.	MM Murugappan	Chairman, (Non-Executive)	00170478	30,000	Nil	25
2.	BVR Mohan Reddy	Director (Promoter, Non-Executive)	00058215	373,820	Nil	31
3.	Krishna Bodanapu	Managing Director (Promoter, Executive)	00605187	19,13,260	Nil	9
4.	Karthikeyan Natarajan	Whole-Time Director (Non-Promoter, Executive)	03099771	1,22,072	95,208	2
5.	Vikas Sehgal	Director (Independent, Non-Executive)	05218876	8,42,100	Nil	5
6.	Matangi Gowrishankar	Director (Independent, Non-Executive)	01518137	0	Nil	4
7.	Vivek N Gour	Director (Independent, Non-Executive)	00254383	5,000	Nil	4
8.	Ramesh Abhishek	Director (Independent, Non-Executive)	07452293	0	Nil	3

** Stock options / RSUs.*

D. Details of skills / expertise / competence of the Board of Directors:

Sl. No.	Name of the Director	Existing Skills / expertise / competence
1.	B.V.R. Mohan Reddy	Innovation & Entrepreneurship
2.	Krishna Bodanapu	Engineering, Business Management & Strategy
3.	M.M. Murugappan	Audit & Governance
4.	Vikas Sehgal	Investment Banking
5.	Vivek N Gour	Audit, Governance & Aviation
6.	Matangi Gowrishankar	People Management
7.	Ramesh Abhishek	Public Administration and Governance
8.	Karthikeyan Natarajan	Engineering and Technology Services & Management

E. Board Skill Matrix

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board:

GLOBAL BUSINESS

Understanding of global business dynamics, across various geographical markets, business units and regulatory jurisdictions.

STRATEGY AND PLANNING

Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.

GOVERNANCE

Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving Values-FIRST.

The eligibility of a person to be appointed as a director of the company depends on whether the person possesses the requisite skill sets identified by the Board as above; and whether the person is a proven leader in running a business that is relevant to the company's business or is a proven academician in the field relevant to the company's business. Being an Engineering services provider, the company's business runs across different business units, geographical markets and is global in nature. The directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries / fields from where they come.

F. The number of directorships, committee chairmanships/memberships held in other companies by each of the Directors is tabled below:

Sl. No.	Name of the Director	Number of other Directorship/Committee membership/Chairmanship					
		Board				Committee***	
		Chairmanships		Directorships**		Chairmanships	Memberships
		Public Companies	Other Companies	Public Companies	Other Companies		
1.	MM Murugappan	3	-	1	5	-	-
2.	BVR Mohan Reddy	-	-	2	6	-	-
3.	Krishna Bodanapu	-	-	1	3	-	-
4.	Karthikeyan Natarajan	-	-	-	1	-	-
5.	Vikas Sehgal	-	-	-	5	-	-
6.	Matangi Gowrishankar	-	-	6	5	1	3
7.	Vivek N Gour	-	-	2	2	3	-
8.	Ramesh Abhishek	1	-	6	2	1	4

** Other Companies include section 8 companies, private limited companies, LLPs and companies incorporated outside India.

*** Chairmanships / memberships of board committees include only in Audit and Stakeholders Relationship committees as required under regulation 26(1)(b) of SEBI (LODR) Regulations, 2015.

G. Details of directorships of aforesaid Directors, in other listed entities are given below:

Sl. No.	Director	Name of the Listed Entity	Category
1.	MM Murugappan	Carborundum Universal Limited Cholamandalam Financial Holdings Limited	Promoter, Non-Executive, Non-Independent Chairman
2.	BVR Mohan Reddy	-	-
3.	Krishna Bodanapu	-	-
4.	Karthikeyan Natarajan	-	-
5.	Vikas Sehgal	-	-
6.	Matangi Gowrishankar	Greenlam Industries Limited Gabriel India Limited Gujarat Pipavav Port Limited	Independent Director
7.	Vivek N Gour	Affle (India) Limited Indiamart Intermesh Limited	Independent Director
8.	Ramesh Abhishek	Ravindra Energy Limited Indus Towers Limited Aditya Birla Sun Life AMC Limited	Independent Director

H. Meetings of Board:

The board meets regularly to discharge its duties and directors allocate adequate time to board meeting preparation and attendance. Board members are aware of the business, its operations and senior management well enough to contribute effectively to board discussions and decisions. The board demonstrates that it has the necessary governance policies, processes and systems in place and as such generates trust and support among its stakeholders. It maintains robust governance arrangements to ensure it always acts in a way that will generate sustainable value for the company.

a) During the FY 2023, the board duly met 9 times on the following dates:

Quarter	Dates of Board Meeting		
Q-1 (April-June)	14 April 2022	21 April 2022	05 May 2022
Q-2 (July- September)	21 July 2022	30 September 2022	
Q-3 (October-December)	13 October 2022	31 October 2022	
Q-4 (January-March)	12 January 2023	31 March 2023	

b) The necessary quorum was present at all the meetings.

c) 1 (One) resolution was passed by circulation during the year.

I. Information given to the Board:

The Company mandatorily provides the following information to the board and the board committees as required under regulation 17(7) of SEBI Listing Regulations. Such information is submitted as part of the agenda papers either in advance of the meetings or by way of presentations and discussion materials during the meetings

a) Annual operating plans and budgets, capital budgets, updates and all variances;

b) Quarterly, Half yearly, Nine months and Annual results of the company and its subsidiaries;

c) Detailed presentations on the business performance of the company, its BUs and its material subsidiaries;

d) Minutes of meetings of the Audit Committee and other committees;

e) Contract in which Directors and Senior Management Personnel are interested, if any;

f) Update on the significant legal cases of the Company;

g) Subsidiary company's minutes, financial statements and significant investments;

h) Reviews the compliance reports of all laws applicable to the Company;

i) Company's strategic direction, management policies, performance objectives and effectiveness of Corporate Governance practices and evaluations thereof; and

j) Any other matter that requires the attention and intervention of the Board.

J. Code of Conduct

The company has adopted a code of conduct for all board members and Designated Senior Management. The duties of Independent Directors as laid down in the Companies Act, 2013, are incorporated in the Code of Conduct.

The Code of Conduct is available on the website of the Company i.e. https://www.cyient.com/investors/corporate-governance/

All Board members and senior management personnel have affirmed compliance with the code of conduct.

A declaration signed by the CEO to this effect is annexed to this report.

K. Disclosure of relationships between directors *inter se*;

Mr. Krishna Bodanapu is the son of Mr. B.V.R. Mohan Reddy. None of the other directors is related to any other director on the Board.

L. Board Effectiveness

An effective board is a key feature of the governance journey to building a successful company. The duty of the board is to represent and protect the interests of all the stakeholders. The board's role is to provide entrepreneurial leadership of the company within a framework of prudent and effective controls which enables risks to be assessed and managed. An effective board develops and promotes its collective vision of the company's purpose, its culture, its values and the behavior it wishes to promote in conducting its business. In particular, it:

a) provides direction for management;

b) lays down strategy and vision;

c) demonstrates ethical leadership, displaying - and promoting throughout the company - behaviour consistent with the culture and values it has defined for the company;

d) creates a performance culture that drives value creation without exposing the company to excessive risk of value destruction;

e) makes well informed and high-quality decisions based on a clear line of sight into the business;

f) creates the right framework for helping directors meet their statutory duties under the relevant statutory and regulatory regimes;

g) is accountable, particularly to those that provide the company's capital; and

h) Implements its governance arrangements and embraces evaluation of their effectiveness.

The board's effectiveness is measured by the way in which the members of the board, as a whole work together under the chairman, whose role in corporate governance is fundamental and its collective ability to provide both the leadership and the checks and balances which effective governance demands.

M. Board accountability:

This responsibility extends to interim and other price sensitive public reports and reports to regulators as well as to information required to be presented by statutory requirements. The board is responsible for determining the nature and extent of the significant risks it is willing to take in achieving its strategic objectives. The board also maintains sound risk management and internal control systems.

N. Board Membership Criteria

The Leadership, Nomination & Remuneration Committee reviews and assesses board composition on behalf of the board and recommends the appointment of new directors. The committee also oversees the conduct of the annual review of Board effectiveness.

- In reviewing board composition, the committee considers the benefits of all aspects of diversity including, differences in the skills, regional and industry experience, background, race, gender and other distinctions, in order to enable it to discharge its duties and responsibilities effectively.
- In identifying suitable candidates for appointment to the board, the committee considers candidates on merit against objective criteria and with due regard for the benefits of diversity on the board.

The Board skill matrix is also duly considered.

O. Term of Board Membership

- The Company shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within three months from the date of appointment, whichever is earlier. The Board members will be elected individually and not by slate.
- The tenure of the executive directors must not exceed 5 years at a time.
- An ID shall hold office for a term up to 5 consecutive years and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution.
- The age limit for the retirement of Directors shall be on attainment of 70 years i.e., his/her office shall expire on his/her birthday.
- At least two-thirds of the total number of directors of the Company (except IDs) shall be liable to retirement by rotation. At every annual general meeting, one-third of such of the directors liable to retire by rotation (rounded off to the nearest number) shall retire from office.
- The Board may also consider the rotation of Committee members at certain set intervals periodically.

P. Memberships in other boards

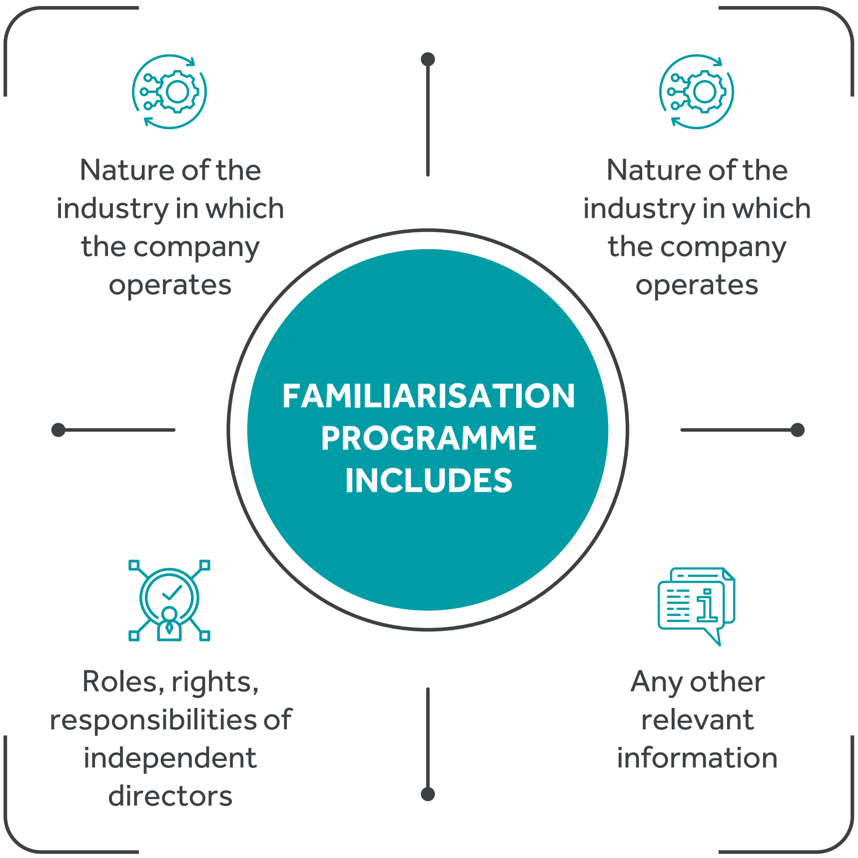
In its pursuit of good corporate governance and the ensure greater transparency and accountability, the following measures are being proposed to be adopted in the following years:

- The Directors of the Company shall comply with the requirements of Regulation 17 and 26 of SEBI Listing Regulations and Section 165 and 203 of the Act with regard to Board/ Committee mandates (including alternate directorships) in other organizations.
- The Company's Director shall not be a Director in more than six other equity listed entities and shall not serve as an Independent Director in more than six other equity listed entities. The Whole-Time Director/ Managing Director of the Company shall serve as an independent director in not more than two other listed entities.
- The Directors must ensure that their existing and planned future commitments do not materially interfere with their quality of service on the Company's Board/ Committees/ Management. Service on Boards/ Committees of other organizations shall be consistent with the Company's Code of Conduct.
- Executive Directors are allowed to serve on the Boards of corporate or Government bodies whose interests are germane to the future of the IT and engineering service business or the key economic or academic institutions of the nation, or whose prime objective is to benefit society.

- Independent Directors are expected not to serve on the Boards of competing companies. There are no other limitations except those imposed by law and good corporate governance practices.
- Each Director shall inform the Company on an annual basis about the Board and Board Committee positions he/she occupies in other companies including Chairmanships and shall notify changes as and when they occur during the term of their directorship in the Company. None of the Directors on the Board shall be a member of more than ten Committees or Chairperson of more than five Committees across all the public companies in which they are Directors.

Q. Training of Board Members

Non-executive directors who are inducted on the board are given an orientation about the company, its operations, services, details of subsidiaries and joint ventures, board procedures and processes and major risks and risk management strategies. The company ensures that directors are inducted through a familiarization process comprising, *inter alia;*



Newly inducted directors spend approximately a week at the time of their induction and interact with the Chairman, Managing Director & CEO, CFO and other members of the senior management. They interact with the heads of all business units and other functional heads. They are provided a walk through among some of the centres of excellence and given a detailed understanding of the business and its operations.

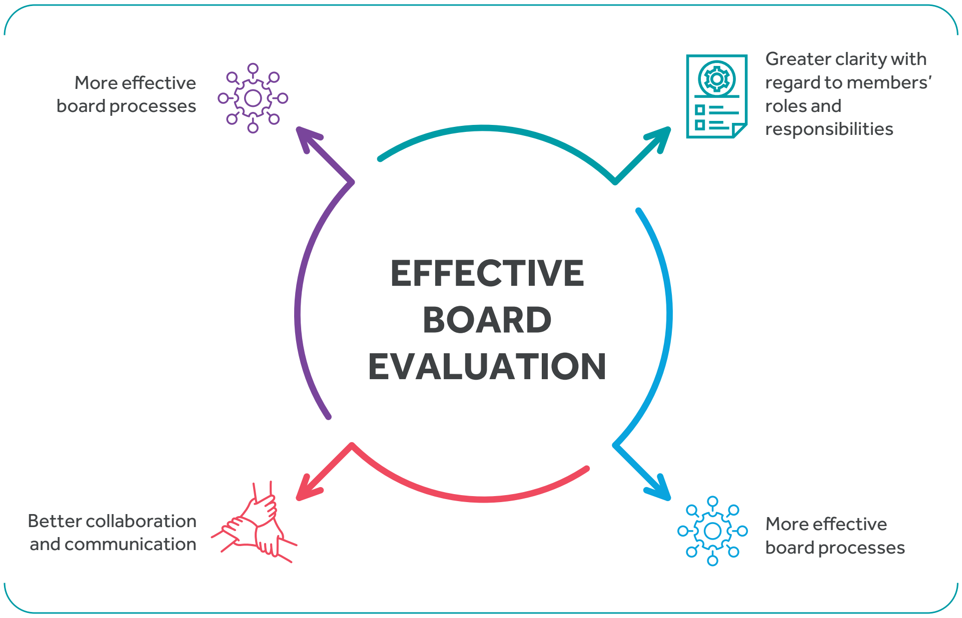
Directors are regularly updated on changes in policies and programmes, laws and the general business environment.

Details of the familiarization programme for Non-Executive Directors and their letter of appointment are published on the website of the company in the link: https://www.cyient.com/investors/corporate-governance/

R. Board evaluation and Assessment

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations.

Board evaluation processes, including in relation to the chairman, individual directors and committees, constitute a powerful and valuable feedback mechanism to improve board effectiveness, maximise strengths and highlight areas for further development. In addition to greater board accountability, evaluation of board members helps in:



By focusing on the board as a team and on its overall performance, the company ensures that communication and overall level of participation and engagement improves.

In order to facilitate the same, the board undertook a formal board assessment and evaluation process during FY 23, which was administered by means of an online tool. The board evaluation was performed after seeking inputs from all the directors and included criteria such as the board composition and structure, effectiveness of board processes, information and functioning as provided by the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on 5 January 2017 and the amendments brought in by the SEBI Listing Regulations. The Leadership, Nomination & Remuneration Committee has overall stewardship for the process. The evaluation process covers the following aspects:

The evaluation process elicited responses from the directors in a judicious manner - ranging from composition and induction of the board to effectiveness and governance. It also sought feedback on board and committee charters, strategy, risk management and quality of discussion and deliberations at the board. The evaluation process also ensures the fulfillment of independence criteria as specified in the applicable regulations and that the latter are independent of the management.

S. Board processes, procedures and practices

The company believes that the effectiveness of the board is reinforced by its structures and the processes and procedures it follows. It has in place robust practices and processes that contribute to the effective and efficient performance of the board. The processes facilitate and reinforce the roles, responsibilities and authorities of the board in the governance, management and control of the company. Board systems and procedures broadly comprise convening the meetings, contents of the agenda, conducting the meetings, decision making at the meetings, adequacy of minutes and working of board committees.

Decisions relating to the policy and operations of the company are arrived at meetings of the board held periodically. Meetings of the board enable discussions on matters placed before them and facilitate decision making based on collective judgment of the board. The company follows the best practices in convening and conducting meetings of the board and its committees. These include:

(i) **Annual Calendar**

The annual board calendar is drawn up 4 to 6 quarters in advance together with a well thought out action planner. All tasks are scheduled in advance so that everyone concerned can plan their work systematically. This also enables better time management of and for the board besides aiding their efficiency.

(ii) **Board Charter**

A board charter is prepared setting out the respective roles, responsibilities and authorities of the board, the various committees and the senior management. This helps in better management, governance and control within the board as well as within the company itself. Further, it ensures that the board decisions can be measured against the charter.

(iii) **Information placed before the Board of Directors:**

During the financial year 23, information as mentioned in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements), 2015, has been placed before the Board for its consideration.

(iv) **Meeting location**

The meetings of the board of directors are usually held at the registered office in Hyderabad.. At times, some meetings are also held at the other development centres of the company or through video conferencing or other audio-visual means.

(v) **Frequency of meetings**

A minimum of four board meetings is held each year with the time gap between any two successive meetings not exceeding four months (120 days). Meetings of the committees are also planned and scheduled to be held along with the board meetings.

(vi) **Board agenda**

It strikes a fine balance between the reviews of the past performance and forward-looking issues. The agenda is structured such that routine and administrative matters do not consume too much board time. Those items that are strategic in nature are given sufficient time for cogitation and decision making. The agenda also shows the amount of time allocated for each item. The agenda is made available to the directors along with supporting documents sufficiently in advance of the meetings.

(vii) **Briefing papers**

Board materials, including the notes on agenda are summarized and formatted in such a way that the directors can readily grasp and focus on the more significant issues in the preparation for the board meetings. Relevant and complete information is presented in an orderly manner. The board papers associated with a particular agenda item are set out as an executive summary with further details annexed thereto. The papers present the issue for discussion, offer solutions on how to effectively address the issue and provide management's view on what action to take. The briefing papers are crisp and succinct and facilitate decision making.

(viii) **Decision making process**

The board follows a culture of openness and debate by facilitating effective contribution of all directors and ensuring constructive relations among the directors. Constructive discussions are facilitated leading to effective decision making. The chairman's role in securing good corporate governance is crucial. The chairman is responsible for leadership of the board and ensuring its effectiveness. The chairman ensures that adequate time is available for discussion of all agenda items, in particular, strategic issues.

(ix) **Directors' participation**

All the directors participate, discuss and deliberate, threadbare the proposals and matters put up to it. On some occasions, where a director is not physically present, the company arranges for meetings through electronic mode to enable remote participation. On matters where a director is concerned or interested, he/she does not participate.

Besides, heads of the business units, geography and subsidiary heads, and key executives also participate in the board meetings to provide the business perspective.

On a case-to-case basis, external experts and consultants are also invited to make presentations to the board as required.

(x) **Minimum meeting attendance**

1. The Company may require Directors to attend a minimum number of Board / Committee / general meetings, whether in person or through electronic means.
2. Executive Directors shall attend all meetings and Non-executive Directors shall attend at least 75% of the Board and committee meetings.
3. The Company also expects that the Directors should be well prepared for meetings, read material in advance, communicate any concerns or questions on the agenda before the meeting, etc.

(xi) **Board Minutes**

The minutes of the meetings of the board and committees are drafted such that they strike the right balance between being a bare record of decisions and a full account of the discussions. They mention the brief background of the proposal, summarize the deliberations and the rationale for taking the decision. The minutes are drafted in unambiguous terms and comprise a fair and correct summary of the proceedings conducted thereat. The draft minutes are circulated within 15 days from the date of the meeting for comments from the directors and recorded as per secretarial standards.

(xii) **E-Initiatives**

The company leverages technology and synergizes it with the green initiatives to the optimum. The company has put in place systems that provide more efficient information flow to the board and leverages technology solutions to enhance board- committee interactions. It uses the world's most widely used digital board solution.

(xiii) **Availability of information to the board**

The board should be supplied in a timely manner with information in a form and of a quality appropriate to enable it to discharge its duties. Under the advice and direction of the chairman, the company secretary's responsibility includes ensuring good information flows within the board as well as between senior management and non-executive directors.

(xiv) **Action Taken Report**

The company has put in place MIS processes for the prompt dissemination of the decisions taken by the board to the various levels in the company. An action taken report on the decisions of the board at its previous meeting is systematically put up to the board at the following meeting for its information.

T. Role of Board of Directors: The board is accountable to shareholders and other stakeholders and is responsible for protecting and generating sustainable value over the long term. In fulfilling their role effectively, board of directors of the company:

(a) The Board of Directors bears the primary responsibility for creating and enhancing the long-term shareholder value of the Company and ensuring that this objective is achieved in all its business activities.

(b) It is responsible for making statutorily identified decisions and for conducting oversight of the business and affairs of the Company and its management.

(c) It must ensure the Company's ability to satisfy the needs of its customers, sustain its leadership and competitiveness, and uphold its reputation in order to maintain long term success and viability as a business entity.

(d) The Board's mandate consists of setting the strategic business directions of the Company, appointing its senior executive officers, confirming its organizational structure, approving all major strategies and policies, overseeing all major risk-taking activities, monitoring the financial results, measuring, and rewarding the performance of management, and generating a reasonable investment return to shareholders. It shall also provide an independent check on management.

(e) It is the Board's responsibility to foster the long-term success of the Company, and to sustain its competitiveness and profitability in a manner consistent with its corporate objectives and the best interests of its stockholders and other stakeholders.

(f) The Board should formulate the Company's vision, mission, strategic objectives, policies, and procedures that shall guide its activities, including the means to effectively monitor Management's performance.

In addition, the Board shall also carry out the functions laid down in the Act and the SEBI Listing Regulations.

The role of the board includes responsibilities for entrepreneurial leadership, risk management, strategy, securing the necessary financial and human resources and performance review. The board also sets the company's values and standards, and ensures it meets its obligations to shareholders and others.

The Board's decisions and actions are aligned with the company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The board critically evaluates the company's strategic direction, management policies and their effectiveness. It acts on an informed basis and in the best interests of the company with good faith, care and diligence, for the benefit of shareholders, while having regard to all relevant stakeholders.

U. Role of Committees:

The Board of Directors has established various committees, either mandated under the statutes or independently, to assist the Board in achieving excellence and to seek advice on its performance. These Committees comprise the Board Members and cover multiple wings of the Board i.e., Finance, Audit, Nominations, Remuneration, Stakeholder Relationships, Risk Management, Environmental, Social & Governance, Diversity & Inclusion, and other Governance matters.

V. Senior Management:

The management of the Company comprising the KMP, and other senior officials plays a crucial role in the day-to-day functioning and compliances of the Company.

W. Role of the Chairman:

The chairman is responsible for leadership of the board and ensuring its effectiveness on all aspects of its role. The chairman lives and upholds the highest standards of integrity and probity inside and outside the boardroom, through setting clear expectations in terms of culture and values, as well as in terms of the style and tone of board discussions.

The chairman runs the board and sets the agenda and he is pivotal in creating the conditions for overall board and individual director effectiveness. The role includes:

- setting a board agenda which is primarily focused on business, strategy, accountability, competitive performance and value creation;
- ensuring that issues relevant to this objective are reserved for board consideration, including determining the nature and extent of the significant risks the board is willing to embrace in the implementation of its strategy;
- making certain that an effective decision-making process is in place in the board, and that the board's committees are properly structured with appropriate terms of reference;
- encouraging the active engagement of all board members in board and committee meetings, drawing fully on their skills, experience, knowledge and, where appropriate, independence;

- building effective relationships founded on mutual respect and open communication - both inside and outside the boardroom - between the nonexecutive directors and executive team, in particular with regard to the identification and oversight of significant risks;
- developing, in particular, a productive working relationship with the CEO, providing support and advice while respecting executive responsibility;
- consulting the senior independent director on board matters consistent with regulations;
- ensuring effective processes are established relating to succession planning and the composition of the board, having regard to the benefits of diversity;
- taking the lead on issues of director development and acting on the results of board evaluation;
- ensuring effective communication with shareholders and other stakeholders and ensuring that all directors are made aware of the views of major investors.

X. Role of MD:

a) The MD provides strategic advice and guidance to the chairman, CEO and members of the board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the company's mission and objectives and to comply with all relevant statutory and other regulations.

b) He is entrusted with substantial powers of management of the affairs of the company.

c) He shall be responsible for establishing and maintaining effective formal and informal links with all the stakeholders and to exchange information and views and to ensure that the company is providing the appropriate range and quality of services.

d) He shall, along with the CEO and other Senior Management, be responsible to develop and maintain research and development programmes and to ensure that the company remains at the forefront in the industry, applies the most cost-effective methods and approaches, provides leading-edge products and services and retains its competitive edge.

Y. Role of CEO:

The CEO is vested with operational responsibility for delivering the company's strategy. The CEO's relationship with the chair is the key dynamic that underpins the effectiveness of the board.

The CEO, with the support of the executive team, has primary responsibility for communicating to the people working within the business the expectations of the board in relation to the company's culture, values and behaviors, and for ensuring that the appropriate standards of governance permeate down to all levels of the organization.

In particular, the CEO shall:

a) Have a comprehensive and granular understanding of the Company and its business. This is evidenced when making proposals and exercising judgement, particularly on matters of strategy.

b) Appreciate that constructive challenge from Non-Executive Directors is an essential aspect of good governance and encourage non-executive colleagues to probe proposals, especially where issues of judgement are concerned.

c) Be responsible for the day-to-day management of the Company and ensure that the Company and its subsidiaries, are managed in accordance with applicable laws and regulations, the Company's or subsidiaries' bye-laws and/or Articles of Association, as well as any other policies or instructions approved by the Board and relevant Committees.

d) Be ultimately accountable for the Company's organizational and procedural controls.

e) Be overall-in-charge for the management of the Company governed by the strategic direction and risk appetite approved by the Board of Directors.

f) Be primarily accountable to the Board of Directors in championing the desired conduct and behaviour, implementing strategies and in promoting the interest of the Company.

g) CEO shall also have such other responsibilities as the Board of Directors may impose upon him.

Z. Role of CFO:

The CFO shall assume the following responsibilities:

a) The CFO shall have a fiduciary responsibility for the financial health of the organization.

b) Manage the Company's financial performance by developing forecasts and monitoring ongoing performance against plans

c) Provide strong, forward-looking analytical leadership.

d) Develop models and conduct analyses that identify critical trends, support strategic decision making and create forward visibility.

e) Drive change within the organization through robust financial analysis and strong business partnership.

f) Manage the production of reporting tools (bridges, scorecards, etc.) and key performance metrics to provide management insight into revenue and operating expense trends, track project spending, head count and potential risks/opportunities to forecast or plan.

g) Oversee the monthly variance analysis of actual operating, capital and project spending Vs plans, forecasts and prior year including responsibility for driving cost control.

h) Lead the Accounting and Finance teams to ensure both excellence in day-to-day service delivery and future needs.

i) Partner with senior leaders to push the boundaries of current and future departmental goals and strategies.

j) Clearly articulate the key drivers of the business.

AA. Role of company secretary:

The company secretary has a key role to play in facilitating the effective functioning of the board through the timely presentation of board information which - by being accurate, clear and comprehensive - assists high-quality decision making. Under the direction of the chairman, the company secretary's responsibilities include ensuring good information flows within the board and its committees, between senior management and non-executive directors, as well as facilitating induction and assisting with professional development. All directors have access to the advice and services of the company secretary who is responsible to the board for ensuring that board procedures are complied with. In addition, the Company Secretary discharges the functions prescribed under the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

BB. Role of Non-Executive Directors:

Non-executive directors constructively challenge and help develop proposals on strategy.

Non-executive directors make sufficient time available to discharge their responsibilities effectively. This involves being well-informed about the company, and having a strong command of issues relevant to the business. Non-executive directors seek constantly to develop and refresh their knowledge and skills to ensure that their contribution to the board remains informed and relevant.

The letter of appointment issued to the non-executive directors states the time the non-executive director will be required to spend on the company's business, and indicates the possibility of additional time commitment when the company is undergoing a period of particularly increased activity, such as in the case of an acquisition or takeover.

As part of the process of learning more about the business and of becoming effective boardroom contributors in the company, non-executive directors - supported by the chair and CEO - build recognition among executive directors of their contribution in order to promote mutual respect. This, in turn, allows them to support executive directors in their management of the business while monitoring their conduct.

Non-executive directors maintain confidence in the governance of the company by upholding high standards of integrity and probity, and supporting the chair and executive directors in the embedding of the appropriate culture, values and behaviours in the boardroom and beyond.

Because of the importance of the process of decision making to the work of the board, non-executive directors insist on accurate, clear and comprehensive information being provided sufficiently in advance to enable thorough consideration of the issues prior to, and informed debate and challenge at, board meetings.

At Cyient, non-executive directors supplement their knowledge of the business with the views of shareholders and other stakeholders - either directly or as conveyed to them by the chair, CEO or in special circumstances, the lead independent director. Such opinions and judgments are valuable in providing different perspectives of the company's progress and performance.

CC. Role of Independent directors: The independent directors bring an element of objectivity to the board processes; they bring in an objective view in the board deliberations. They provide a valuable outside perspective to the deliberations of the board and contribute significantly to the decision-making process. Independent directors play a pivotal role in maintaining a transparent working environment in the company.

DD. Declaration by Independent Directors

All the Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements), 2015 read with Section 149(6) of the Act.

The terms and conditions of appointment of the Independent Directors are disclosed on the website of the Company at https://www.cyient.com/investors/corporate-governance/

EE. Declaration by Board

The Board has confirmed that in the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

FF. Separate Meetings of the Independent Directors:

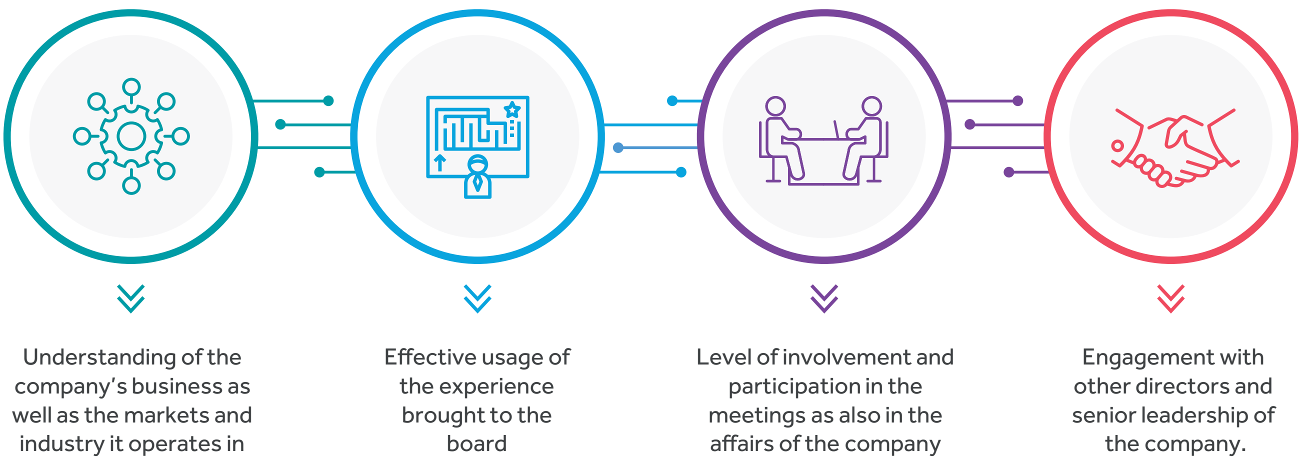
During the year under review, the Independent Directors met once on 21 April 2022 to *inter alia*:

- Review the performance of Non-Independent Directors and the Board of Directors as a whole;
- Review the performance of the Chairperson of the company;
- Assess the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

GG. Performance Evaluation criteria for Independent Directors:

The performance of Independent Directors is evaluated annually on the following parameters:



HH. Decision Making at the Board

Effective and good decision-making at the board is facilitated by:

- ensuring that directors are afforded adequate time to prepare for meetings;
- allowing time for debate and challenge, especially for complex, contentious or business-critical issues;
- achieving timely closure on decisions taken; and
- providing clarity for executives on the actions required.

II. Succession Planning at the Board and Senior Management Levels

The company uses succession management and planning to ensure that it identifies and develops future leaders to face the challenges of growth effectively and successfully. For a conscious board, a succession plan that provides guidance on identifying and sourcing potential board members who can fulfill key requirements is essential. This succession plan helps appoint new directors quickly in a structured manner, and the board can continue its business without disruption, meeting any business challenges that may be encountered. The LNR committee is entrusted with the task of succession planning for the board. This committee is responsible for:

- interviewing potential candidates;
- recommending candidates to the board;
- ensuring each new Board member receives induction and training; and
- developing a database of eligible board candidates on a continuous basis.
- the CEO, along with the head of HR, makes a presentation to the LNR Committee about the succession plan of senior management on an annual basis. The same is updated to the board.

JJ. Internal Audit:

Internal Audit is an integral part of the Company's internal control system which aids the Audit Committee to discharge its functions and responsibilities adequately and effectively and also ensure that the internal processes and procedures are adhered to. The Company has an internal audit plan in place, which is reviewed by the statutory auditors in consultation with the Audit Committee. The Audit Committee reviews audit reports submitted by the internal auditors. Suggestions for improvement are considered, and the Audit Committee follows up on the implementation of corrective actions. The Committee also meets the company's statutory auditors to ascertain, *inter alia,* their views on the adequacy of internal control systems in the company and keeps the Board of Directors informed of its key observations from time to time. The statutory auditors also independently audit the internal financial controls over financial reporting of each financial year.

KK. Statutory Audit:

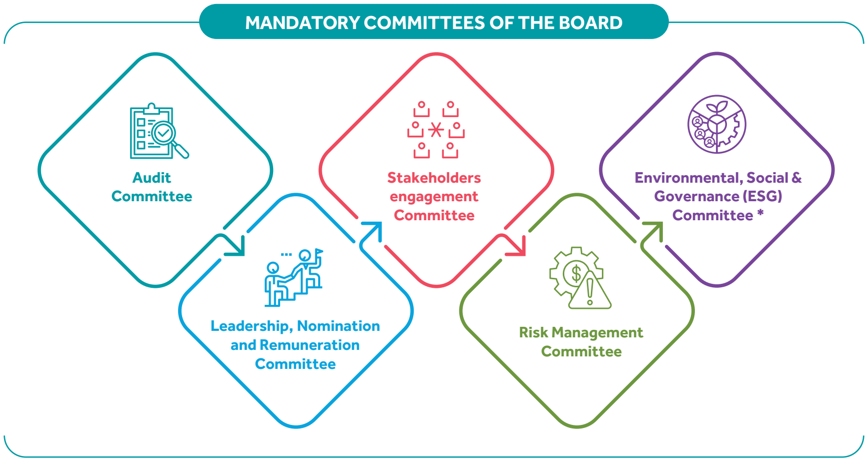
The Audit Committee recommends, for approval of the Board of Directors (and to be confirmed by the shareholders, a duly accredited external auditor, known as the Statutory Auditor, who shall undertake an independent audit and shall provide an objective assurance on the way in which the financial statements have been prepared and presented. The Statutory Auditors are appointed as per the applicable laws and regulations and all applicable rules of rotation are to be complied with, by the Company. The independence of the external auditors is effectively maintained by the Company.

LL. Secretarial Audit:

The Company also appoints an external Secretarial Auditor in accordance with the applicable regulations. The Secretarial Auditor undertakes Secretarial Audit for evaluation, forming an opinion and to report to the Shareholders as to whether, the Company has complied with the applicable laws comprising various statutes, rules, regulations, guidelines, followed the board processes and to also report on existence of a compliance management system. The Secretarial Audit report forms part of the Annual Report of the Company.

3. COMMITTEES OF THE BOARD

The Board Committees play a vital role in strengthening the Corporate Governance practices and focus effectively on the issues and ensure expedient resolution of the diverse matters. The Committees also make specific recommendations to the Board on various matters when required. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval. The Board of Directors from time to time has constituted the following Committees, namely:



A. AUDIT COMMITTEE:

The management is responsible for the company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audit of the company's financial statements in accordance with generally accepted auditing practices and for issuing report based on such audit. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Act and SEBI Listing Regulations. The Audit Committee comprises entirely of Non-Executive Directors with majority of Independent Directors. All members of the Audit Committee are financially literate and bring in expertise in the fields of finance, economics, strategy and management.

Composition and Meetings of the Audit Committee:

During the financial year 23, the Committee met 5 (Five) times. All the members of the audit committee are financially literate. The Chairman attended the last annual general meeting to answer shareholders' queries.

Sl. No.	Name of the Director	Designation	Attendance in the Meetings held on			
			Q-1	Q-2	Q-3	Q-4*
1.	Vivek N Gour	Chairman, Independent Director	Y	Y	Y	Y
2.	M.M. Murugappan	Member, Non-Executive, Non-Independent Director	Y	Y	Y	Y
3.	Ramesh Abhishek	Member, Independent Director	Y	Y	Y	Y

For the purpose of table mentioned above, Y: Yes/Attended, N: No/Not Attended

** There were two Committee meetings in the Q-4 of FY 23;*

The specific charter of the Committee is:

Audit:

- Recommend appointment and remuneration; evaluate performance of the auditors and effectiveness of the audit process.
- Evaluate the independence of auditors and their areas of un-resolved concerns if any.
- Review effectiveness of internal audit function, reporting structure, scope coverage and frequency of internal audit.

- Examine internal audit report to focus on significant findings, follow up actions in place, internal investigations, conclusions arrived, failures or irregularities in the internal controls framework and the reports submitted to highlight the same.
- Review the statutory audit scope and plan for various locations before commencement of the audit; provide inputs and areas of focus if any.
- Summarize the findings of statutory audit report; understand process gaps, mitigation plans implemented to address the same.

Financial Review:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing with the management, the annual and quarterly financial statements and auditor's report thereon before submission to the board for approval;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism.

Further, the committee reviews the adequacy of internal controls over financial reporting and the company-level control systems. It reviews the quarterly, half-yearly and annual financial results before their submission and adoption by the board.

The Audit Committee invites such executives, as it considers appropriate, statutory auditors and internal auditors to be present at its meetings.

The company secretary acts as the Secretary to the Audit Committee.

On an annual basis, the members of the audit committee meet and interact with both the statutory auditors and internal auditors without the presence of the management. Further, on an annual basic, the key stakeholders within the company share their feedback on their interaction with the statutory and internal auditors. The audit committee is suitably apprised of the same.

Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is as follows:

Particulars	Amount (₹ in Mn)
Fees for audit and related services paid to S.R. Batliboi & Affiliates firms and to entities of the network of which the statutory auditor is a part	76
Other fees paid to S.R. Batliboi & Affiliates firms and to entities of the network of which the statutory auditor is a part	70
Total Fee	146

The non-audit services availed by the Company primarily relate to tax and regulatory compliance engagements in India and across our global subsidiaries. Such services include those rendered by the entities in the network firm of the statutory auditors in the respective foreign geographies as well. The non-audit fees in FY23 included certain specific one-time engagements pertaining to tax, regulatory and due diligence costs relating to the acquisitions made during the year.

All non-audit services are reviewed and approved after a detailed evaluation and ensuring that necessary safeguards are in place. Such services are fully compliant with the law.

B. LEADERSHIP, NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors has constituted and entrusted the Leadership, Nomination and Remuneration Committee with the responsibility as conferred under the Act and the SEBI Listing Regulations and the constitution of the said committee meets the requirements of Section 178 of the Act and SEBI Listing Regulations.

Composition and Meetings of the Leadership, Nomination & Remuneration Committee:

During the financial year 23, the Committee met 4 (Four) times. The Particulars of composition of the Leadership, Nomination & Remuneration Committee and the details of attendance is as follows:

<table>
<tr><th rowspan="2">Sl. No.</th><th rowspan="2">Name of the Director</th><th rowspan="2">Designation</th><th colspan="3">Attendance in the Meetings held on</th></tr>
<tr><th>Q-1</th><th>Q-3</th><th>Q-4**</th></tr>
<tr><td>1.</td><td>Matangi Gowrishankar</td><td>Chairperson, Independent Director</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>2.</td><td>Ramesh Abhishek*</td><td>Member, Independent Director</td><td>NA</td><td>Y</td><td>Y</td></tr>
<tr><td>3.</td><td>M.M. Murugappan</td><td>Member, Non-executive & Non-Independent Director</td><td>Y</td><td>Y</td><td>Y</td></tr>
<tr><td>4.</td><td>Vinai Thummalapally*</td><td>Member, Independent Director</td><td>Y</td><td colspan="2">NA</td></tr>
</table>

For the purpose of table mentioned above, Y: Yes/Attended, N: No/Not Attended, NA: Not eligible to attend;

*The Committee has been re-constituted on change in the composition of board of directors. The changes in the composition of board of directors of the Company during the FY 23 is provided elsewhere in this report.

** There were two Committee meetings in the Q-4 of FY 23;

The specific charter of the Committee is:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.
- Formulation of criteria for evaluation of performance of independent directors and the board of directors.
- Devising a policy on diversity of board of directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management (OC, CSM and CS).

The terms of reference of the committee include:

- evaluation of compensation and benefits for Executive Director(s), Non-Executive Director(s), Key Managerial Personnel,
- Framing of policies and systems of the Employee Stock Option Scheme and
- Reviewing and resolving issues relating to major HR policies.

Remuneration policy:

The Leadership, Nomination and Remuneration Committee has adopted a Charter, which, *inter alia*, deals with the manner of selection of Board of Directors, Executive Directors, CFO and other Senior Management Members and their remuneration.

Criteria of Selection of Non-Executive Directors

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

b. In case of appointment of independent directors, the committee shall satisfy itself with regard to the criteria of independence of the directors vis-à-vis the company so as to enable the board to discharge its function and duties effectively.

c. The committee shall ensure that the candidate identified for appointment as a director is not disqualified for appointment under Section 164 of the Act.

d. The committee shall consider the following attributes/criteria, whilst recommending to the board the candidature for appointment as director:

- Qualification, expertise and experience of the directors in their respective fields;
- Personal, professional or business standing;
- Diversity of the board.
- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall not be entitled to receive remuneration by way of sitting fees for participation in the board / committee meetings. The independent directors of the company shall not be entitled to participate in the Stock Option Scheme of the company. The aggregate commission paid to the Non-Executive Directors is within the statutory limit of 1% of the stand-alone net profits of the company.

Criteria for selection/appointment of CEO, MD, Executive Directors and CFO

For the purpose of selection of the CEO/CFO & MD, the Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013, or other applicable laws.

Remuneration for the CEO, MD, Executive Directors and CFO

(i) At the time of appointment or re-appointment, the MD and the CEO shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the MD and the CEO, within the overall limits prescribed under the Act;

(ii) The remuneration shall be subject to the approval of the members of the company in General Meeting;

(iii) The remuneration of the MD and the CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retrial benefits. The variable component comprises performance bonus; as mutually agreed.

(iv) In determining the remuneration (including the fixed increment and performance bonus) the committee considers the relationship of remuneration and performance benchmarks, the balance between fixed and variable pay reflecting short and long term performance objectives, appropriate to the working of the company and its goals; the responsibility required to be shouldered by the MD and the CEO, the industry benchmarks and the current trends and company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

Remuneration Policy for the Senior Management including CFO

In determining the remuneration of the Senior Management Employees (i.e. KMP and Executive Committee Members) the Committee shall ensure / consider the following:

(i) clarity on the relationship of remuneration and performance benchmark;

(ii) the balance between fixed and variable pay reflecting short and long term performance objectives, appropriate to the working of the company and its goals, as mutually agreed;

(iii) the remuneration is divided into two components viz. fixed component comprising salaries, perquisites and retirement benefits and a variable component comprising performance bonus;

(iv) The remuneration including annual increment and performance bonus is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, individual performance vis-à-vis KRAs / KPIs, industry benchmark and current compensation trends in the market as mutually agreed.

Directors Remuneration

a) Executive Directors

The remuneration paid/payable to the Executive Directors is given below:

(Amount in ₹)

Director	Designation	Salary	Superannuation Fund & NPS	LTA	PF	ASOP/ RSU	Director Commission	TOTAL
Krishna Bodanapu	MD & CEO	15,503,088	1,639,800	-	1,311,840	-	149,840,000	168,294,728
Ajay Aggarwal	WTD & CFO	16,518,276	1,142,464	100,000	913,971	13,508,890	24720271	56,903,872
Karthikeyan Natarajan	WTD & COO	23,666,712	524,000	100,000	1,257,600	54,813,670	77,474,831	157,836,813

Notes:

1. Mr. Ajay Aggarwal and Mr. Karthikeyan Natarajan, Executive Directors have been granted stock options/RSUs during the year and exercised such options.
2. None of the other directors has exercised/ been granted stock options/RSUs during the year.
3. The above amounts do not include provisions for encashable leave, gratuity and premium paid for Group Health Insurance as separate actuarial valuation/premium paid are not available for the MD and the CEO.
4. The percentage of commission (incentive) is linked to the overall performance of the Executive Director and the company.

b) Non-Executive Directors

The commission payable to the Non-Executive Directors during the year under review is in conformity with the applicable provisions of the Companies Act, 2013, and duly considered and approved by the board and the shareholders (vide postal ballot resolution passed on 30 October 2014).

The company does not pay any sitting fees to its directors.

The details of remuneration to be paid to non-executive directors is as follows:

(Amount in ₹)

Name of the Director	Commission (For FY 2022-23 payable in FY 2023-24)
M.M. Murugappan	20,00,000
BV R Mohan Reddy	60,00,000
Vikas Sehgal	40,31,593
Vivek N Gour	20,00,000
Matangi Gowrishankar	20,00,000
Ramesh Abhishek	20,00,000
Vinai Thummalapally	-
Alain De Taeye	-

Other than above, there is no pecuniary or business relationship between the non-Executive directors and the company. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

Criteria of the payment of remuneration to Non-Executive Directors has been published on the website of the company *(https:// www.cyient.com/investors/corporate-governance)*.

C. STAKEHOLDERS' ENGAGEMENT COMMITTEE

The Stakeholders Engagement Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances.

Composition and Meetings of the Stakeholders Engagement Committee:

During the financial year 23, the Committee met once. The Particulars of composition of the Stakeholders Engagement Committee and the details of attendance is as follows.

Sl. No.	Name of the Director	Designation	Attendance in the Meetings held on
			Q1
1.	Vikas Sehgal*	Chairperson, Independent Director	NA
2.	B.V.R. Mohan Reddy	Member, Non-Executive Director	Y
3.	Krishna Bodanapu	Member, Executive Director	Y
4.	Vinai Thummalapally*	Erstwhile Chairperson, Independent Director	Y

For the purpose of table mentioned above, Y: Yes/Attended, N: No/Not Attended, NA: Not eligible to attend

*The Committee has been re-constituted upon change in the composition of board of directors. The changes in the composition of board of directors of the Company during the FY 23 is provided elsewhere in this report.

The Committee primarily focuses on:

1. consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc;
2. Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;
3. Provide guidance and make recommendations to improve investor service levels for the investors.

Status of Investor Complaints as on 31 March 2023 and reported under Regulation 13(3) of the Listing Regulations is as under:

Particulars	Opening	Received	Resolved	Pending
Non-Receipt of dividend warrants	-	145	145	-
Non-Receipt of Share Certificate	-	3	3	-
Non-Receipt of Annual Report	-	2	2	-
Others, if any	-	-	-	-

SCORES

The Securities Exchange Board of India has initiated a platform for redressing the investor grievances through SCORES, a web-based complaints redressal system. The system processes complaints in a centralized web-based mechanism. The company is in compliance with this system.

Name, designation and address of Compliance Officer:

Name	Sudheendhra Putty
Designation	Company Secretary & Compliance Officer
Address:	Plot No. 11, Software Units Layout, Infocity, Madhapur, Hyderabad-500 081, India
Telephone No:	040-67641322
E-mail	company.secretary@cyient.com

Investor Engagement

The company communicates the business outlook, strategies, and new initiatives to its investors regularly and in a structured manner. We believe that communication with the investor community is as important as timely and reliable financial performance. We engage with the investors through multiple communication channels. The company's dedicated investor relations department and the company's senior management team participate in various road shows and investor conferences. The company hosted its Investor Day recently in November, 2022. The company carries out an independent bi-annual Investor Satisfaction (ISAT) survey. The last survey was carried out in 2022,suggestions of which have been implemented, and the next survey will be done in 2024.

D. RISK MANAGEMENT COMMITTEE

The Risk Management Committee is empowered to perform the functions of the Board relating to identification and assessment of all the risks that the organization faces and establish a risk management framework capable of addressing those risks.

Composition and Meetings of the Risk Management Committee:

During the FY 23, the Committee met 2 (Two) times. The Particulars of composition of the Risk Management Committee and the details of attendance is as follows:

Sl. No.	Name of the Director	Designation	Attendance in the Meeting held on	
			Q1	Q3
1.	Vivek N Gour	Chairman, Independent Director	Y	Y
2.	M.M. Murugappan	Member, Non-Executive, Non-Independent Director	Y	Y
3.	Ramesh Abhishek	Member, Independent Director	Y	Y

For the purpose of table mentioned above, Y: Yes/Attended, N: No/Not Attended

Terms of Reference	Particulars
Charter of the Committee	• To identify and assess all the risks that the organization faces and establish a risk management framework capable of addressing those risks. • To oversee in conjunction with the board risks such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks. • Approve / Review of the Company's enterprise-wide risk management framework including cyber security; ESG/Sustainability parts.
Objective	• To provide an oversight for all categories of risk • To promulgate risk culture in the organization • To adopt leading risk management practices in the industry • To manage risk proactively at organization level.
Responsibility	• Help to set the tone and develop a culture of the enterprise vis-à-vis risk, promote open discussion regarding risk, integrate risk management into the organization's goals and create a culture that people at all levels understand risks. • Provide input to management regarding the enterprise's risk appetite and tolerance and, ultimately, approve risk appetite. • Monitor the organization's risk - its on-going and potential exposure to risks of various types. • Approve the risk management plan. The risk management plan should include: - The Company's risk management structure - The risk management framework - The standards and methodology adopted – this refers to the measurable milestones such as tolerances, intervals, frequencies, frequency rates etc., - Risk management guidelines - Details of the assurance and review of the risk management process • Define risk review activities and prioritize them prior to being sent to the board's attention. • Review and confirm that all responsibilities outlined in the charter have been carried out. • Oversee the risk framework and interactions with management risk committee. • Periodically review and evaluate the company's policies and processes with respect to risk assessment and risk management and annually present to the full board a report summarizing the committee's review of the company's methods for identifying, managing, and reporting risks and risk management deficiencies if any. • Continually, as well as at specific intervals, monitor risks and risk management capabilities within the organization, including communication about escalating risk and crisis preparedness and mitigation plans.

Terms of Reference	Particulars
	• Continually obtain reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed. • Deliberate with the management risk committee regarding risk governance and oversight. Discuss with the management risk committee the company's major risk exposures and review the steps management has taken to monitor and mitigate such risks. • Review and assess the effectiveness of the company's ERM framework and recommend • improvements, where appropriate

E. ENVIRONMENTAL, SOCIAL & GOVERNANCE (ESG) COMMITTEE

The ESG Committee deals with all matters pertaining to Corporate Social Responsibility (in accordance with section 135 of the Companies Act, 2013) and Diversity & Inclusion. The Environmental, Social, Governance (ESG) committees' purpose is to support Cyient's ongoing efforts around environmental, health and safety, corporate social responsibility, inclusion and diversity, sustainability and other public policy matters. The ESG committee will assist and guide the company in the following:

Composition and Meetings of the ESG Committee:

During the FY 23, the Committee met once. The Particulars of composition of the ESG Committee and the details of attendance is as follows.

Sl. No.	Name of the Director*	Designation	Attendance in the Meeting held on Q-1
A)	Committee composition as on 31 March 2023		
1.	Vikas Sehgal	Chairperson, Independent Director	NA
2.	B.V.R. Mohan Reddy	Member, Non-Executive Director	NA
3.	Krishna Bodanapu	Member, Executive Director	NA
B)	Erstwhile composition of Committee		
1.	Vinai Thummalapally	Erstwhile Chairperson, Independent Director	Y
2.	Alain De Taeye	Member, Non-Executive Director	Y
3.	Matangi Gowrishankar	Member, Independent Director	Y

For the purpose of table mentioned above, Y: Yes/Attended, N: No/Not Attended, NA: Not eligible to attend;

**The Committee has been re-constituted on change in the composition of board of directors. The changes in the composition of board of directors of the Company during the FY 23 is provided elsewhere in this report.*

Charter of the Committee:

- Review the strategy for ESG matters.
- Review and recommend policies and practices in support of the ESG strategy.
- Provide oversight on reporting and disclosure of ESG matters.
- Consider current and emerging ESG matters that may affect the business, operations or reputation of Cyient and make recommendations on how practices, policies and disclosures can be adjusted.
- Review how ESG can be leveraged as part of Cyient's growth strategy for go to market offerings and internal operations.
- Review systems in place to monitor ESG.
- Review this charter annually and propose any changes for approval.

A detailed overview of the CSR initiatives of the company is published elsewhere in the Annual Report.

F. Non-Mandatory Committees:

1) **DLM IPO Committee:**

DLM IPO committee is a non-mandatory committee of the Company formed to evaluate the options on part-divestment, including but not limited to IPO, spin-off, or partnership with a strategic investor of the DLM business. The Committee met during the year as per the terms of reference, with all the members of the Committee being present.

The Committee has the following directors as members:

Sl. No.	Name of the Director	Designation
1.	Vivek Gour	Chairperson, Independent Director
2.	Vikas Sehgal	Member, Independent Director
3.	Ramesh Abhishek	Member, Independent Director

4. STATUTORY AND REGULATORY DISCLOSURES

Disclosure on Materially significant Related Party Transactions:

The Company's major related party transactions are generally with its subsidiaries and associates. The related party transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, optimisation of market share, profitability, legal requirements, liquidity and capital resources of subsidiaries and associates.

All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on arm's length basis.

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

None of the transactions with any of related parties were in conflict with the Company's interest.

The Company's policy on Materiality of Related Party transactions and on dealing with Related Party Transactions is put up on the Company's website and can be accessed at https://www.cyient.com/investors/corporate-governance/

5. GENERAL BODY MEETINGS

(a) Annual General Meeting:

Year(s)	Date of AGM	Time	Venue	No. of special resolutions passed
2021-22	03 June 2022	16:00 IST	Video Conference (VC) or Other Audio-Visual Means (OAVM)	0
2020-21	17 June 2021	16:00 IST	Video Conference (VC) or Other Audio-Visual Means (OAVM)	02
2019-20	31 July 2020	16:00 IST	Video Conference (VC) or Other Audio-Visual Means (OAVM)	02

(b) Extraordinary General Meeting:

No Extra-ordinary General Meeting of the shareholders was held during the FY 2023.

(c) Postal Ballot

No resolutions were passed through postal ballot during the FY 2023.

(d) Procedure for postal ballot

Company conducts a postal ballot, where required, in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and applicable regulations.

(e) Disclosures

i. The CEO and CFO have given a Certificate to the Board as contemplated in SEBI Listing Regulations. This is published elsewhere in the Annual Report.

ii. There are no materially significant related party transactions please refer ~~note No. 24~~ of the standalone financial statements, forming part of this Annual Report.

iii. There were no pecuniary transactions with any of the Non-Executive Directors, except payment of commission.

iv. A compliance report of all applicable laws and regulations duly signed by the CEO, CFO and the Company Secretary is placed at periodic intervals for review by the Board. The Board reviews the compliance of all the applicable laws and gives appropriate directions wherever necessary.

v. The board considers materially important show cause/demand notices received from statutory authorities and the steps/action taken by the company in this regard. A status report of material legal cases and disputed liabilities pending before the various courts/judicial forums is also put up to the board on a quarterly basis. During the year the company received no such notices.

vi. The board of directors has laid-down a 'Code of Conduct' (Code) for all the board members and senior management personnel of the company and this Code is posted on the website of the Company. Annual declaration is obtained from every associate covered by the Code. The declaration of the CEO, as required under SEBI Listing Regulations, is published elsewhere in the Annual Report.

vii. The board regularly discusses the significant business risks identified by the management and the mitigation process being taken up. A detailed note on the risk identification and mitigation is included in the Risk Management Report and Management Discussion and Analysis annexed to the Directors' Report.

viii. No penalties or strictures were imposed on the company by the Stock Exchanges, SEBI or other statutory authorities during the last three years.

ix. The company is compliant with the provisions of applicable laws and the SEBI Listing Regulations.

x. The senior management have affirmed to the board of directors that there are no material, financial and commercial transactions, where they have personal interest that may have a potential conflict with the interest of the company.

xi. Mr. Krishna Bodanapu is the son of Mr. B.V.R. Mohan Reddy. There are no inter-se relationships between and among any other directors.

xii. The company is preparing its financial statements in line with the accounting standards prescribed under section 133 of the Act.

xiii. The company has not raised any fresh funds from the public or through Rights or Preferential Issue (except ASOPs and RSUs).

xiv. The board has accepted all recommendations made by the respective committees, as applicable.

(f) Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI Listing Regulations for directors and employees to report concerns about unethical behaviour. No person has been denied access to the Chairman of the audit committee. The Whistleblower Policy is available on the website of the Company i.e. https://www.cyient.com/investors/corporate-governance/

The company has complied with all mandatory requirements of SEBI Listing Regulations. The company implemented a web based/online mechanism under the whistle blower policy. This mechanism encompasses the entire trail from the login of a complaint to its eventual redressal. The system also affords a dial-in facility to associates in various languages across the countries were the company has its operations.

(g) Subsidiary Companies

The board of directors has reviewed the financial statements and minutes of the board meetings of all the subsidiary companies. According to the policy of the company and applicable regulations under SEBI Listing Regulations, the company does not have any material unlisted subsidiary company, except Cyient Inc., and Cyient DLM Limited. The company has a policy for determining 'material subsidiary' which is disclosed on its website.

(h) Disclosure of commodity price risks and commodity hedging activities:

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

(i) Details of compliance with mandatory and non-mandatory requirements

Mandatory

The Company has complied with all mandatory requirements specified in regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of regulation 46 of SEBI Listing Regulations.

Non-Mandatory

i. **Shareholder Rights**

The company sends a quarterly investor update to the shareholders comprising key financial, business and operations update. This is sent in the electronic mode and hosted on the company's website.

ii. **Audit qualification**

The Company is in the regime of unmodified audit opinion.

iii. **Reporting of Internal Auditor**

The Internal Auditor directly reports to the Audit Committee.

(j) CEO and CFO Certification

The CEO and the CFO of the company have given certification on financial reporting and internal controls for the FY 23 to the Board of Directors at their meeting held on 20 April 2023 as required under regulation 17(8) of SEBI Listing Regulations.

(k) Means of Communication

(i) **Publication of results in newspapers**

The quarterly, half-yearly & nine months un-audited financial results and annual audited results of the company are generally published in Business Standard or Financial Express, at national level in English language as well as Nava Telangana at regional level in Telugu language circulating in the state of Telangana. The quarterly Investor Presentation is shared by email to those shareholders having their email ids registered.

(ii) **Website and News Release**

The quarterly, half-yearly & nine months unaudited financial results and annual audited results of the company are available on the website of the company i.e. www.cyient.com. Official news releases, detailed presentations made to media, analysts, institutional investors, etc are available on the website of the company i.e. www.cyient.com. Official media releases are sent to BSE Limited and National Stock Exchange of India Limited. Your company also makes timely disclosure of necessary information to BSE Limited and National Stock Exchange of India Limited in terms of the SEBI Listing Regulations and other rules and regulations issued by the Securities and Exchange Board of India.

(iii) The Company has disclosed all the information stipulated under Regulation 46 and other applicable regulations of the SEBI Listing regulations. The same can be accessed at the website of the Company; viz. https://www.cyient.com/

(l) Channels of Communication with the investors

NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically.

(m) E-voting

Pursuant to the requirements of the Act and the SEBI Listing Regulations, company is providing e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at the General Meetings as also for postal ballot.

(n) Additional Shareholders' Information Annual General Meeting:

Date	21 June 2023
Time	1600 hours IST
Venue	Through Video Conference (VC) or Other Audio-Visual Means (OAVM)

(o) Financial Calendar:

Financial Year – 1 April 2023 to 31 March 2024

(p) Tentative calendar for declaration of financial results in financial year 2023-24:

Quarter	Period ended on	On or before
Q-1	30 June 2023	25 July 2023
Q-2	30 September 2023	19 October 2023
Q-3	31 December 2023	12 January 2024
Q-4	31 March 2024	20 April 2024

(q) Book Closure dates:

The dates for book closure are from 13 June 2023 to 21 June 2023.

(r) Date of Payment of Dividend:

Particulars of Dividend	Amount of Dividend per share (in ₹)	Payout (%)	Payment Date
Interim Dividend	10	200	09 November 2022
Final Dividend FY 23	16	320	Within 30 days of the conclusion of the AGM for the FY 23, Subject to the approval of the shareholders
Total	**26**	**520**	

(s) Code of Conduct for prohibition of Insider trading:

Your company has adopted a Code of conduct as per Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. All Directors, Senior Management Personnel, person forming part of Promoter(s)/Promoter(s) Group(s) and such other Designated Employees who could have access to the Unpublished Price Sensitive Information of the Company are governed by this Code. During the year under review, the Company had made due compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The code of conduct is available on the website of the Company i.e. www. cyient.com. Company Secretary of the Company is appointed as the Compliance Officer by the Board to ensure compliance and effective implementation of the Insider Trading Code.

(t) Listing on Stock Exchanges:

Stock Exchange	Address	ISIN	CIN of the Company	Scrip Code	Listing Fees Paid (Yes/No)

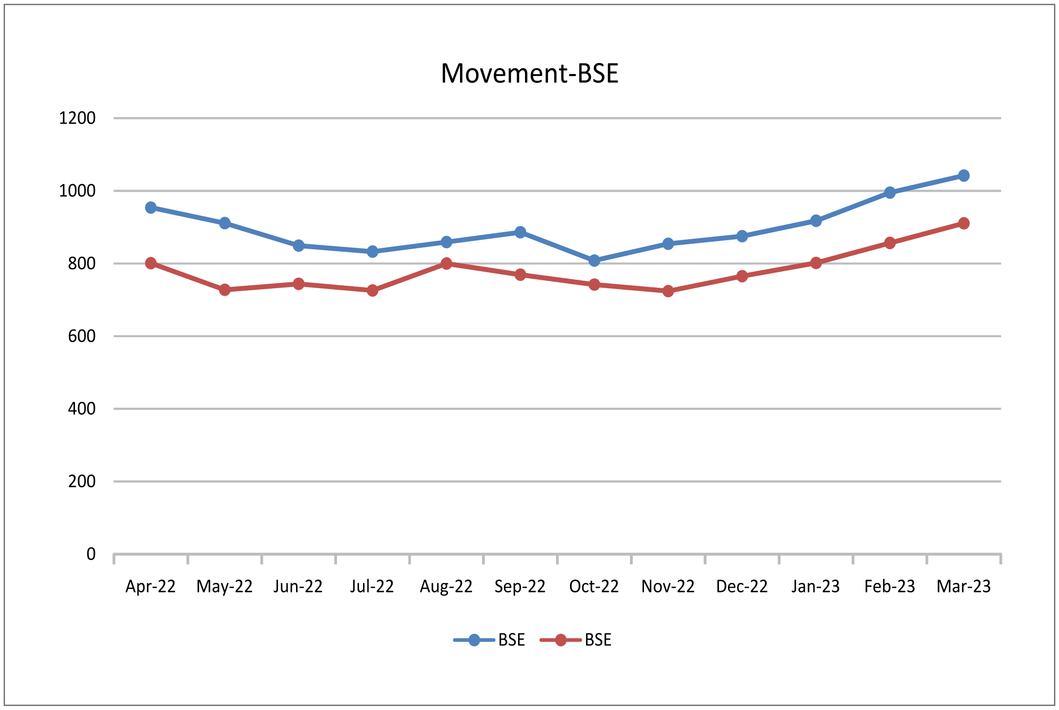
BSE	Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001	INE136B01020	L72200TG1991PLC013134	532175	Yes
NSE	Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E) Mumbai - 400 051			CYIENT/EQ	Yes

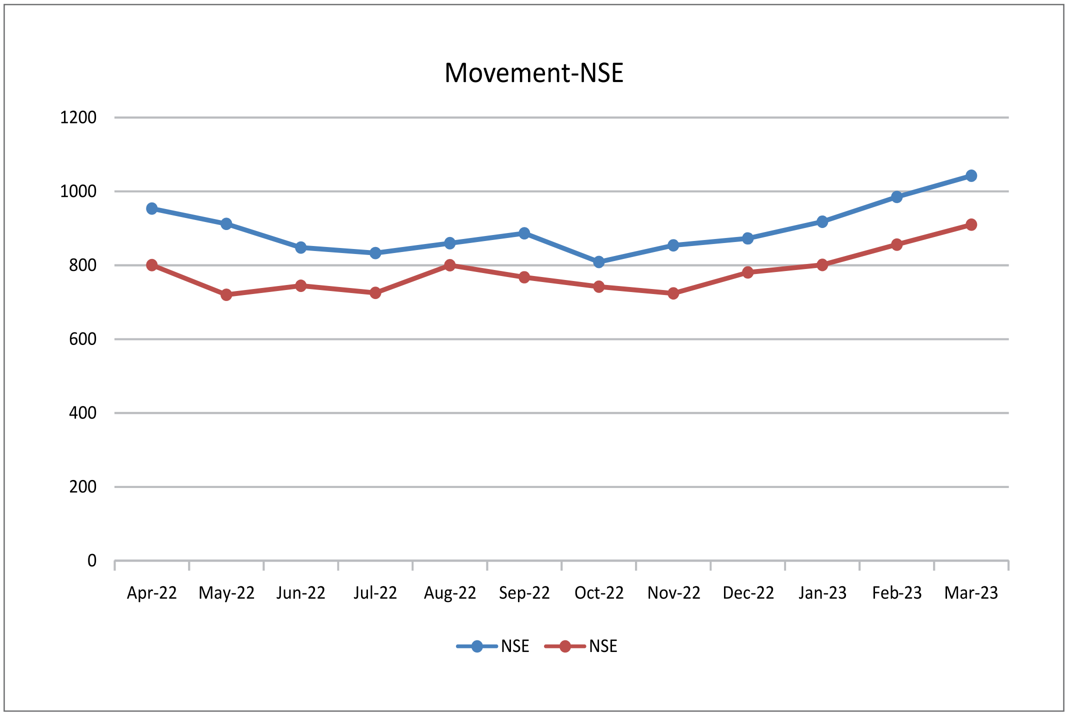
6. MARKET PRICE DATA

(i) **Monthly high and low prices of your company's share at BSE and NSE:**

The Monthly high and low prices of your company's share at BSE and NSE for the FY 23 are as under:

Month	BSE		NSE	
	High	Low	High	Low
April - 2022	**954.00**	800.85	**953.50**	800.55
May - 2022	**911.15**	727.65	**912.00**	720.00
June - 2022	**849.30**	744.00	**848.00**	744.45
July - 2022	**832.85**	725.65	**833.00**	725.40
August - 2022	**859.00**	799.90	**859.75**	800.00
September - 2022	**886.00**	769.20	**886.55**	767.60
October - 2022	**808.15**	742.05	**809.00**	742.00
November - 2022	**854.30**	724.00	**854.00**	723.80
December - 2022	**875.20**	765.05	**872.70**	780.70
January - 2023	**917.65**	801.50	**917.95**	801.00
February - 2023	**995.05**	856.60	**985.00**	856.00
March - 2023	**1042.05**	910.55	**1,042.45**	910.00





(ii) Share price performance in comparison to broad-based indices:

Particulars	Share price v/s NSE		Share price v/s BSE	
	Share Price (in ₹)	Nifty	Share Price (in ₹)	BSE Sensex
As on 1 April 2022 (opening price)	922.25	17,436.90	916.40	58,530.73
As on 31 March 2023 (closing price)	995.25	17,359.75	992.50	58,991.52
Changes (%)	7.92	-0.44	8.30	0.79%

(iii) **Share Transfer System**

As the Company's shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL / CDSL through their depository participants.

Kfintech Technologies Limited is the Common R&T Agent for both physical and dematerialised mode.

All queries and requests relating to share transfers/ transmissions may be addressed to our Registrar and Transfer Agent:

Name	:	Kfin Technologies Limited
Unit	:	Cyient Limited
Address	:	Selenium Tower B, Plot 31 & 32, Financial District, Gachibowli, Nanakramguda, Hyderabad – 500 032, Telangana, India
Contact Person	:	Mr. Mohd Mohsin Uddin
Designation	:	Manager – Corporate Registry
Tel	:	040- 6716 1562
E-Mail	:	mohsin.mohd@kfintech.com

(iv) **Address for correspondence:**

Contact Person	:	Mr. Ravi Kumar Nukala
Designation	:	Dy. Company Secretary
Address	:	4th Floor, 'A' Wing, Plot No.11, Software Units Layout, Infocity, Madhapur, Hyderabad - 500 081
Tel	:	040-6764 1696

E-Mail	:	company.secretary@cyient.com

Contact Person	:	Mr. Mayur Maniyar
Designation	:	Deputy General Manager, Investor Relations
Address	:	4th Floor, 'A' Wing, Plot No.11, Software Units Layout, Infocity, Madhapur, Hyderabad - 500 081
Tel	:	040-6764 1537
E-Mail	:	Mayur.Maniyar@cyient.com

(v) **Secretarial Audit**

Secretarial audit for the FY 23 was done by Mr. S. Chidambaram, a Company Secretary in practice. It, *inter alia*, includes audit of compliances with the Act, and the rules made under the Act, SEBI Listing Regulations and applicable regulations prescribed by the Securities and Exchange Board of India and Foreign Exchange Management Act, 1999 and Secretarial Standard issued by the Institute of the Company Secretaries of India. The Secretarial Audit forms part of the Annual Report.

(vi) **Reconciliation of Share Capital**

As stipulated by SEBI, a Practicing Company Secretary carries out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon are submitted to the Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form and in physical form.

(vii) **Dematerialization of Shares and liquidity**

Dematerialization of shares is done through M/s. Kfin Technologies Limited and on an average the dematerialization process is completed within 7 days from the date of receipt of a valid dematerialization request along with the relevant documents. As on 31 March 2023, 99.49% of the total shares have been dematerialized.

(viii) **Share Capital**

a) **Total equity share capital is as follows:**

Sl. No.	Particulars	Share Capital (in ₹)	Number of Equity Shares of ₹ 5 each
1	31 March 2023	55,28,75,030	11,05,75,006
2	31 March 2022	55,15,87,080	11,03,17,416

b) **Summary of Shareholding as on 31 March 2023**

Category	No. of Holders	Total Shares	% Equity
Physical	297	5,68,263	0.51
National Securities Depository Limited (NSDL)	50,116	10,42,89,307	94.32
Central Depository Services (India) Limited (CDSL)	72,031	57,17,436	5.17
Total	**1,22,444**	**11,05,75,006**	**100**

c) **Distribution Schedule as on 31 March 2023**

Category (Amount)	Total Shares	Amount	% of Amount
001 - 5000	73,25,743	3,66,28,715	6.63%
5001 - 10000	13,75,043	68,75,215	1.24%
10001 - 20000	16,13,350	80,66,750	1.46%
20001 - 30000	8,21,165	41,05,825	0.74%
30001 - 40000	5,63,384	28,16,920	0.51%
40001 - 50000	5,24,622	26,23,110	0.47%
50001 - 100000	18,52,081	92,60,405	1.67%

100001 & Above	9,64,99,618	48,24,98,090	87.27%
Total	**11,05,75,006**	**55,28,75,030**	**100%**

d) **Distribution of Shareholding on the basis of ownership as on 31 March 2023**

Category	No. of Holders	Total Shares	% to Equity
Alternative Investment Fund	14	6,75,442	0.61%
Bodies Corporates	862	12,20,778	1.10%
Clearing Members	40	8,249	0.01%
Financial Institutions / Banks	1	85	0.00%
Foreign Nationals	44	3,62,046	0.33%
Foreign Portfolio Investors Category I and Category II, Overseas Depositories and Foreign Companies	233	3,60,54,026	32.61%
I E P F	1	85,491	0.08%
Insurance Companies and NBFCs registered with RBI	4	2,11,099	0.19%
Mutual Funds	17	2,66,20,696	24.07%
Non-Resident Indians	3,005	49,02,839	4.43%
Promoters	12	2,58,22,188	23.35%
HUF	1,881	2,96,877	0.27%
Resident Individuals	1,15,410	1,30,40,719	11.79%
Shares held by Employees Trusts	1	10,79,000	0.98%
Shares underlying DRs	1	17,235	0.02%
Trusts	15	1,78,236	0.16%
Total	**1,21,541**	**11,05,75,006**	**100.00%**

e) **Shareholders of the company, having more than 1% shareholding as on 31 March 2023**

Name of the shareholder	No. of shares	% of holding	Category
Vineyard point Software Private Limited	1,40,00,000	12.66%	Promoters
Amansa Holding Private Limited	96,31,663	8.71%	Foreign Portfolio Investors Category I
DSP Mutual Fund	74,23,731	6.71%	Mutual Funds
Infocad Enterprises Private Limited	70,00,000	6.33%	Promoters
ICICI Prudential Mutual Fund	38,83,223	3.51%	Mutual Funds
Kotak Mutual Fund	31,65,602	2.86%	Mutual Funds
Aditya Birla Sun Life Mutual Fund	30,77,713	2.78%	Mutual Funds
Nippon Life India Mutual Fund	29,60,368	2.68%	Mutual Funds
Pinebridge Investments	20,67,093	1.87%	Foreign Portfolio Investors Category I
Tata Mutual Fund	19,93,503	1.80%	Mutual Funds
Krishna Bodanapu	19,13,260	1.73%	Promoters
Bodanapu Sri Vaishnavi	17,93,008	1.62%	Promoters
Aberdeen Asset Management	13,38,680	1.21%	Foreign Portfolio Investors Category I
RBC Investors	16,05,483	1.45%	Foreign Portfolio Investors Category I
Franklin Templeton Mutual Fund	14,57,259	1.32%	Mutual Funds
Abu Dhabi Investment Authority	12,38,836	1.12%	Foreign Portfolio Investors Category I
Vanguard Emerging Market Stock Index Fund A Series	11,84,803	1.07%	Foreign Portfolio Investors Category I
Vanguard Total International Stock Index Fund	11,06,549	1.00%	Foreign Portfolio Investors Category I

(ix) **Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs/ADRs/ Warrants/any convertible instruments.

(x) **Plant Locations**

Details of locations of the company's offices are listed elsewhere in the Annual Report.

(xi) **Unclaimed Shares / Dividend**

Unpaid / Unclaimed Dividends in accordance with the provisions of Sections 124 and 125 of Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority

(xii) **Due dates for transfer of dividend unclaimed to IEPF are as follows:**

Financial Year	Rate of Dividend	Date of Declaration of Dividend	Last date for claiming un-paid dividends by Investors	Due date for transfer to IEPF
2013-14 (Final)	60%	17 July 2014	23 August 2021	22 September 2021
2014-15 (Interim)	60%	29 September 2014	28 October 2021	27 November 2021
2014-15 (Final)	100%	16 July 2015	22 August 2022	21 September 2022
2015-16 (1st interim)	60%	15 October 2015	21 November 2022	20 December 2022
2015-16 (2nd Interim)	80%	17 March 2016	23 April 2023	22 May 2023
2016-17(Special)	50%	29 August 2016	5 October 2023	4 November 2023
2016- 17(Interim)	60%	13 October 2016	19 November 2023	18 December 2023
2016-17 (Final)	100%	13 July 2017	19 August 2024	18 September 2024
2017-18 (1st Interim)	100%	12 October 2017	15 November 2024	14 December 2024
2017-18 (2nd Interim)	80%	18 January 2018	21 February 2025	20 March 2025
2017-18 (Final)	80%	12 July 2018	18 August 2025	17 September 2025
2018-19 (Interim)	120%	17 October 2018	20 November 2025	19 December 2025
2018-19 (Final)	180%	6 June 2019	9 July 2026	8 August 2026
2019-20 (1st Interim)	120%	17 October 2019	20 November 2026	19 December 2026
2019-20 (2nd Interim)	180%	12 March 2020	3 April 2027	2 May 2027
2020-21 (Final)	340%	17 June 2021	20 July 2028	19 August 2028
2021-22 (Interim)	200%	14 October 2021	17 November 2028	16 December 2028
2021-22 (Final)	280%	03 June 2022	07 August 2029	06 September 2029
2022-23 (Interim)	200%	13 October 2022	17 November 2029	17 December 2029

The movement of unclaimed shares in the "Cyient Ltd – Unclaimed Suspense Account" during the year as follows:

Particulars	No. of Shareholders	No. of Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 April 2022	26	19,443
Shareholders who approached the company for transfer of shares from suspense account during the year	-	-
Shareholders to whom shares were transferred from suspense account during the year	-	-
Shareholders whose shares are transferred to the demat account of the IEPF authority as per Section 124 of the Act	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 March 2023	26	19,443

The voting rights on the shares outstanding in the suspense account as on 31 March 2023 shall remain frozen till the rightful owner of such shares claims the shares.

The company sends reminders to the shareholders concerned to claim the unclaimed and unpaid dividends before they are transferred to the IEPF.

The shareholders who have a claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/ shares so transferred.

7. Loans and advances in the nature of loans to firms/companies in which directors are interested:

For the details please refer note no.24 of Standalone Financial Statements published in this Annual Report.

8. Details of Material Subsidiaries:

Sl. No	Name of the Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditors	Date of Appointment
1.	Cyient Inc.	19 July 1999	California USA	S. R. Batliboi & Associates LLP	05 May 2020
2.	Cyient DLM Limited	30 June 1993	Mysore, Karnataka, (the registered office is presently situated in Hyderabad)	S. R. Batliboi & Associates LLP	17 July 2019

Further, the policy on material subsidiaries can be found at https://cdn2.hubspot.net/hubfs/5724847/FY_19_Revamp_Assets_Website/Investors /Corporate Governance/Material subsidiaries Policy.pdf

9. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the FY 23.

The details of the initiatives under POSH for the FY 23 have been provided in the board's report.

There are no pending complaints either at the beginning or at end of the financial year. The following is the summary of the complaints received and disposed off during the FY 23:

a. number of complaints filed during the financial year: 1

b. number of complaints disposed of during the financial year: 1

c. number of complaints pending as on end of the financial year: 0

Annexure-G

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Cyient Limited
Hyderabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cyient Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided and declarations made by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31st March,2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) Employees' State Insurance Act, 1948 and Employees' State Insurance (General) Regulations, 1950;

(vi) The Employees'' Provident Funds and Miscellaneous Provisions Act, 1952 and The Employees' Provident Funds Scheme, 1952;

(vii) The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;

(viii) The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;

(ix) Income Tax Act, 1961 and rules made thereunder;

(x) Central Goods and Services Tax Act, 2017 and rules made thereunder;

(xi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   (d) The Securities and Exchange Board of India(Share Based Employee Benefits) Regulations, 2013;

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015;

   (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(iii) Information Technology Act 2000; Information Technology (Amendment) Act 2008 & Rules for the Information Technology Act 2000

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board Meetings were taken unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN No: F003935E000109733

Place: Hyderabad
Date: 17.04.2023

To
The Members,
Cyient Limited
Hyderabad.

My Secretarial Audit Report of even date is to be read along with this letter.

1 The maintenance of Secretarial records is the responsibility of the Management of the Company. Further, the Company is also responsible for devising proper systems and process to ensure the compliance of the various statutory requirements and governance systems.

2 It is the responsibility of the Management of the Company to ensure that the systems and process devised for operating effectively and efficiently.

3 My responsibility is to express an opinion on these secretarial records based on my audit.

4 I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices followed provide a reasonable basis for my opinion.

5 Wherever required, I have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.

6 The Compliance of the provisions of other applicable laws, rules and regulations is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

7 The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN No: F003935E000109733

Place: Hyderabad
Date: 17.04.2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
CYIENT LIMITED,
4th Floor,'A' Wing, Plot No.11,
Software Units Layout Infocity,
Madhapur Hyderabad - 500081.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CYIENT LIMITED having CIN L72200TG1991PLC013134 and having registered office at 4th Floor, 'A' Wing, Plot No.11, Software Units Layout, Infocity, Madhapur, Hyderabad - 500081 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	Designation	DIN	Date of appointment in Company
1	Murugappan Murugappan Muthiah	Non-executive Chairman	00170478	10/08/1997
2	Venkat Rama Mohan Reddy Bodanapu	Non-executive & Non independent Director	00058215	28/08/1991
3	Ganesh Venkat Krishna Bodanapu	Managing Director & CEO	05301037	24/04/2014
4	Karthikeyan Natarajan	Executive Director and COO	03099771	22/04/2021
5	Vikas Sehgal	Independent Director	05218876	17/10/2018
6	Matangi Gowrishankar	Independent Director	01518137	25/04/2019
7	Vivek Narayan Gour	Independent Director	00254383	25/04/2019
8	Ramesh Abhishek	Independent Director	07452293	12/08/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN: F003935E000109678

Place: Hyderabad
Date: 17.04.2023

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members
CYIENT DLM LIMITED
(CIN: U31909TG1993PLC141346)
3rd Floor, A Wing, Plot No. 11,
Software Units Layout Infocity, Madhapur,
Hyderabad, Telangana - 500081.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by CYIENT DLM LIMITED. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided and declarations made by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(iv) Employees' State Insurance Act, 1948 and Employees' State Insurance (General) Regulations, 1950;

(v) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and The Employees' Provident Funds Scheme, 1952;

(vi) The Payment of Bonus Act, 1965 and the Payment of Bonus Rules, 1965;

(vii) The Contract Labour (Regulation and Abolition) Act, 1970 and the Contract Labour (Regulation and Abolition) Central Rules, 1971;

(viii) Income Tax Act, 1961 and rules made thereunder;

(ix) Central Goods and Services Tax Act, 2017 and rules made thereunder;

(x) The Information and Technologies Act, 2000.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

The Following Acts, Rules and Regulations, Guidelines are not applicable to the Company during the Audit Period:

(i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(ii) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that subject to my observations, The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and no members has dissented any of the Resolutions.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

However, during the Financial Year, there were delays in filing of some Forms with the Registrar of Companies, Ministry of Corporate Affairs and Additional fees for the delayed filing were paid.

S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN: F003935E000112791

Place: Hyderabad
Date: 17.04.2023

To
The Members
CYIENT DLM LIMITED
(CIN: U31909TG1993PLC141346)

My Secretarial Audit Report of even date is to be read along with this letter.

1 The maintenance of Secretarial records is the responsibility of the Management of the Company. Further, the Company is also responsible for devising proper systems and process to ensure the compliance of the various statutory requirements and Governance systems.

2 It is the responsibility of the Management of the Company to ensure that the systems and process devised for operating effectively and efficiently.

3 My responsibility is to express an opinion on these secretarial records based on my audit.

4 I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices followed provide a reasonable basis for my opinion.

5 Wherever required, I have obtained the Management representations about the compliance of laws, rules and regulations and happening of events etc.

6 The Compliance of the provisions of other applicable laws, rules and regulations is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

7 The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

S. Chidambaram
Practicing Company Secretary
FCS No. 3935
C P No: 2286
UDIN: F003935E000112791

Place: Hyderabad
Date: 17.04.2023

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNINGS & OUTGO:

1) CONSERVATION OF ENERGY:

Cyient accords highest Priority for Energy Conservation and takes pro–active measures to implement best optimization techniques in these areas. At all our locations as part of energy conservation. we have implemented energy savings practices across the organization and continue to develop and improve on the same on a year-on-year basis.

Our energy conservation initiatives focus on the following areas:

- Energy management and monitoring;
- Renewable energy integration; and
- Green Building;

Energy management and monitoring:

We are bringing down energy usage through new installations and energy-efficient replacements. While this entails additional investments, it also brings substantial annual savings through reduced energy charges. We expect to get return on these investments in about five years. Since we operate out of multiple sites, every facility offers us opportunities for smarter energy use without making capital-intensive physical changes.

Renewable energy integration:

Environment-friendly alternatives are replacing energy-intensive devices, including LED bulbs, light motion sensors, and air-cooled chillers. We are expanding natural ventilation channels and using modular workstations in our offices. Additionally, we are increasing the share of renewables in our energy mix with solar power and the installation of rooftop solar panels.

Green Building:

As a testimony of our continuous efforts to responsibly design and operate our office spaces, Tower 2 at the Manikonda office has been certified GOLD under Indian Green Building Council Leadership in Energy and Environment Design. A major share of the materials used in the construction has been procured locally, thereby reducing the carbon footprint associated with sourcing. We continue to expand our portfolio of facilities that are certified as green buildings.

Currently, 80% of our Engineering Services sites are ISO 14001:2018 certified.

Sourcing Green Power:

Green power is any electricity that is generated using low-impact, alternative energy sources that have zero-emissions. At Cyient, we are focused on reducing our carbon footprint through measures such as moving away from coal-generated power and increasing the share of renewables like solar power in our energy mix.

We undertook a project to install rooftop solar panels at three of our facilities – Visakhapatnam, Kakinada, and Warangal. Given that the Visakhapatnam facility is at a higher altitude and closer to the sea, resulted magnified the impact of wind. Therefore, we built in special design elements to enable the installation to withstand higher wind loads. The project ensured an additional power supply of 400 KW to replace the use of grid electricity.

Reduction in Greenhouse Gas Emissions:

We understand that the energy used to run our operations generates an associated carbon footprint. We continuously monitor operational GHG emissions from Engineering Services, and DLM facilities in India and many of our global offices and have implemented mitigating measures to reduce them.

Waste Management Initiatives:

At Cyient, we use the resources we need for our operations and across our value chain responsibly to minimize waste. We support this with an integrated waste management program built on the philosophy of the three Rs – Reduce, Recycle, and reuse.

We are working to trace our waste disposal workflow to validate its end-use and streamlining processes to reduce waste generation. This is being done at all Engineering Services and DLM locations in India and at some of our global offices.

At Cyient, we prioritize waste management practices to minimize our impact on the environment. We have established a system of segregated bins for different types of waste, including recyclable materials, organic waste, and non-recyclable waste.

Our primary sources of waste, such as e-waste and computer peripherals, are collected and safely stored for three years before being disposed of through Pollution Control Board (PCB) authorized vendors.

We also work with authorized vendors for paper waste management practices and use notepads made from recycled papers.

Additionally, we have installed organic waste converters (OWCs) to manage food and garden waste, which process the waste and convert it into compost used for gardening and landscaping. Our associates are encouraged to avoid using hazardous and non-biodegradable products, and we periodically send awareness emails to reinforce this message.

To ensure that we comply with our waste management practices, we have implemented strict security measures at our main gate. Vendors are checked and stopped if they do not follow our waste management practices, and we encourage the use of biodegradable products. Finally, we treat wastewater generated at our establishments through a Sewage Treatment Plant (STP) to ensure it meets the necessary standards before being discharged.

2) RESEARCH & DEVELOPMENT & SUSTAINABILITY:

Investment in R & D Activities:

(₹ in million)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Capital Expenditure	-	35
Revenue Expenditure	263	215
Total R&D Expenditure	**263**	**250**
R&D Expenditure as percentage of Total Revenue	1.18%	1.43%

Category	R & D Activities
Plant Engineering for digital twin	We are presently developing a digital platform to integrate data from a variety of data sources such as hard/soft sensors etc.;
Manufacturing Plant - carbon footprint reduction	We are presently developing digitising fuel fabrication facility to improve the manufacturing process to reduce the carbon footprint.
Battery Energy Storage	We are presently working on Battery Energy Storage Package design for maximising energy footprint.
	Accurate estimation of Battery State of Health and remaining useful lifetime through Battery analytics, helping to increase reliability, performance and eliminate risks
	We have helped our manufacturing customers transition to hydrogen and green energy-based plants, by creating battery energy storage systems and EV prognostics.
	We have also undertaken software development for OCPP compliance for charging station.
Flood analytics	Supporting customer in providing high-frequency and accurate flood analysis on a global scale.
Hydrogen	We are working on project to upgrade an existing hydrogen electrolyzer plant;
	We are working on dynamic simulation - evaluation of process simulation tool for simulating electrolyser technology, with focus on simulating the electrolyser stack and electrolyte system (ES-module) and Gas Holder.
	We are working on a concept of making eMethane from green hydrogen and CO/CO2.
Carbon Capture	We are working on Carbon Capture technology.
	We are working on Direct Air Capture (DAC) technology.
	Leveraging Cyient & Citec capabilities, we are engaged in developing & designing an engineering handbook for Hydrogen, CCUS & Energy Storage and working closely with supplier ecosystem and partnerships on the matter.
	Our R&D unit, Power engineering lab continued to create solutions for faster electrification through HVDC-DC converters and battery management systems etc.
	We have collaborated with cloud providers to provide our customers with end-to-end connected, measure, and monitor solutions that allow them to report ESG improvements in a timely manner.

3) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

Cyient has made significant progress during the FY 23 in technology investments and building on the commitments to the Megatrends and their underlying disruptive technologies that were articulated as focus areas of its' Technology Roadmap. Following are some of the initiatives for the FY 2023:

Cyient continues to expand its digital transformation footprint in FY23 by adopting cloud solutions with improved security. Cyient has moved all associates to Microsoft 365 cloud platform and has consolidated discrete security solutions on to Microsoft technologies viz. 'Defender for Endpoint (MDE)', 'Extended Detection and Response (EDR)', 'Data Loss Prevention (DLP)', Email security to get uniform visibility on its global threat landscape.

Cyber Security continues to remain an area of immense focus with significant improvements around 24x7 Security Operations including incident Monitoring, Detection, Investigation and Response. Specific data analytics implemented on various log source telemetry for incident detection and risk-based prioritisation.

Some of the key process improvement initiatives includes Implementation of "Exports and Imports (EXIM)" module for enhanced compliance, Accounts Payable Solution for expedited vendor payments.

The brief of the technology initiatives for the FY 2023 are as follows:

- **Digital Healthcare**: Cyient has Developed and launched its platform solutions to accelerate product development in the medical space. This includes **CyMedge** for connected and intelligent medical products, **CyFAST** for accelerating verification and validation across operating systems for new-generation medical products and **CyARC** for accelerating regulatory compliance. Cyient has also played a key role in helping healthcare customers re-engineer their medical products and make them connected and digitally ready.
- **Intelligent connected product image analytics and autonomous systems**: Cyient has developed its SDx platform to help automotive customers migrate to software-driven platforms. Cyient also developed a perception system to enable real-time monitoring and safety in operations in an industrial environment like mining and/or construction. Cyient is also developing solutions for BMS and motor controllers - targeting both EV and UAM customers.
- **Smart Operations and Industry 4.0:** Cyient has developed **Factory Pro,** a Digitalize day-in-a-life at Factory floor– Production, Quality, Maintenance, Workflows to improve performance and reduce cost. It has also developed **Energy Care,** a one stop platform to monitor, analyze and balance energy usage to optimize overall energy consumption and cost and **Safe Place,** Digital platform for safety and health compliance integrated with manufacturing operations.
- **Sustainability - Decarbonization**: Leveraging Cyient & Citec's capabilities for working with customers on a diverse set of projects such as helping our manufacturing customers transition to **hydrogen and green energy-based plants**, by creating **battery energy storage systems** and EV prognostics, Helping upgrade existing hydrogen electrolyzer plants, Working on **Carbon Capture & Direct Air Capture** (DAC), Our Power engineering lab has continued to create solutions for faster electrification through **HVDC-DC converters and battery management systems** among others. Cyient also collaborated with cloud providers to provide customers with end-to-end connected, measure, and monitor solutions that allow them to report ESG improvements.
- **Next Gen Connectivity Offering:** Leveraging Cyient and Celifinet's capabilities for providing a wide range of offerings to the customers such as **Enterprise Private Networks**, **Network Analytics & Automation,** providing **connectivity using satellite communications** (to enable more than 100 MBPS IP services, across remote areas using satellite links as a backhaul network) and enabling NOCs .

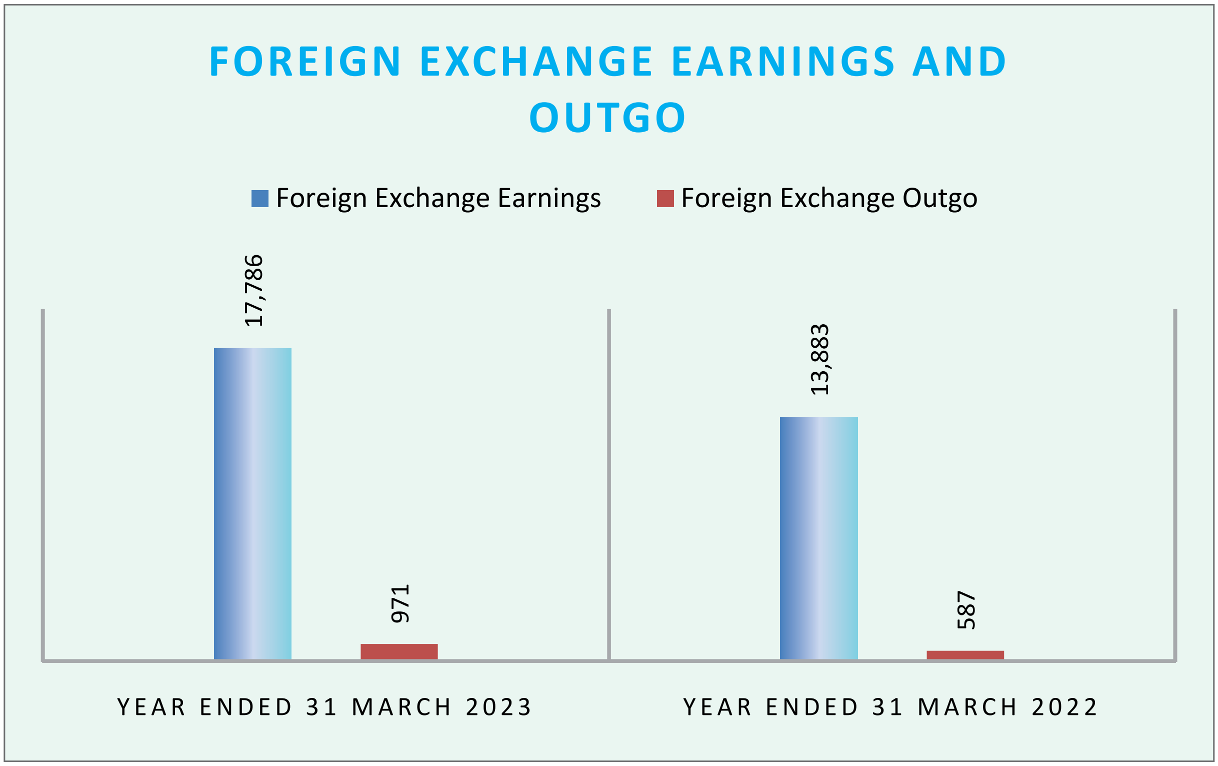
4) FOREIGN EXCHANGE EARNINGS & OUTGO:

Most of your company's earnings are from the export of Engineering and Software Services. During the year, export earnings accounted for 79.83% of the total income. In order to promote product sales and services, your company participated in various exhibitions and carried product promotion activities. Details of Foreign Exchange Earnings and Outgo are as follows:

Details of Foreign Exchange Earnings and Outgo are as follows:

(₹ in million)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022	% Increase (Decrease) y-o-y
Foreign Exchange Earnings	17,786	13,883	28.11%
Foreign Exchange Outgo	971	587	65.42%



DETAILS OF STOCK OPTIONS PURSUANT TO SECURITIES AND EXCHANGE BOARD OF INDIA (SHARE BASED EMPLOYEE BENEFITS AND SWEAT EQUITY) REGULATIONS, 2021

A. Material change(s) in the scheme(s): The directors declare that there is no material change in any of the Associate Stock Option Plans and Associate Restricted Stock Units Scheme disclosed in the Annexure.

B. The Associate Stock Option Plans and Associate Restricted Stock Units Scheme disclosed in the Annexure are in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time.

C. Disclosure as per section 133 of the Companies Act, 2013 with 'Guidance note on accounting for employee share- based payments'

The Company recognizes compensation expense relating to share-based payments in the statement of profit and loss, using fair value in accordance with Ind AS 102, Share based payments. The Company issues equity-settled and cash-settled share-based options to eligible employees under various stock option schemes established after June 19, 1999.

These 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 expensed on a straight-line basis over the vesting period, based on the Company'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 Company revises its estimate of the number of equity instruments expected to vest. The impact of the original estimates, if any, is recognised in 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 liability with any changes in the fair value recognised in the statement of profit and loss. The dilutive effect of outstanding options if any is reflected as additional share dilution in the computation of diluted earnings per share.

D. Disclosure on Diluted EPS as per Indian Accounting Standards on issue of shares

Sl. No.	Particulars	Associate Stock Option Plan 2008	Associate Stock Option Plan 2015	Associate Restricted Stock Units Scheme 2020	Associate Stock Option Scheme 2021
i.	Method of calculated of employee compensation cost	The Company has calculated the employee compensation cost using the fair value of the stock options.			
ii.	Difference between the employee compensation cost so computed at (i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the options	Not Applicable. The Company has calculated the employee compensation cost using the fair value of the stock options.			
iii.	The impact of this difference on profits and on EPS of the company	Not Applicable. The Company has calculated the employee compensation cost using the fair value of the stock options.			

E. Details related to ESOS

Sl. No.	Description	Associate Stock Option Plan 2008	Associate Stock Option Plan 2015	Associate Restricted Stock Units Scheme 2020	Associate Stock Option Scheme 2021
1)	**Description of ESOS**				
(a)	Date of shareholder's approval;	23 July 2008	16 July 2015	5 March 2020	23 February 2021
(b)	Total number of options approved under the Scheme;	20,00,000 (Including bonus 1:1)	12,00,000	10,50,000	10,79,000
(c)	Vesting requirement;	36 Months	36 Months	36 Months	36 Months
(d	Exercise price or pricing formula;	Market price as defined in SEBI (Share Based Employee Benefits) Regulations, 2014		Grant price is the face value of the equity shares of the Company, i.e., ₹ 5.00	
(e)	Maximum term of options granted;	5 Years	5 Years	5 Years	5 Years
(f)	Source of shares (primary, secondary or combination);	Primary	Primary	Primary	Secondary
(g)	Variation in terms of options;	NA	NA	NA	NA
2)	Method used to account for ESOS;	Fair Value	Fair Value	Fair Value	Fair Value
3)	If opts for Intrinsic value, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options.	NA	NA	NA	NA

4) Option movement during the year:

Sl. No.	Description	Associate Stock Option Plan 2008	Associate Stock Option Plan 2015	Associate Restricted Stock Units Scheme 2020	Associate Stock Option Scheme 2021
1.	Number of options outstanding at the beginning of the period;	35,860	679,898	164,646	10,79,000
2.	Number of options granted during the year;	Nil	10,000	30,220	4,22,600
3.	Number of options lapsed during the year;	25,000	49,240	3,794	Nil
4.	Number of options forfeited during the year;	25,000	49,240	3,794	Nil
5.	Number of options vested during the year;	20,860	238,262	130,866	Nil
6.	Number of options exercised during the year;	10,860	149,177	97,553	Nil
7.	Number of shares arising as a result of exercise of options;	10,860	149,177	97,553	Nil
8.	Money realized by exercise of options (INR), if scheme is implemented directly by the company;	56,25,480	98,214,307	257,700	Nil
9.	Loan repaid by the Trust during the year from exercise price received;	NA	NA	NA	NA
10.	Number of options outstanding at the end of the year;	0	4,81,481	94,456	Nil
11.	Number of options exercisable at the end of the year;	0	4,81,481	94,456	Nil

iv) **Weighted average exercise prices and weighted average fair value of stock options granted, where exercise price either equals or exceeds or is less than the market price of the stock**

Stock Options granted on	Weighted average exercise price (in ₹)	Weighted average fair value (in ₹)	Closing market price at NSE on the date of grant (in ₹)	Closing market price at BSE on the date of grant (in ₹)
12 June 2014	324.00	325.00	325.00	327.05
16 July 2015	559.00	531.50	531.95	534.05
14 January 2016	487.00	466.50	468.35	468.25
13 July 2016	500.00	499.90	502.55	502.30
30 March 2017	5.00	455.40	474.35	474.35
11 October 2017	518.00	654.45	518.90	519.15
17 January 2018	583.00	629.00	590.20	589.50
11 July 2018	741.00	744.00	740.50	735.95
24 August 2018	730.00	727.00	730.00	721.60
16 October 2018	678.00	688.80	677.40	671.50
16 January 2019	615.00	616.05	614.60	623.15
26 September 2019	448.00	453.00	447.40	458.95
16 October 2019	456.00	456.00	455.30	453.20
15 January 2020	450.00	453.90	449.40	454.50
06 May 2020	222.00	221.20	221.20	235.05
16 July 2020	269.00	215.40	268.85	284.15
16 July 2020	5.00	215.40	268.85	284.15
14 October 2020	378.00	379.85	376.90	374.40
21 January 2021	490.00	505.45	501.80	507.45
21 April 2021	671.00	695.00	684.65	687.95
14 July 2021	857.00	879.70	874.00	873.10
14 July 2021	5.00	879.70	874.00	873.10
19 January 2022	1011.00	1,023.95	985.95	986.30
20 April 2022	829	228.59	805.65	806.60
20 April 2022	5	679.06	805.65	806.60
21 September 2022	5	668.60	811.35	812.30

v) **Employee wise details:**

a) **Senior managerial personnel:**

Sl. No.	Name	Designation	Number of Options Granted				Exercise Price (₹)
			Associate Stock Option Plan 2008	Associate Stock Option Plan 2015	Associate Restricted Stock Units Scheme 2020	Associate Stock Option Scheme 2021	
1.	Ajay Aggarwal	Executive Director and CFO	Nil	Nil	7,850	16,000	5
2.	Karthikeyan Natarajan	Executive Director and COO	Nil	Nil	14,500	30,000	5
3.	PNSV Narasimham	Chief Human Resources Officer	Nil	Nil	660	12,000	5

b) **any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year:**

Sl. No.	Name	Designation	Number of Options Granted				Exercise Price (₹)
			Associate Stock Option Plan 2008	Associate Stock Option Plan 2015	Associate Restricted Stock Units Scheme 2020	Associate Stock Option Scheme 2021	
	Nil						

c) **identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant:**

Sl. No.	Name	Designation	Number of Options Granted				Exercise Price (₹)
			Associate Stock Option Plan 2008	Associate Stock Option Plan 2015	Associate Restricted Stock Units Scheme 2020	Associate Stock Option Scheme 2021	
	Nil						

vi) **A description of the method and significant assumptions used during the year to estimate the fair value of options:**

Sl. No.	Particulars	Associate Stock Option Plan 2008	Associate Stock Option Plan 2015	Associate Restricted Stock Units Scheme 2020	Associate Stock Option Scheme 2021
1)	weighted-average values of share price	As mentioned in table E above			
2)	exercise price	As mentioned in table E above			
3)	expected volatility	28.66 - 65.53	29.8 - 41.6	34.7 - 40.30	36 – 41
4)	expected option life	3-4 years	3-4 years	3-4 years	5 - 9 years
5)	expected dividends (%)	1.53 - 2.64	1.7 - 2.9	2.5 - 2.9	2.9
6)	risk-free interest rate	6.41-8.4	4.49 -7.9	4.49 - 5.36	5.1 - 6.3
7)	any other inputs to the model;	NA	NA	NA	NA
8)	the method used and the assumptions made to incorporate the effects of expected early exercise	The Black Scholes option pricing model was developed for estimating fair value of traded options that have no vesting restrictions and are fully transferable. Since option pricing models require use of substantive assumptions, changes therein can materially affect fair value of options. The option pricing models do not necessarily provide a reliable measure of fair value of options.			
9)	how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility;	The expected volatility is based on the historical share price movement of Cyient Limited. A standard deviation of daily movement of the historical stock price for period equal to the expected tenure of option is considered.			
10)	whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition	The tenure of the option was determined based on the vesting period and the exercise period of the option. The tenure is determined as average of minimum and maximum life. Minimum Life is end of vesting period i.e. the Grant Date + months/ years for vesting Maximum Life is end of exercise period i.e. the Grant Date + months/ years for vesting + months/ years for exercise.			

ANNEXURE-K

CEO'S Declaration

I, Karthikeyan Natarajan, Executive Director & CEO do hereby declare that pursuant to the provisions of Schedule V of the SEBI LODR Regulations, 2015, all the members of the Board and Senior Management Personnel of the Company have furnished their affirmation of compliance with the Code of Conduct of the Company, for the financial year ended 31 March 2023.

For Cyient Limited,
Karthikeyan Natarajan
Chief Executive Officer and Executive Director

Place: Hyderabad
Date: 15 April 2023

ANNEXURE-L

CEO/CFO CERTIFICATION PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Date: 15 April 2023
The Board of Directors
Cyient Limited,
Hyderabad.

Dear members of the Board,

We, Karthik Natarajan, Chief Executive Officer and Ajay Aggarwal, Chief Financial Officer of the Company hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year 2022-23 and that to the best of our knowledge and belief:
    a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
    b) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and
4. We have indicated to the auditors and the Audit committee that:
    a) there are no significant changes in internal control over financial reporting during the year;
    b) there are no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    c) there are no instances of significant fraud of which we have become aware and the involvement therein.

Karthik Natarajan
Chief Executive Officer and Executive Director
DIN 03099771

Ajay Aggarwal
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Members of Cyient Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Cyient Limited ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Standalone Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Standalone Financial Statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Standalone Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of non-current investments in subsidiaries carried at cost (as described in note 5B of the Standalone Financial Statements)	
As at March 31, 2023, the Company has non current investments in subsidiaries carried at cost of ₹ 11,469 mn. The investments in subsidiaries are tested annually for impairment using discounted cash-flow models of recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and carrying value would result in impairment. The inputs to the impairment testing model include: • Projected revenue growth, operating margins, operating cash-flows and capex during the periods relating to explicit forecasts.	Our audit procedures included the following: • We tested the design and operative effectiveness of management's key internal controls over impairment assessments. • Gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td>

Stable long-term growth rates beyond explicit forecast period and in perpetuity, and
Discount rates that represent the current market assessment of the risks specific to the cash generating unit, taking into consideration the time value of money.

The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis.
The annual impairment testing is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Standalone Financial Statements as a whole.
</td><td>

With the assistance of specialists, we assessed the assumptions on the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions.
We assessed the historical accuracy of management's forecasting by comparing actual financial performance to management's previous forecasts. We also analysed the consistency of cash flow forecasts with Management's latest estimates presented to the Board of Directors as part of the budget process.
We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used.
We tested the arithmetical accuracy of the models.
We assessed the adequacy of the related disclosures in note 5B to the Standalone Financial Statements.

</td></tr>
<tr><td colspan="2">Accuracy of recognition and measurement of Revenues (as described in note 2 and 17 of the Standalone Financial Statements)</td></tr>
<tr><td>
The application of the revenue recognition standard Ind AS 115 – "Revenue from contracts with customers" involves certain key judgements and principles for evaluating various distinctive terms/ matters.
Revenue contracts with customers have defined delivery milestones with agreed scope of work and pricing for each milestone depending on the nature of service/industry served. The pricing arrangement of these contracts is time and material; fixed bid/unit based, etc.
Revenue from fixed bid/unit-based contracts, where the performance obligation is satisfied over time has been recognised using the percentage of completion method. Use of the percentage-of-completion method requires the Company to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred.
Identification of performance obligations involves high degree of judgement and assessment of contractual terms. Also, the estimate of total efforts or remaining efforts to complete fixed bid/unit-based contracts measured using the percentage of completion method involves significant judgement throughout the period of the contract and is subject to revision as the contract progresses based on the latest available information.
As the revenue recognition involves significant estimates and judgments, we regard this as a key audit matter.
</td><td>
Our audit procedures include the following:

We tested the design and operating effectiveness of management's key internal controls over revenue recognition.
Tested relevant information technology systems' controls relating to contracts and related information used in recording and disclosing revenue.
Substantive testing of sample revenue contracts and performed the following procedures to assess management analysis of compliance with Ind AS 115:

Read, analyzed and identified the distinct performance obligations in these contracts.
Compared these performance obligations with that identified and recorded by the Company.
Considered the terms of the contracts and assessed the transaction price including any variable consideration to test revenue.

Sample contracts in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances and invoices.
In respect of fixed price contracts, progress towards completion of performance obligation used to compute revenue was verified based on actual cost relative to estimated cost from management analysis and systems or external evidence of progress. Also, reviewed cost incurred with estimated cost to identify significant variations and reasons and to verify whether those variations have been considered in estimating the remaining cost to complete the contract.

</td></tr>
<tr><td colspan="2">Allowance for credit losses for trade receivables including unbilled revenue (as described in note 2,7 and 9 of the Standalone Financial Statements)</td></tr>
<tr><td>
As at March 31, 2023, the Company has outstanding trade receivables and unbilled revenue of ₹ 7,075 mn and ₹ 1,658 mn respectively. The Company has determined the allowance for credit losses based on the ageing status and historical loss experience adjusted to reflect current and estimated future economic conditions.
We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.
</td><td>
Our audit procedures included the following:

We tested the design and operative effectiveness of management's key internal controls over allowance for credit losses.
We assessed the completeness and accuracy of the information used in the estimation of probability of default and tested historical payment records, correspondence with customers, credit related information and subsequent collection of the customers' balances.
We assessed the allowance for expected credit loss made by management and performed analysis of ageing of receivables, tested the mathematical accuracy and computation of the allowance for credit losses.

</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
   (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
   (f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
   (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 23(A)(a) to the Standalone Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 14 to the Standalone Financial Statements;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 33 to the Standalone Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, 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 Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

b) The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.

c) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Vikas Pansari

Partner

Membership Number: 093649

UDIN: 23093649BGXPKH6227

Place of Signature: Hyderabad

Date: April 20, 2023

ANNEXURE '1' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CYIENT LIMITED ("THE COMPANY")

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(a) (B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3A to the Standalone Financial Statements are held in the name of the Company except the following:

Particulars of freehold land	Gross Block As at March 31, 2023	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold land located at Nanakramguda Village, admeasuring 10 acres.	₹ 4 million	Telangana State Industrial Infrastructure Corporation Limited	No	Since 2005	Pending completion of legal formalities relating to conveyance

(d) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not involve inventories. Accordingly, the requirements to report on clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 27 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited books of accounts of the Company.

(iii) (a) During the year the Company has provided loans and stood guarantee to subsidiary / step down subsidiary companies as follows:

(₹ in millions)

	Guarantees	Loans
Aggregate amount granted/ provided during the year	9,464	299*
Balance outstanding as at balance sheet date in respect of subsidiary / step down subsidiary companies	17,241	2,047

*Does not include loans extended/ renewed during the year (refer clause iii(e))

During the year, the Company has not granted loans or advances in the nature of loans, stood guarantee or provided security to any other parties.

(b) During the year the investments made, guarantees provided and the terms and conditions of the grant of all loans, investments and guarantees to subsidiary companies are not prejudicial to the Company's interest.

(c) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted to subsidiaries and the repayment/receipts are regular.

(d) There are no amounts of loans granted to subsidiary companies, which are overdue for more than ninety days.

(e) The Company had granted loans to subsidiary companies which had fallen due during the year. The Company has extended due date of payment during the year to the respective parties to settle the dues which had fallen due for the existing loans.

The aggregate amount of such dues extended and the percentage of the aggregate to the total loans granted during the year are as follows:

Name of subsidiary company	Aggregate amount of loans granted during the year*	Aggregate amounts of existing loans extended	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Cyient DLM Limited (formerly Cyient DLM Private Limited)	₹ 540 million	₹ 540 million	100%
Cyient Solutions and Systems Private Limited	₹ 311 million	₹ 311 million	100%

*Represents the loans extended/ renewed during the year.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, guarantees and security in respect of which provisions of sections 185 of the Act is applicable. Loans, investments, guarantees and security in respect of which provisions of section 186 of the Act are applicable, have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs and other statutory dues applicable to it. The provisions relating to sales tax, service tax, value added tax, duty of excise and cess are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) There are no dues of goods and services tax, provident fund, employees' state insurance, customs duty and other statutory dues which have not been deposited on account of any dispute. The dues of income-tax, sales-tax, service tax and value added tax have not been deposited on account of any dispute, are as follows:

₹ in millions

Name of the statute	Nature of the dues	Period to which the amount relates	Amount involved	Amount paid under protest	Forum where the dispute is pending
Central Sales Tax Act,1956	Sales Tax	2004-05 to 2009-10, 2012-13 & 2015-16 to Jun-17	17	12	Commissioner of Commercial Taxes (Appeals)
Andhra Pradesh Value Added Tax Act, 2005	Value Added Tax	2005-06 to 2009-10	4	2	Commissioner of Commercial Taxes (Appeals)
Finance Act, 1994	Service Tax	Apr-13 to Jun-17	182	0.1	Commissioner (Central Excise and Service tax)
		April 2013 to June 2017	50	-	Customs, Excise and Service Tax Appellate Tribunal
		Apr'2006 to Mar'2010	137	-	The Supreme court of India
		Oct-13 to Sep-14	2	1	Commissioner - Audit (Central Excise and Service tax)
Income Tax Act, 1961	Income Tax	2010-11, 2011-12, 2017-2018, 2018-19 and 2019-20.	46*	20	Commissioner of Income Tax (Appeals)

(* excluding interest and penalty)

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.

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

(c) The Company did not have any term loans outstanding during the year. Accordingly, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the Standalone Financial Statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint venture entity. The Company does not have any associate.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint venture entity. Accordingly, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of public offer (including debt instruments). Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company as per the provisions of the Act. Accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the Standalone Financial Statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with its directors. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934, are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial years.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly, requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 32 to the Standalone Financial Statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements, our knowledge of the Board of Directors' and management's plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 22(i) to the Standalone Financial Statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 22(i) to the Standalone Financial Statements.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

____

per Vikas Pansari

Partner

Membership Number: 093649

UDIN: 23093649BGXPKH6227

Place of Signature: Hyderabad

Date: April 20, 2023

ANNEXURE '2' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CYIENT LIMITED ("THE COMPANY")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of Cyient Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Standalone Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has maintained, in all material respects, adequate internal financial controls with reference to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Vikas Pansari

Partner

Membership Number: 093649

UDIN: 23093649BGXPKH6227

Place of Signature: Hyderabad

Date: April 20, 2023

Balance Sheet as at March 31, 2023

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

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3A	2,453	2,561
Right of use assets	3C	1,405	1,064
Capital work-in-progress	3B	2	70
Goodwill	5A	110	-
Other intangible assets	4	775	148
Financial assets			
(a) Investments	5B	13,376	8,047
(b) Loans	6	1,196	1,111
(c) Other financial assets	7	177	179
Deferred tax assets (net)	16 (d)	339	203
Income tax assets (net)	16 (f)	238	763
Other non-current assets	8	153	207
Total non-current assets		**20,224**	**14,353**
Current assets			
Financial assets			
(a) Investments	5	1,718	866
(b) Trade receivables	9	7,075	4,589
(c) Cash and cash equivalents	10A	1,152	8,748
(d) Other bank balances	10B	1	1
(e) Loans	6	543	540
(f) Other financial assets	7	2,146	1,744
Other current assets	8	1,120	1,021
Total current assets		**13,755**	**17,509**
Total assets		**33,979**	**31,862**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11A	553	552
Other equity	11B	26,476	25,435
Total equity		**27,029**	**25,987**

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(a) Lease liabilities	3C	1,026	798
(b) Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	63
(c) Other financial liabilities	14	2	28
Provisions	12	1,004	1,052
Total non-current liabilities		**2,032**	**1,941**
Current liabilities			
Financial liabilities			
(a) Lease liabilities	3C	337	358
(b) Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		8	21
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,114	2,577
(c) Other financial liabilities	14	253	136
Income tax liabilities (net)	16 (f)	134	114
Provisions	12	409	210
Other current liabilities	15	663	518
Total current liabilities		**4,918**	**3,934**
Total liabilities		**6,950**	**5,875**
Total equity and liabilities		**33,979**	**31,862**
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements			

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient Limited

Vikas Pansari
Partner
Membership No.: 093649

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Place : Hyderabad
Date : April 20, 2023

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

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

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from operations	17	22,279	17,505
Other income	18	822	2,753
Total income		**23,101**	**20,258**
EXPENSES			
Employee benefits expense	19	11,964	8,954
Finance costs	20	166	104
Depreciation and amortisation expense	21	1,135	967
Other expenses	22	5,213	3,423
Total expenses		**18,478**	**13,448**
Profit before tax		**4,623**	**6,810**
Tax expense	16 (a)		
Current tax		1,099	1,162
Deferred tax credit		(24)	(43)
Total tax expense		**1,075**	**1,119**
Profit for the year		**3,548**	**5,691**
Other comprehensive income (OCI)			
(a) Items that will not be reclassified subsequently to statement of profit and loss:			
(i) Remeasurements of the net defined benefit liability	12	(64)	(47)
(ii) Equity instruments through other comprehensive income		(1)	(1)
(ii) Income tax relating to items that will not be reclassified to statement of profit and loss	16 (b)	16	10

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
(b) Items that will be reclassified subsequently to statement of profit and loss:			
(i) Effective portion of gains/(loss)on designated portion of hedging instruments in a cash flow hedge	11B	(305)	6
(ii) Income tax on items that will be reclassified to statement of profit and loss	16 (b)	96	(2)
Total other comprehensive income / (loss)		**(258)**	**(34)**
Total comprehensive income for the year		**3,290**	**5,657**
Earnings per equity share (par value of ₹ 5 each)	25		
Basic (₹)		32.44	52.03
Diluted (₹)		32.22	51.80
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements			

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Statement of Cash Flow for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit for the year	**3,548**		**5,691**	
Adjustments for:				
Tax expense	1,075		1,119	
Dividend from subsidiary	-		(1,711)	
Depreciation and amortisation expense	1,135		967	
Profit on sale of property, plant and equipment and termination of leases (net)	(125)		(29)	
Finance costs	166		104	
Interest income	(334)		(539)	
Dividend from mutual funds	(31)		-	
Loss / (gain) on fair valuation of financial assets and financial liability	1		(9)	
Share-based payment to employees	212		115	
Provision for expected credit loss (net)	164		26	
Gain on sale of equity investment	(7)		-	
Unrealised forex loss, net	22		1	
Operating profit before working capital changes		**5,826**		**5,735**
Changes in working capital:				
Adjustments for increase in operating assets:				
Trade receivables	(2,472)		(293)	
Other financial assets	(640)		(287)	
Other assets	(48)		(289)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	307		(115)	
Other current liabilities	156		(711)	
Provisions	79		59	
Cash generated from operations		**3,208**		**4,099**
Net income taxes paid		(554)		(1,085)
Net cash flow from operating activities (A)		**2,654**		**3,014**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment towards purchase of property, plant and equipment and intangible assets	(320)		(524)	
Proceeds from sale of property, plant and equipment	22		4	
Investments in				
- subsidiaries	(5,608)		-	
- mutual funds	(5,767)		(2,000)	
- bonds	(1,153)		(2,279)	
- commercial paper	(294)		-	
Proceeds from sale of investments in				
- mutual funds	5,535		1,307	
- bonds	1,121		-	
Proceeds from sale of equity investment	892		-	
Loans given to subsidiaries	(298)		(825)	
Loans repaid by subsidiaries	213		647	
Interest received	395		438	
Dividend received from mutual funds	31		-	
Dividend received from subsidiary	-		1,711	
Payment towards acquisition of business	(1,747)		-	
Movement in other bank balances (net)	-		(1)	
Net cash used in investing activities (B)		**(6,978)**		**(1,522)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Purchase of treasury shares	-		(950)	
Proceeds from issue of equity shares (includes share application money)	79		121	
Interest paid	(26)		(3)	
Repayment of lease liabilities	(729)		(506)	
(Repayment of)/ proceeds from sale and leaseback of assets	(26)		9	
Dividends paid (includes transfer to investor education and protection fund)	(2,630)		(2,952)	
Net cash used in financing activities (C)		**(3,332)**		**(4,281)**
Net decrease in cash and cash equivalents (A+B+C)		(7,656)		(2,789)
Cash and cash equivalents at the beginning of the year		8,748		11,541
Exchange differences on translation of foreign currency cash and cash equivalents		60		(4)
Cash and cash equivalents at the end of the year (refer note (i) below)		**1,152**		**8,748**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Notes:		
(i) Cash and cash equivalents comprises of (refer note 10A):		
Balances with banks		
in current accounts	756	476
in deposit accounts	285	5,103
Deposits with financial institutions	-	3,150
Unpaid dividend account	28	19
Remittances in transit	83	-
	1,152	**8,748**

Accompanying notes form an integral part of the financial statements

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors
Cyient Limited

Vikas Pansari
Partner
Membership No.: 093649

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Place : Hyderabad
Date : April 20, 2023

Statement of changes in equity for the year ended March 31, 2023

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

a. Equity share capital

Particulars	Notes	Amount
Balance as at April 1, 2021		550
Issue of shares during the year*	11A	2
Balance as at March 31, 2022		**552**
Issue of shares during the year*	11A	1
Balance as at March 31, 2023		**553**

* During the year, the Company allotted 257,590 (March 31, 2022 -287,604) equity shares of ₹ 5 each valuing ₹ 1.29 (March 31, 2022 - ₹ 1.44) (rounded off), consequent to the exercise of the stock options by the associates of the Company under the Associate Stock Option Plan.

b. Other equity

Particulars	Notes	Reserves and surplus								Items of other comprehensive income		Total other equity
		Capital Redemption Reserve	Securities premium	General reserve	Share based payments reserve	Special Economic Zone ('SEZ') Reinvestment Reserve	Treasury Shares	Retained earnings	Share application money pending allotment	Cash flow hedge reserve	Equity instruments through OCI	
Balance as at April 1, 2021		**16**	**2,111**	**5,273**	**158**	**-**	**-**	**15,734**	**7**	**124**	**6**	**23,429**
Profit for the year	11B	-	-	-	-	-	-	5,691	-	-	-	5,691
Other comprehensive loss	11B	-	-	-	-	-	-	(37)	-	4	(1)	(34)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**5,654**	**-**	**4**	**(1)**	**5,657**
Issue of shares on exercise of associate stock options	11B	-	184	-	(56)	-	-	-	(7)	-	-	121
Share-based payments expense	11B	-	-	-	130	-	-	-	-	-	-	130
Dividend on equity shares	31	-	-	-	-	-	-	(2,952)	-	-	-	(2,952)
Purchase of treasury shares	11A	-	-	-	-	-	(950)	-	-	-	-	(950)
Transfer to SEZ re-investment reserve	11B	-	-	-	-	65	-	(65)	-	-	-	-
Balance as at March 31, 2022		**16**	**2,295**	**5,273**	**232**	**65**	**(950)**	**18,371**	**-**	**128**	**5**	**25,435**

Particulars	Notes	Reserves and surplus								Items of other comprehensive income		Total other equity
		Capital Redemption Reserve	Securities premium	General reserve	Share based payments reserve	Special Economic Zone ('SEZ') Reinvestment Reserve	Treasury Shares	Retained earnings	Share application money pending allotment	Cash flow hedge reserve	Equity instruments through OCI	
Profit for the year	11B	-	-	-	-	-	-	3,548	-	-	-	3,548
Other Comprehensive loss	11B	-	-	-	-	-	-	(48)	-	(209)	(1)	(258)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**3,500**	**-**	**(209)**	**(1)**	**3,290**
Issue of shares on exercise of associate stock options	11B	-	132	-	(54)	-	-	-	-	-	-	78
Share-based payments expense	11B	-	-	-	307	-	-	-	-	-	-	307
Dividend on equity shares	31	-	-	-	-	-	-	(2,634)	-	-	-	(2,634)
Balance as at March 31, 2023		**16**	**2,427**	**5,273**	**485**	**65**	**(950)**	**19,237**	**-**	**(81)**	**4**	**26,476**

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

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Notes forming part of the financial statements for the year ended March 31, 2023

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

1. Corporate information

Cyient Limited ('Cyient' or 'the Company') is engaged in providing global technology services and solutions specialising in geospatial, engineering design, IT solutions and data analytics. The Company is a public limited Company incorporated in India and has its headquarters and development facilities in India and serves a global customer base through its subsidiaries in the United States of America ('USA'), United Kingdom ('UK'), Germany, Japan, Australia Singapore, Portugal and Finland. The Company's range of services include digitisation of drawings and maps, photogrammetry, computer aided design/engineering ('CAD/CAE'), design and modelling, repair development engineering, reverse engineering application software development, software products development, consulting, analytics and implementation. Cyient specialises in software services and solutions for the manufacturing, utilities, telecommunications, transportation & logistics, local government and financial services markets.

The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is located at 4th Floor, "A" Wing, Plot No. 11, Software Units Layout, Infocity, Madhapur, Hyderabad 500 081, India.

The financial statements were authorised for issue in accordance with a resolution of the directors on April 20, 2023.

2. Significant accounting policies

2.1 Statement of compliance

The financial statements of the Company 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, (Ind AS compliant Schedule III), as applicable to the financial statements.

2.2 Basis of preparation and presentation

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

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.3 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions considered in the reported amounts of assets and liabilities and disclosures relating to contingent liabilities as at the date of the 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 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 financial statements in the period in which results are known and, if material, are disclosed in the financial statements.

Significant areas of estimation of uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements such as:

- Impairment assessment of investments and intangible assets under development;
- Revenue recognition and related cost estimation;
- Share-based payments;
- Provision for income tax and recoverability of deferred tax assets;
- Fair Value measurement of financial instruments;
- Determination of purchase price allocation and valuation of intangible assets; and
- Allowance for expected credit losses on trade receivables and unbilled revenue.

2.4 Business combinations and goodwill

The Company 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 Company, liabilities incurred by the Company to the former owners of the acquiree and the equity interest issued by the Company in exchange of control of the acquiree. Acquisition related costs are generally recognised in the 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 those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised 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 recognised directly in equity as capital reserve.

When the consideration transferred by the Company 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 as 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 recognised in the statement of profit and loss.

Acquisition of some or all of the NCI is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the Company. No goodwill is recognised as a result of such transactions.

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 entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Goodwill

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.

For the purposes of impairment testing, goodwill is allocated to each of the Company's cash generating units that is expected to benefit from the synergies of the combination.

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. Any impairment loss for goodwill is recognised directly in statement of profit and loss. An impairment loss recognised for goodwill is not reversed in the subsequent periods.

2.5 Foreign currency translation

i) Functional and presentation currency

These financial statements are presented in INR, which is the functional and presentation currency of the Company.

ii) Transactions and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the 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 realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

2.6 Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to the acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

The Company 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 Companies Act, 2013 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. Freehold land is not depreciated.

Type of asset	Useful lives
Buildings	28 years
Leasehold improvements	Shorter of lease period or estimated useful lives
Computers	3-5 years
Plant and equipment	10 years
Office equipment	5 years
Furniture and fixtures	10 years
Electrical installations	10 years
Vehicles	8 years

Depreciation methods, useful lives and residual values are reviewed periodically including at each financial year end.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 'other income' of the 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.

2.7 Intangible assets

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

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised 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 amortised over their estimated useful life on a straight-line basis as follows:

Type of asset	Useful lives
Computer software	3 years/ Over the period of the respective project
Customer contracts	10 years
Other intangible assets	Over the period of the respective project

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use. 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 'other income' of the statement of profit and loss when the asset is de-recognised.

Expenditure incurred towards development is eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

Amortisation methods and useful lives are reviewed periodically at each financial year end.

Research and development costs

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, availability of resources to complete the asset is established, the Company has intention and ability to complete and use the asset and the costs are reliably measured, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

Amortisation and impairment of development cost

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

2.8 Leases

Company as a lessee

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

At the date of commencement of the lease, the Company 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 Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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.

ROU asset	Useful lives
Leasehold land	15-33 years
Buildings	3-15 years
Computers	2-5 years

ii) Lease liabilities

The lease liability is initially measured at amortised 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.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

2.9 Income taxes

The income tax expense or credit for the period is the tax payable on the taxable income based on the applicable income tax rate 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 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 is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Company operates and generate taxable income.

Deferred tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the 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.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and interest in joint arrangements where the Company 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 utilise 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.

Minimum alternate tax ('MAT') paid in a year is charged to the statement of profit and loss as current tax for the year. MAT credit is recognised in accordance with tax laws in India as a deferred tax asset only to the extent that is probable that the Company will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. The Company reviews the MAT credit at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

In the situations where one or more units in the Company are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

2.10 Cash and cash equivalents

Cash comprises cash on hand, in bank, demand deposits with banks and with financial institutions. The Company 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.

Cash flows are reported using indirect method, whereby profit / (loss) after tax is adjusted for the effects of transaction of non- cash nature and any deferrals or accruals of past or future cash receipts or payments for the year. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.11 Equity share capital:

Ordinary shares are classified as equity. Shares bought back are shown as a deduction from equity. No gain or loss is recognised in the statement of profit and loss on purchase, sale, issue or cancellation of equity instruments, except in case of employee stock options. Incremental costs directly attributable to the issuance of equity shares or buyback of equity shares are recognised as a deduction from equity, net of taxes.

2.12 Provisions and contingent liabilities

Provisions

Provisions are recognised when the Company 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 desired by the company from a contract are lower than unavoidable costs of meeting to 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.

Contingencies

Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

2.13 Revenue

The Company derives revenue primarily from services and solutions specialising in geospatial, engineering design, analytics, network and operations solutions. Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a product or a service to a customer. The method for recognising revenues and costs depends on the nature of services rendered as mentioned below:

a) **Time and material:** Revenue from time and material contracts are recognised 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 recognised as unbilled revenue.

b) **Fixed price contracts:** Revenue from fixed price contracts is recognised 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. In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognised with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilised by the customer is recognised as revenue on completion of the term.

c) **Maintenance contracts:** Revenue from fixed price maintenance contracts are recognised pro-rata over the term of the maintenance arrangement.

Revenue from contract with customers is recognised by applying revenue recognition criteria specified in Ind AS 115 'Revenue from Contracts with Customers' for each distinct performance obligation. The arrangement with customer specify services to be rendered which meet criteria of performance obligations. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted for prospective, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (unearned revenue).

The Company accounts for the deferred contract costs, upfront costs incurred for the contract, on a systematic amortisation that is consistent with the transfer to the customer of the goods or services to which the asset relates.

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive.

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

2.14 Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.

Dividend income is recognised when the Company's right to receive dividend is established.

Foreign currency gains and losses are reported on net basis. This includes the changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through statement of profit and loss.

2.15 Government grants/incentives

Government grants are recognised when there is a reasonable assurance that:

a) The Company will comply with the conditions attached to them; and

b) The grant will be received.

Export entitlements from government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. Grants are recognised net of attributable expenses.

2.16 Employee benefits

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

Defined benefit plans

Gratuity

The Company 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 recognised in the 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 statement of profit and loss. 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. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the statement of profit and loss as past service cost.

Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilised accrued compensated absence and utilise it in future periods or receive cash compensation at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The Company 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.

Defined contribution plans

Contributions in respect of provident fund and pension 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 service are rendered by the employees.

Contributions under the superannuation plan which is a defined contribution scheme, are made to a fund administered and managed by the Life Insurance Corporation 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.

Other short-term employee benefits

Other short-term employee benefits, including overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders service.

2.17 Share-based payments

The Company recognises compensation expense relating to share-based payments in the statement of profit and loss, using fair value in accordance with Ind AS 102 'Share-based Payments'. The Company issues equity-settled and cash-settled share-based options to eligible employees under various stock option schemes established after June 19, 1999.

These 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 expensed on a straight-line basis over the vesting period, based on the Company'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 Company revises its estimate of the number of equity instruments expected to vest. The impact of the original estimates, if any, is recognised in the 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 recognised in the statement of profit and loss.

The dilutive effect of outstanding options if any is reflected as additional share dilution in the computation of diluted earnings per share.

2.18 Earnings per share

The Company presents basic and diluted earnings per share ('EPS') data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the statement of profit and loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees and Restricted Share Units ('RSU's') outstanding.

2.19 Operating segments

The Company's Chief Operating Decision maker is the Executive Vice Chairman and Managing Director who evaluates Company's performance and allocates resources based on analysis of various performance indicators by business verticals and geographical segmentation of customers. The Company has only one reportable business segment, which is rendering of Services. Segment information has been presented in the consolidated financial statements in accordance with Ind AS 108 'Operating Segments' notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.20 Financial instruments

(A) Initial recognition

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value and subsequently measured at amortised cost, fair value through other comprehensive income ('FVTOCI') and fair value through profit or loss ('FVTPL'). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the statement of profit and loss. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies for revenue in note 2.13.

(B) Subsequent measurement

a. Non-derivative financial instruments

i) **Financial assets carried at amortised cost:** A financial asset is subsequently measured at amortised 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.

ii) **Financial assets at FVTOCI:** A financial asset is subsequently measured at FVTOCI 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 Company 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.

iii) **Financial assets at FVTPL:** Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) **Financial liabilities:** Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised in a business combination which is subsequently measured at fair value through 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.

v) **Investment in subsidiaries:** Investment in subsidiaries is carried at cost in the separate financial statements.

b. Derivative financial instruments:

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the statement of profit and loss and is included in 'Other income'.

c. Hedge accounting

The Company designates derivative contracts in a cash flow hedging relationship by applying the hedge accounting principles designated in a hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to certain highly probable forecast transactions.

At the inception of the hedge relationship, the Company documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

These derivative contracts are stated at the fair value at each reporting date.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the statement of profit and loss in the periods when the hedged item affects profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

d. De-recognition of financial assets and liabilities

Financial assets

The Company de-recognises 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 Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised 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 recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

Financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the statement of profit and loss.

e. Foreign exchange gains and losses

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.
- For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the 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 recognised in the statement of profit and loss.

2.21 Determination of fair values

In determining the fair value of its financial instruments, the Company 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 realised.

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 Company takes into account the characteristics of asset or liability of market participants when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these 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 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' or value in use in Ind AS 36 ' Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised 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.

2.22 Impairment of assets

a. Financial assets

The Company recognises 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 months 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 recognised as an impairment gain or loss in the statement of profit and loss.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 'Financial Instruments', which requires expected lifetime losses to be recognised from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognised in the statement of profit and loss.

b. Non-financial assets

Other intangible assets, intangible assets under development, property, plant and equipment, capital work-in-progress 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 cash generating unit ('CGU') to which the asset belongs. Intangible assets under development are tested for impairment annually. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated.

If such assets are considered to be impaired, the impairment to be recognised in the 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 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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.23 Cash dividend to equity holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.24 Treasury shares

The Company has created an Employee Benefit Trust ('EBT') for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares of the Company from the market, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are satisfied with treasury shares.

2.25 New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2022. The Company has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Onerous contracts – Costs of fulfilling a contract – Amendments to Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Company cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

(ii) Reference to the conceptual framework – Amendments to Ind AS 103 'Business Combinations'

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to Ind AS 103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

(iii) Property, plant and equipment: Proceeds before intended use – Amendments to Ind AS 16 'Property, Plant and Equipment'

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

(iv) Ind AS 101 'First-time Adoption of Indian Accounting Standards' – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

(v) Ind AS 109 – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

These amendments had no impact on the financial statements of the Company. The Company intends to use the practical expedients in future periods if they become applicable.

2.26 Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April 1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

The amendments are not expected to have a material impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1 'Presentation of Financial Statements'

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendments have been made in Ind AS 107 'Financial Instruments: Disclosures'.

The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred tax related to assets and liabilities arising from a single transaction - Amendments to Ind AS 12 'Income Taxes'

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

The Company is currently assessing the impact of the amendments.

3A. Property, plant and equipment

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amounts of:		
Freehold land	16	16
Buildings	1,372	1,346
Leasehold improvements	-	-
Computers	281	350
Plant and equipment	383	399
Office equipment	81	90
Furniture and fixtures	125	167
Electrical installations	128	141
Vehicles	67	52
Total	**2,453**	**2,561**

Notes:

a. Movement in the carrying amounts of property, plant and equipment is as below:

Particulars	Freehold land [refer note (b) below]	Buildings [refer note (c) below]	Leasehold improvements	Computers [refer note (d) below]	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Total
I. Cost										
Balance as at April 1, 2021	**16**	**2,195**	**4**	**1,705**	**1,194**	**476**	**617**	**549**	**37**	**6,793**
Additions	-	51	-	235	58	10	4	3	49	410
Deletions	-	(4)	-	-	(7)	-	(14)	-	(4)	(29)
Balance as at March 31, 2022	**16**	**2,242**	**4**	**1,940**	**1,245**	**486**	**607**	**552**	**82**	**7,174**
Additions	-	112	-	90	58	30	8	15	28	341
Deletions	-	-	-	(198)	-	-	-	-	(14)	(212)
Balance as at March 31, 2023	**16**	**2,354**	**4**	**1,832**	**1,303**	**516**	**615**	**567**	**96**	**7,303**
II. Accumulated depreciation										
Balance as at April 1, 2021	**-**	**818**	**4**	**1,379**	**781**	**354**	**410**	**385**	**26**	**4,157**
Depreciation for the year	-	79	-	211	67	42	34	26	8	467
Deletions	-	(1)	-	-	(2)	-	(4)	-	(4)	(11)
Balance as at March 31, 2022	**-**	**896**	**4**	**1,590**	**846**	**396**	**440**	**411**	**30**	**4,613**
Depreciation for the year	-	86	-	152	74	39	50	28	13	442
Deletions	-	-	-	(191)	-	-	-	-	(14)	(205)
Balance as at March 31, 2023	**-**	**982**	**4**	**1,551**	**920**	**435**	**490**	**439**	**29**	**4,850**
III. Carrying amounts (I-II)										
Net book value as at March 31, 2022	**16**	**1,346**	**-**	**350**	**399**	**90**	**167**	**141**	**52**	**2,561**
Net book value as at March 31, 2023	**16**	**1,372**	**-**	**281**	**383**	**81**	**125**	**128**	**67**	**2,453**

b. Includes ₹ 4 (March 31, 2022 - ₹ 4) in respect of which land allocation letters have been received, pending completion of legal formalities relating to conveyance.

Particulars of freehold land	Gross block as at March 31, 2023	Title deeds held in the name of	Whether title deed holder is promoter, director or relative of promoter/director or employee of director/promoter	Property is held since which date	Reason for not being held in the name of the company
Freehold land located at Nanakramguda Village, admeasuring 10 acres.	4	Telangana State Industrial Infrastructure Corporation Limited	No	Since 2005	Pending completion of legal formalities relating to conveyance

c. Includes ₹ 615 (March 31, 2022 - ₹ 609) relating to building constructed on leasehold land

d. During the year, the Company has entered into sale and leaseback transaction for sale of computers for a consideration of ₹ Nil (March 31, 2022 - ₹ 40) . As the transaction has not met conditions specified under Ind AS 115, these assets continued to be recognised under property, plant and equipment and financial liability equivalent to the sale consideration has been recognised in other financial liabilities. As at March 31, 2023, closing balance of the financial liability, net of repayment is ₹ 34 (March 31, 2022 - ₹ 60) (refer note 14).

3B. Capital work-in-progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital work-in-progress	2	70

(a) Ageing of capital work-in-progress:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at March 31, 2023					
Projects in progress	2	-	-	-	2
Total	**2**	**-**	**-**	**-**	**2**
Balance as at March 31, 2022					
Projects in progress	70	-	-	-	70
Total	**70**	**-**	**-**	**-**	**70**

3C. Leases

(a) Right of use assets:

Particulars	Category of ROU assets			
	Leasehold land	Buildings	Computers	Total
Balance as at April 1, 2021	39	700	170	**909**
Additions	-	104	621	725
Deletions	-	(161)	-	(161)
Depreciation	(4)	(155)	(250)	(409)
Balance as at March 31, 2022	**35**	**488**	**541**	**1,064**
Additions	-	315	887	1,202
Deletions	-	(295)	-	(295)
Depreciation	(4)	(177)	(385)	(566)
Balance as at March 31, 2023	**31**	**331**	**1,043**	**1,405**

(b) Current and non current lease liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	337	358
Non-current lease liabilities	1,026	798
Total	**1,363**	**1,156**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	**1,156**	**1,041**
Additions	1,202	725
Deletions	(406)	(205)
Finance cost accrued during the year	140	101
Payment of lease liabilities	(729)	(506)
Balance at the end of the year	**1,363**	**1,156**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	457	399
One to five years	1,264	770
More than five years	-	295
Total	**1,721**	**1,464**

The Company does not face a significant liquidity risk with regard to its lease liabilities, as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the statement of profit and loss.

Rental expense for low value assets and short-term leases was ₹ 35 (March 31, 2022 - ₹ 35) included under other expenses in the statement of profit and loss (refer note 22).

4. Other Intangible assets

Particulars	As at March 31, 2023	As at March 31, 2022
Computer software	104	141
Customer Contracts	667	7
Other intangible assets	4	-
Total	**775**	**148**

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

Particulars	Computer Software	Customer Contracts	Other Intangible assets	Total
I. Cost				
Balance as at April 1, 2021	**3,003**	**-**	**147**	**3,150**
Additions (refer note below)	33	22	791	846
Disposals	-	-	(791)	(791)
Balance as at March 31, 2022	**3,036**	**22**	**147**	**3,205**
Additions through business combination (refer note 5A)	-	734	6	740
Additions	21	-	-	21
Disposals	-	(22)	-	(22)
Balance as at March 31, 2023	**3,057**	**734**	**153**	**3,944**
II. Accumulated amortisation				
Balance as at April 1, 2021	**2,825**	**-**	**147**	**2,972**
Amortisation for the year	70	15	6	91
Disposals	-	-	(6)	(6)
Balance as at March 31, 2022	**2,895**	**15**	**147**	**3,057**
Amortisation for the year	58	67	2	127
Disposals	-	(15)	-	(15)
Balance as at March 31, 2023	**2,953**	**67**	**149**	**3,169**
III. Carrying amounts (I-II)				
Net book value as at March 31, 2022	**141**	**7**	**-**	**148**
Net book value as at March 31, 2023	**104**	**667**	**4**	**775**

Note:

During the year 2021-22, the Company entered into an agreement with a third party, wherein it was granted technology license to develop (namely Software Design Radio), test and commercially utilise the benefits from such testing and development activity. Accordingly, the initial amount and subsequent development costs aggregating to ₹ 791 had been classified under 'intangible assets under development'.

On December 22, 2021, the Board of Directors authorized the Company to hive off the Software Design Radio (SDR) division to Innovation Communications Systems Limited (ICS), a company in the business of wireless communication systems. The transfer was undertaken through a Business Transfer Agreement between the Company and ICS dated December 31, 2021 for ₹ 791.

In exchange for the SDR division and an additional cash investment of ₹ 100 by the Company in ICS aggregating to ₹ 891, the Company received a 15% stake in the paid up share capital of ICS (on a fully diluted basis). The said transfer was recorded in the books at fair value and did not result in any material profit / loss on disposal.

.

5A. Goodwill

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	-	-
Additions on account of business combinations (refer note below)	110	-
Balance at the end of the year	**110**	**-**

Note:

On May 6, 2022, the Company entered into a Business Transfer Agreement (BTA) to acquire Specified Business of Klaus IT Solutions Private Limited ('Klaus IT') relating to provision of professional services being engineering, software and IT for an upfront cash consideration of ₹ 850 Mn. Klaus IT's business has been acquired by the Company effective April 30, 2022 on completion of the closing conditions under the BTA and has been consolidated with effect from that date.

The fair value of the purchase consideration of ₹ 850 has been paid upfront. The fair value of net assets acquired on the acquisition date amounted to ₹ 740. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill of ₹ 110 and it also entails the movement of manpower to the Company. Goodwill arising on the acquisition is not deductible for tax purposes. 'Klaus IT' has contributed revenues amounting to ₹ 612 and profit amounting to ₹ 105 to the Company's performance for the year ended March 31, 2023. If the acquisition had taken place at the beginning of the year, revenues would have been ₹ 667 and the profit would have been ₹ 115.

5B. Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current (unquoted) (refer note (a) below)		
Investment carried at cost:		
(i) Equity instruments of subsidiary companies (unquoted)	11,469	4,957
(ii) Equity instruments of joint venture company (unquoted)	-	-
	11,469	**4,957**
Investment carried at fair value through other comprehensive income:		
(i) Equity instruments of other entities (unquoted)	37	923
Investment carried at amortised cost		
(i) Investment in Tax free bonds (quoted)	1,656	1,716
(ii) Investment in perpetual bonds (quoted)	204	441
Investment carried at fair value through profit and loss:		
(i) Compulsorily convertible preference shares of other entities (unquoted)	10	10
Total Non-current investments	**13,376**	**8,047**
Current		
Investment carried at fair value through profit and loss		
(i) Investments in mutual funds (quoted)	995	704
Investment carried at amortised cost		
(i) Investment in perpetual bonds (quoted)	428	162
(ii) Investment in commercial paper (quoted)	295	-
Total Current investments	**1,718**	**866**
Aggregate book value of quoted investments	**3,578**	**3,023**
Aggregate market value of quoted investments	**3,435**	**2,980**
Aggregate value of unquoted investments	**11,516**	**5,890**

Note (a): Details of investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Investment carried at cost:				
Equity instruments of subsidiary companies (fully paid-up):				
Cyient Inc., USA	500,500	993	500,500	993
Cyient Europe Limited, UK @5	377,380,952	4,276	185,000,000	304
Cyient GmbH, Germany	12,000	71	12,000	71
Cyient KK, Japan (refer note 24A(i))	900	5	900	5
Cyient Singapore Private Limited, Singapore @6	19,833,744	890	3,599,977	144
Cyient Australia Pty Limited, Australia @1	1,000	-	1,000	-
Cyient Insights Private Limited, India	1,999,478	122	1,999,478	122
Cyient DLM Limited (Formerly Cyient DLM Private Limited) @7	52,866,000	4,175	1,367,000	3,286
Cyient Israel India Limited, Israel	1,817,100	32	1,817,100	32
Citec Engineering India Private Limited @4	241,998	905	-	-
Cyient Solutions and Systems Private Limited, India @2	10,200	-	10,200	-
Sub total		**11,469**		**4,957**
Equity instruments of joint venture company (fully paid-up):				
Infotech HAL Limited, India @3	2,000,000	-	2,000,000	-
Investment carried at fair value through other comprehensive income:				
Equity instruments of other entities (fully paid-up):				
Cardiac Design Labs Private Limited, India	6,036	16	6,036	20
Qunu Labs Private Limited, India	67,437	21	67,437	18
Innovation Communications Systems Private Limited, India @8	-	-	2,342,869	885
Sub total		**37**		**923**
Investment carried at fair value through profit and loss:				
Compulsorily convertible preference shares of other entities (fully paid-up):				
Cardiac Design Labs Private Limited, India	3,048	10	3,048	10
Total		**11,516**		**5,890**

@1. Investment value is ₹ 0.05 (March 31, 2022: ₹ 0.05), rounded off.

@2. Investment value is ₹ 0.1 (March 31, 2021: ₹ 0.1), rounded off.

@3. In the year 2020-21, the Company has impaired the carrying value of its investment in joint venture company, Infotech HAL Limited, India of ₹ 20, based on the long term outlook of the business.

@4. Acquired 100% of equity shares of Citec Engineering India Limited on September 01, 2022.

@5.Subscribed to 192,380,952 fully paid up equity shares @ GBP 0.21 per share.

@6. Subscribed to 16,233,767 fully paid up equity shares @ SGD 0.77 per share.

@7. Subscribed to 1,570,000 fully paid up equity shares @ ₹ 566 per share.

@8. During the year, investment has been sold for ₹ 892 resulting in gain of ₹ 7 (refer note 18).

Note (b): Gain/ (loss) on fair valuation of investments:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cardiac Design Labs Private Limited, India	(4)	6
Qunu Labs Private Limited	3	(3)

Note (c): Carrying values:

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of Investments carried at fair value through other comprehensive income	37	923
Investment carried at cost (non-current)	11,469	4,957
Investment carried at amortised cost (current and non-current)	2,583	2,319
Aggregate amount of Investments carried at fair value through profit and loss (current and non-current)	1,005	714

6. Loans

Particulars	As at March 31, 2023	As at March 31, 2022
(at amortised cost)		
Non-current:		
Loan to subsidiaries (refer note (i) below and 24)		
Considered good	1,196	1,111
Considered doubtful	311	311
Less : Impairment (refer note (iii) below)	(311)	(311)
Total Non-current loans	**1,196**	**1,111**
Current:		
Loan to subsidiaries (refer note (i) below and 24)	540	540
Loan to employees	3	-
Total Current loans	**543**	**540**
Total Loans	**1,739**	**1,651**

Note:

(i) Loans to subsidiaries have been utilized for meeting their general and corporate purposes. An additional loan of ₹ 89 was given to Cyient Insights Private Limited during the year to acquire business from KreativeSarg Technology Solutions LLP (refer note 33(vi)).

(ii) Intercompany loans are disclosed below as required by sec 186(4) of the Companies Act 2013

Name of the loanee	Rate of interest	Secured/ unsecured	As at March 31, 2023	As at March 31, 2022
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	6%	Unsecured	1,536	1,536
Cyient Solutions and Systems Private Limited	6%	Unsecured	311	311
Cyient Insights Private Limited	6%	Unsecured	200	115

(iii) In the FY 2019-20, Company's subsidiary, Cyient Solutions and Systems Private Limited ('CSS') has recognised one-time charge of ₹ 222 relating to costs incurred on development of UAV systems in view of the potential delays in materialization of orders. Accordingly, a corresponding provision for impairment of the loan given to CSS of ₹ 311 has been recognised in the Statement of Profit and Loss in FY 20.

7. Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
(at amortised cost)		
Non-current:		
Security deposits		
Considered good	177	179
Considered doubtful	16	16
Less : Allowance for doubtful deposits	(16)	(16)
Total Other Non-current financial assets	**177**	**179**
Current:		
Unbilled revenue (refer note (i) below)	1,658	1,112
Interest accrued on deposit accounts	-	150
Interest accrued on loan given to subsidiaries (refer note 24)	239	147
Other receivables (refer note (i) below)	169	90
(at FVTOCI)		
Derivative instruments designated in a hedging relationship	80	245
Total Other current financial assets	**2,146**	**1,744**
Total Other financial assets	**2,323**	**1,923**

Note:

(i). Includes amounts from related parties (refer note 24).

8. Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current:		
Capital advances	2	2
Prepaid expenses	151	161
Deferred contract costs	-	44
Total Other non-current assets	**153**	**207**
Current:		
Prepaid expenses	604	438
Deferred contract costs	-	58
Advances to suppliers and service providers (refer note below)	325	374
Balance with government authorities	191	151
Total Other current assets	**1,120**	**1,021**
Total Other assets	**1,273**	**1,228**

Note:

Includes amounts from related parties (refer note 24)

9. Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
(at amortised cost)		
Trade receivables considered good - unsecured*	7,193	4,655
Less: Allowance for expected credit loss	(118)	(66)
	7,075	4,589
Trade receivables - credit impaired - unsecured	-	-
Less: Allowance for credit impairment	-	-
Total	**7,075**	**4,589**

* Includes dues from related parties (refer note 24)

Note:

Expected credit loss (ECL):

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

As a practical expedient (Ind AS 109 B5.5.35), the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. Accordingly, the Company creates provision for past due receivables less than 270 days ranging between 1%-30% and 100% for the receivables due beyond 270 days. The ECL allowance (or reversal) during the year is recognised in the statement of profit and loss.

Ageing of trade receivables	As at March 31, 2023						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables							
Considered good	4,105	2,771	286	10	21	-	7,193
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables		-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**4,105**	**2,771**	**286**	**10**	**21**	**-**	**7,193**
Less: Allowance for expected credit loss							(118)
Balance at the end of the year							**7,075**

Ageing of trade receivables	As at March 31, 2022						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Receivables							
Considered good	3,672	744	157	82	-	-	4,655
Credit impaired	-	-	-	-	-	-	-
Disputed Trade Receivables		-	-	-	-	-	-
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	**3,672**	**744**	**157**	**82**	**-**	**-**	**4,655**
Less : Allowance for expected credit loss							(66)
Balance at the end of the year							**4,589**

Movement in the expected credit loss allowance	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	66	67
Provision made during the year (net of reversals)	52	26
Bad debts written-off	-	(27)
Balance at the end of the year	**118**	**66**

10. Cash and Bank Balances

10 A. Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
in current accounts	756	476
in deposit accounts (refer note below)	285	5,103
Deposits with financial institutions (refer note below)	-	3,150
Unpaid dividend	28	19
Remittances in transit	83	-
Total	**1,152**	**8,748**

Note:

The deposits maintained by the Company with banks and financial institutions comprise time deposits, which can be withdrawn at any point without prior notice or penalty on the principal.

10 B. Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits held as margin money/security for bank guarantees	1	1
Total	**1**	**1**

Reconciliation of liabilities arising from financing activities for the year end March 31, 2023:

Particulars	As at March 31, 2022	Additions/ deletions	Repayment	As at March 31, 2023
Lease liabilities	1,156	936	(729)	1,363
Sale and Lease back	60	-	(26)	34
Total liabilities from financing activities	**1,216**	**936**	**(755)**	**1,397**

Reconciliation of liabilities arising from financing activities for the year end March 31, 2022:

Particulars	As at March 31, 2021	Additions/ deletions	Repayment	As at March 31, 2022
Lease liabilities	1,041	621	(506)	1,156
Sale and Lease back	51	40	(31)	60
Total liabilities from financing activities	**1,092**	**661**	**(537)**	**1,216**

11A. Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised share capital:		
280,000,000 equity shares of ₹ 5 each (March 31, 2022 : 280,000,000)	1,400	1,400
Issued and subscribed capital:		
110,575,006 fully paid-up equity shares of ₹ 5 each (March 31, 2022 : 110,317,416)	553	552
Total	**553**	**552**

Notes:

(A) Reconciliation of the number of shares outstanding:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Opening balance	110,317,416	552	110,029,812	550
Add: Issue of shares during the year (refer note below)	257,590	1	287,604	2
Closing balance	**110,575,006**	**553**	**110,317,416**	**552**

Note: During the year, the Company allotted 257,590 (March 31, 2022 : 287,604) equity shares of ₹ 5 each valuing ₹ 1.29 (March 31, 2022 : 1.44 (rounded off)), consequent to the exercise of the stock options by the associates of the Company under the Associate Stock Option Plan.

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

Name of shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid up equity shares				
Vineyard Point Software Private Limited	14,000,000	12.66%	14,000,000	12.69%
Amansa Holdings Private Limited	9,631,663	8.71%	9,568,296	8.67%
DSP Small Cap Fund	7,423,731	6.71%	4,803,051	4.35%
Infocad Enterprises Private Limited	7,000,000	6.33%	7,000,000	6.35%

(C) Details of Shares held by promoters at the end of the year

Name of the promoter	Number of shares			% holding of equity shares	% Change during the Year
	March 31, 2022	Change	March 31, 2023		
Vineyard Point Software Private Limited	14,000,000	-	14,000,000	12.66%	-
Infocad Enterprises Private Limited	7,000,000	-	7,000,000	6.33%	-
Bodanapu Ganesh Venkat Krishna	1,913,260	-	1,913,260	1.73%	-
Bodanapu Sri Vaishnavi	1,793,008	-	1,793,008	1.62%	-
Venkat Rama Mohan Reddy Bodanapu	373,820	-	373,820	0.34%	-
Sucharitha Bodanapu	373,820	-	373,820	0.34%	-
D. Nageswara Reddy	172,800	-	172,800	0.16%	-
Bodanapu Avanti Reddy	137,500	-	137,500	0.12%	-
Carol Ann Reddy	38,400	-	38,400	0.03%	-
B V S Ratna Kumari	15,600	-	15,600	0.01%	-
A Amala Reddy	3,680	-	3,680	0.00%	-
B Ashok Reddy	300	-	300	0.00%	-

Name of the promoter	Number of shares			% holding of equity shares	% Change during the Year
	March 31, 2021	Change	March 31, 2022		
Vineyard Point Software Private Limited	14,000,000	-	14,000,000	12.69%	-
Infocad Enterprises Private Limited	7,000,000	-	7,000,000	6.35%	-
Bodanapu Ganesh Venkat Krishna	1,913,260	-	1,913,260	1.73%	-
Bodanapu Sri Vaishnavi	1,793,008	-	1,793,008	1.63%	-
Venkat Rama Mohan Reddy Bodanapu	373,820	-	373,820	0.34%	-
Sucharitha Bodanapu	373,820	-	373,820	0.34%	-
D. Nageswara Reddy	169,200	3,600	172,800	0.16%	2.13%
Bodanapu Avanti Reddy	137,500	-	137,500	0.12%	-
Carol Ann Reddy	38,400	-	38,400	0.03%	-
B V S Ratna Kumari	15,600	-	15,600	0.01%	-
A Amala Reddy	3,680	-	3,680	0.00%	-
B Ashok Reddy	300	-	300	0.00%	-

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

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

(E) Buyback of Equity shares:

Aggregate number of equity shares bought back during the period of previous five years : 3,123,963 (March 31, 2022: 3,123,963).

(F) Purchase of Treasury shares:

The Company has constituted a 'Cyient Associate Stock Option Plan 2021 Trust ('Trust'), to grant, offer and issue options to the employees of the Company and its subsidiaries. During the year 2021-22, the Trust has acquired 1,079,000 equity shares from the secondary market amounting to ₹ 950 based on the loan received from the Company. The Company has treated the Trust as its direct extension, such that the assets and liabilities of the Trust are included in the standalone financial statements and the shares acquired/held by the Trust are classified as "Treasury Shares".

(G) Details of shares allotted under Associate Stock Option Plans:

(i) 1,162,068 (March 31, 2022: 1,151,208) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2008 (ASOP - 2008)

(ii) 333,442 (March 31, 2022: 184,265) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2015 (ASOP - 2015)

(iii) 149,093 (March 31, 2022: 51,540) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2020 (ASOP - 2020)

(H) Details of shares reserved for issue:

(i) Shares aggregating 25,000 and 35,860 as at March 31, 2023 and March 31, 2022 respectively, reserved for issue under ASOP 2008 scheme.

(ii) Shares aggregating 491,481 and 679,898 as at March 31, 2023 and March 31, 2022 respectively, reserved for issue under ASOP 2015 scheme.

(iii) Shares aggregating 97,143 and 164,646 as at March 31, 2023 and March 31, 2022 reserved for issue under RSU scheme 2020.

(iv) Shares aggregating 1,009,100 and 1,026,500 as at March 31, 2023 and March 31, 2022 reserved for issue under ASOP scheme 2021.

(I) i. Associate Stock Option Plans

Associate Stock Option Plan – 2008 (ASOP 2008):

The Company instituted ASOP 2008 in July 2008 and earmarked 1,000,000 equity shares of ₹ 5 each for issue to the employees under ASOP. The Company modified ASOP 2008 and adjusted the number of options and exercise price on account of bonus issue 1:1 during financial year 2010-11. Under ASOP 2008, options will be issued to employees at an exercise price, which shall not be less than the market price 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.

Movements in stock options during the year

ASOP 2008

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	35,860	518	121,000	510
Forfeited	-	-	(12,500)	500
Exercised	(10,860)	518	(72,640)	507
Options outstanding at the end of the year	**25,000**	**518**	**35,860**	**518**

Out of the total outstanding options 20,000 (March 31, 2022: 20,000) options pertain to options granted to the associates of subsidiary companies.

As at March 31, 2023, 1,162,068 (March 31, 2022: 1,151,208) equity shares of ₹ 5 each have been allotted to the associates under ASOP 2008 plan. Accordingly, options (net of cancellations) for a total number of 25,000 (March 31, 2022: 35,860) are outstanding as at March 31, 2023.

Associate Stock Option Plan – 2015 (ASOP 2015):

The Company instituted ASOP 2015 in July 2015 and earmarked 1,200,000 equity shares of ₹ 5 each for issue to the employees under ASOP. Under ASOP 2015, options will be issued to employees at an exercise price, which shall not be less than the market price 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.

Movements in stock options during the year

ASOP 2015

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	679,898	572	855,468	522
Granted	10,000	829	92,000	929
Forfeited	(49,240)	732	(104,146)	497
Exercised	(149,177)	491	(163,424)	558
Options outstanding at the end of the year	**491,481**	**585**	**679,898**	**572**

Out of the total outstanding options 316,177 (March 31, 2022: 316,177) options pertain to options granted to the associates of subsidiary companies.

Associate Restricted Stock Units Scheme 2020 (ARSU 2020):

The Company has 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.

Movements in stock options during the year

ASRSU 2020

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	164,646	5	186,200	5
Granted	30,220	5	33,780	5
Exercised	(97,553)	5	(51,540)	5
Forfeited	(170)	5	(3,794)	5
Options outstanding at the end of the year	**97,143**	**5**	**1,64,646**	**5**

Out of the total outstanding options 15,980 (March 31, 2022: 14,840) options pertain to options granted to the associates of subsidiary companies.

As at March 31, 2023, 149,093 (March 31, 2022: 51,540) equity shares of ₹ 5 each have been allotted to the associates under ASRSU 2020 plan. Accordingly, options (net of cancellations) for a total number of 97,143 (March 31, 2022: 164,646) are outstanding as at March 31, 2023.

ASOP 2021

The Company 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 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.

Movements in stock options during the year

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	1,026,500	5	-	-
Granted*	12,000	5	1,026,500	5
Forfeited	(29,400)	5	-	-
Options outstanding at the end of year	**1,009,100**	**5**	**1,026,500**	**5**

*During the previous year, Company has intimated the grant of performance based stock incentive in the form of Stock options (SO's) to certain eligible employees, which could eventually result in the issue of 1,026,500 shares against such options, subject to the fulfilment of vesting conditions. During the year Company has granted 422,600 (March 31, 2022: Nil) options to the employees.

Out of the total outstanding options 403,640 (March 31, 2022: 394,000) options pertain to options granted to the associates of subsidiary companies.

ii. Fair value of stock options granted during the year:

The weighted average fair value of the share options during the year is ₹ 61.69 - ₹791.85 (2021-22: ₹ 61.69 - ₹713.88). Options and RSUs were priced using Black Scholes pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past years.

The following assumptions were used for calculation of fair value of grants:

Particulars	March 31, 2023	March 31, 2022
a) ASOP 2008		
Exercise price (₹)	184 - 559	184 - 559
Grant date share price (₹)	185 - 531.5	185 - 531.5
Dividend yield (%)	1.53 - 2.64	1.53 - 2.64
Expected volatility (%)	28.66 - 65.53	28.66 - 65.53
Risk-free interest (%)	6.41 - 8.4	6.41 - 8.4
Expected term (in years)	3 - 4	3 - 4
b) ASOP 2015		
Exercise price (₹)	222 - 1011	222 - 1011
Grant date share price (₹)	234.8 - 986	235 - 986
Dividend yield (%)	1.7 - 2.9	1.7 - 2.9
Expected volatility (%)	29.8 - 41.82	29.8 - 41.60
Risk-free interest (%)	4.49 - 7.9	4.49 - 7.9
Expected term (in years)	3 - 4	3 - 4
c) RSU 2020		
Exercise price (₹)	5	5
Grant date share price (₹)	284.15 - 874	284.15 - 874
Dividend yield (%)	2.5 - 2.9	2.5 - 2.9
Expected volatility (%)	34.7 - 41.9	34.7 - 40.30
Risk-free interest (%)	4.49 - 6.9	4.49 - 5.36
Expected term (in years)	3 - 4	3 - 4
d) ASOP 2021		
Exercise price (₹)	5	5
Grant date share price (₹)	805.65 - 982.9	982.9
Dividend yield (%)	2.6 - 2.9	2.9
Expected volatility (%)	36 - 41.8	36-41
Risk-free interest (%)	5.1 - 6.3	5.1 - 6.3
Expected term (in years)	3 - 4	5-9

iii. Details of Share options exercised during the year:

Options series	Year	Number of options exercised	Exercise date*	Share price (₹) at exercise date
Associate Stock Option Plan – 2008 (ASOP 2008)*	2022-23	10,860	31st May 22 to 11th Nov 22	742.70 - 783.40
Associate Stock Option Plan – 2015 (ASOP 2015)*	2022-23	1,49,177	31st May 22 to 20th Feb 23	742.70 - 938.95
Associate Restricted Stock option plan - 2020 (ARSU 2020)*	2022-23	97,553	31st May 22 to 20th Feb 23	742.70 - 938.95
Associate Stock Option Plan – 2008 (ASOP 2008)*	2021-22	72,640	6th Apr 21 to 31st Mar 22	679.65 - 928.00
Associate Stock Option Plan – 2015 (ASOP 2015)*	2021-22	1,63,424	10th Jun 21 to 31st Mar 22	814.10 - 928.00
Associate Restricted Stock option plan - 2020 (ARSU 2020)*	2021-22	51,540	26th Aug 21 to 31st Mar 22	928.00 - 942.70

* Allotment happened at various dates during that period

11B. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Capital redemption reserve		
Opening and closing balance	16	16
	16	**16**
(b) Securities premium		
Opening balance	2,295	2,111
Options exercised	54	56
Premium received on allotment of shares	78	128
	2,427	**2,295**
(c) General reserve		
Opening and closing balance	5,273	5,273
	5,273	**5,273**
(d) Share based payments reserve		
Opening balance	232	158
Stock option expense	307	130
Options exercised	(54)	(56)
	485	**232**
(e) Cash flow hedge reserve		
Opening balance	128	124
Effective portion of gain/(loss) on designated portion of hedging instruments (net of tax)	(209)	4
	(81)	**128**
(f) Special Economic Zone ('SEZ') re-investment reserve		
Opening balance	65	-
Add : Additions during the year	-	65
	65	**65**
(g) Retained earnings		
Opening balance	18,371	15,734
Other comprehensive income arising out of remeasurement of defined benefit obligation (net of taxes)	(48)	(37)
Profit for the year	3,548	5,691
	21,871	**21,388**
Less: Appropriations		
(a) Dividend on equity shares (refer note 31)	2,634	2,952
(b) Transfer to Special Economic Zone ('SEZ') re-investment reserve account	-	65
	19,237	**18,371**
(h) Treasury shares		
Opening balance	(950)	-
Purchase of Treasury shares	-	(950)
	(950)	**(950)**

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Equity instrument through other comprehensive income		
Opening balance	5	6
Increase in fair value of equity instruments (net of tax) (refer note 5B)	(1)	(1)
	4	**5**
(j) Share application money pending for allotment		
Opening balance	-	7
Allotment during the year	-	(7)
	-	-
Total	**26,476**	**25,435**

Nature of reserves:

(a) Capital redemption reserve

Represents the nominal value of equity shares bought back pursuant to Buyback in accordance with Section 69 of the Companies Act, 2013.

(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) General reserve

This represents appropriation of profit by the Company. General reserve is appropriated for the creation of capital redemption reserve up on Buyback of equity shares pursuant to section 69 of the Companies Act, 2013.

(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 securities premium upon exercise of stock options by employees.

(e) Cash flow hedge reserve

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

(f) Special Economic Zone ('SEZ') re-investment reserve

Represents amount transferred to the SEZ reinvestment reserve The reserve has been created out of the profits of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-tax Act, 1961 and shall be utilized by the Company for acquiring new plant and machinery for the purpose of its business in the terms of Section 10AA(2) of the Income-tax Act, 1961.

(g) Retained earnings

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

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

(h) Treasury shares

The Company has constituted a 'Cyient Associate Stock Option Plan 2021 Trust ('Trust'), to grant, offer and issue options to the employees of the Company and its subsidiaries. During the year 2021-22, the Trust has acquired 1,079,000 equity shares from the secondary market amounting to ₹ 950 based on the loan received from the Company. The Company has treated the Trust as its direct extension, such that the assets and liabilities of the Trust are included in the standalone financial statements and the shares acquired/held by the Trust are classified as "Treasury Shares".

(i) Equity instruments through OCI

Represents the cumulative gains and loss arising from fair valuation of the equity instruments measured at the fair value through OCI, net of amounts reclassified to retained earnings when the investments have been disposed off.

(j) Share application money pending for allotment

Represents amount received from associates on exercise of stock options, pending allotment.

12. Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Gratuity [refer note (i) below]	1,087	947
Compensated absences [refer note (ii) below]	322	311
Other provisions	4	4
Total	**1,413**	**1,262**
Non-current:		
Gratuity	779	830
Compensated absences	225	222
Total Non current provisions	**1,004**	**1,052**
Current:		
Gratuity	308	117
Compensated absences	97	89
Other provisions	4	4
Total current provisions	**409**	**210**
Total	**1,413**	**1,262**

Notes:

i. Defined Benefit Plans - Gratuity

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

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

Principal assumptions used for the purposes of the actuarial valuation	As at March 31, 2023	As at March 31, 2022
Discount rate (%)	7.26%	6.15%
Salary increase rate (%)	10% for 2 years, there after 7%	7%
Attrition (%)	30%	20%
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:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amounts recognised in statement of profit and loss in respect of these defined benefit plans		
Current service cost	119	114
Past service cost	-	-
Total service cost (A)	**119**	**114**
Interest expense on defined benefit obligation	57	50
Interest income on plan assets	(5)	(4)
Net interest cost (B)	**52**	**46**
Defined benefit cost recognised in statement of profit and loss (A) + (B)	**171**	**160**
Remeasurement effects recognised in other comprehensive income		
Actuarial (gain) / loss due to demographic assumptions change in defined benefit obligation	(41)	-
Actuarial (gain) /loss due to financial assumptions change in defined benefit obligation	17	19
Actuarial (gain) /loss due to experience on defined benefit obligation	83	25
Return on plan assets less than discount rate	5	3
Components of defined benefit costs recognised in other comprehensive income	**64**	**47**
Total	**235**	**207**

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, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	1,123	1,030
Fair value of plan assets	(36)	(83)
Net liability arising from defined benefit obligation	**1,087**	**947**

Movement in the present value of the defined benefit obligation

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Projected benefit obligation at the beginning of the year	1,030	954
Current service cost	119	114
Interest cost	57	50
Actuarial (gain)/loss on change in experience and financial assumptions	59	44
Payments	(142)	(132)
Defined benefit obligation at the end of the year	**1,123**	**1,030**

Change in plan assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Plan assets at the beginning of the year	83	72
Return on plan assets	5	4
Employer contribution	95	142
Payments	(142)	(132)
Actuarial loss on plan assets	(5)	(3)
Plan assets at the end of the year	**36**	**83**

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligation.

Sensitivity analysis:

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(29)	31	(41)	45
Future salary growth (1% movement)	34	(29)	44	(41)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 year	333	193
1-2 year	258	180
2-3 year	195	150
3-4 year	154	132
4-5 year	123	114
5-10 year	343	374

The expected contribution to the plan for the year ended March 31, 2024 is ₹ 333

Composition of plan assets:

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

ii. Assumptions for compensated absences

a) Compensated absences – India:

Actuarial assumptions for long-term compensated absences	As at March 31, 2023	As at March 31, 2022
Discount rate (%)	7.26%	6.15%
Salary escalation (%)	10% for 2 years, there after 7%	7.00%
Attrition (%)	30.00%	20.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years

b) Compensated absences – Overseas branches:

Actuarial assumptions for long-term compensated absences	As at March 31, 2023	As at March 31, 2022
Discount rate (%)	2.88 to 3.28%	2.90%
Salary escalation (%)	3.3 to 3.5%	2.00%
Attrition (%)	5.00%	5.00%
Mortality table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	60 years	60 years

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

The average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases. The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligation.

c) Long Service Leave – Australia:

The regulations of long service leave are applicable to the associates of the Company employed at its Australia Branch. The accrual of long service leave is in addition to the compensated absences to which the associates are entitled to. These long service leaves are dependent on the tenure of the employee with the same employer and are regulated by respective state laws.

13. Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
(at amortised cost)		
Non-current		
Total outstanding dues of micro enterprises and small enterprises (refer note 30)		
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer notes below)	-	-
	-	63
Current		
Total outstanding dues of micro enterprises and small enterprises (refer note 30)	8	21
Total outstanding dues of creditors other than micro enterprises and small enterprises (refer notes below)	3,114	2,577
Total	**3,122**	**2,661**

Notes:

(i) Includes amount payable to its related parties (refer note 24).

(ii) The Company normally settles trade payables in 30-60 days.

Ageing of trade payables	As at March 31, 2023						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	8	-	-	-	-	8
Others	1,572	176	1,356	10	-	-	3,114
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	**1,572**	**184**	**1,356**	**10**	**-**	**-**	**3,122**

Ageing of trade payables	As at March 31, 2022						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	21	-	-	-	-	21
Others	1,595	217	828	-	-	-	2,640
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	**1,595**	**238**	**828**	**-**	**-**	**-**	**2,661**

14. Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non Current:		
(at amortised cost)		
Sale and lease back liability (refer note 3A)	2	28
Total other non-current financial liabilities	**2**	**28**
Current:		
(at amortised cost)		
Unpaid dividends	28	24
Capital creditors	5	31
Sale and lease back liability (refer note 3A)	32	32
(at FVOCI)		
Derivative instruments designated in a hedging relationship	188	49
Total other current financial liabilities	**253**	**136**
Total current financial liabilities	**255**	**164**

15. Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Unearned revenue*	142	174
Advance from customers*	270	56
Statutory remittances	237	274
Others	14	14
Total	**663**	**518**

* Includes amount from related parties (refer note 24)

16. Income taxes

a. Income tax expense recognized in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
In respect of the current year	1,099	1,177
In respect of earlier years	-	(15)
	1,099	**1,162**
Deferred tax credit:		
In respect of the current year	(24)	(43)
	(24)	**(43)**
Total	**1,075**	**1,119**

b. Income tax expense/(benefit) recognised directly in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income tax (expense)/benefit recognized directly in OCI consists of:		
Tax effect on effective portion of change in fair value of cash flow hedges	96	(2)
Tax effect on actuarial (gain)/ loss on defined benefit obligations	16	10
Total	**112**	**8**
Bifurcation of the income tax recognized in other comprehensive income into:		
Items that will not be reclassified to statement of profit and loss	16	10
Items that will be reclassified to statement of profit and loss	96	(2)
Total	**112**	**8**

c. Reconciliation of effective tax rate

The following is the reconciliation of the Company's effective tax rates.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	**4,623**	**6,810**
Enacted rate in India	34.94%	34.94%
Computed expected tax expense	**1,615**	**2,380**
Tax effect of adjustments to reconcile expected tax expense:		
Exemptions / deductions for tax purposes / tax holidays	(561)	(739)
Exempted income of dividend received from subsidiary (refer note 18)	-	(598)
Expenses that are not deductible in determining taxable profit	14	87
Adjustments in respect of current income tax of previous years	5	(15)
Others	2	4
Total income tax expense	**1,075**	**1,119**
Effective tax rate	**23.26%**	**16.43%**

The difference between the tax rate enacted in India and the effective tax rate of the Company is primarily on account of the benefit availed on the profits of the undertakings situated in Special Economic Zones (SEZ). The SEZ units of the Company which began to provide the services on or after April 1, 2005 are eligible for 100% deduction of profits and gains derived from export of services for a period of first five years from the year of commencement of provision of services. For the next five years, they are eligible for deduction of 50% of profits and gains derived from export of services.

d. Deferred tax assets and liabilities

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

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets	429	353
Deferred tax liabilities	(90)	(150)
Deferred tax assets (net)	**339**	**203**

e. Movement in deferred tax assets and liabilities

2022-23	Opening Balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets/(liabilities) in relation to :				
Cash flow hedges	(69)	-	96	27
Property, plant and equipment and Intangible assets	(82)	(9)	-	(91)
Provision for employee benefits	299	27	16	342
Right of use assets/lease liabilities (refer note 3C)	38	(40)	-	(2)
Provision for doubtful debts	17	46	-	63
Net deferred tax assets/(liabilities)	**203**	**24**	**112**	**339**

2021-22	Opening Balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	MAT credit utilisation	Closing balance
Deferred tax assets/(liabilities) in relation to :					
Cash flow hedges	(67)	-	(2)	-	(69)
Property, plant and equipment and Intangible assets	(91)	9	-	-	(82)
Provision for employee benefits	245	44	10	-	299
Right of use assets/lease liabilities (refer note 3C)	46	(8)	-	-	38
Provision for doubtful debts	19	(2)	-	-	17
MAT credit entitlement	52	-	-	(52)	-
Net deferred tax assets/(liabilities)	**204**	**43**	**8**	**(52)**	**203**

f. Income tax assets and liabilities

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

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets (net)	238	763
Income tax liabilities (net)	134	114

17. Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from services	22,242	17,465
Revenue from products	37	40
Total revenue from operations	**22,279**	**17,505**

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

(A) Disaggregated revenue information

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

Segment	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenues by contract type		
Fixed-price	8,583	6,556
Time and material	13,659	10,900
Product sale	37	40
Others	-	9
Total	**22,279**	**17,505**
Revenues by Geography		
North America	12,370	8,285
Europe	4,683	5,600
Asia Pacific (including India)	5,226	3,620
Total	**22,279**	**17,505**
Revenues by time of recognition		
Goods and services transferred		
- At a point in time	37	40
- Over time	22,242	17,465
Total	**22,279**	**17,505**

Fixed price:

Fixed price arrangements with customers have defined delivery milestones with agreed scope of work and pricing for each milestone. Revenue from fixed-price contracts, where the performance obligations are satisfied over time and when there is no uncertainty as to measurement or collectability of consideration, is recognised as per the 'percentage-of-completion' method. 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. In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognised with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilised by the customer is recognised as revenue on completion of the term.

Time and material:

Revenue from time and material contracts are recognised as and when services are rendered to the customer. These are based on the efforts spent and rates agreed with the customer. Revenue from the end of the last invoicing to the reporting date is recognised as unbilled revenue.

Product sale:

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

Sales volume discounts are reduced from the contract price to recognise the revenue and does not have material impact on revenue recognised.

(B) Trade receivables and contract balances

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	7,075	4,589
Unbilled revenue	1,658	1,112
Unearned revenue	142	174
Advance from customers	270	56

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (unearned revenues).

Contract assets:

During the year ended March 31, 2023, ₹ 1,112 of contract assets as at March 31, 2022 has been reclassified to receivables on completion of performance obligation. During the year ended March 31, 2022, ₹ 776 of contract assets as at March 31, 2021 has been reclassified to receivables on completion of performance obligation.

Contract liabilities:

a). Unearned revenue: During the year ended March 31, 2023 the Company has recognized revenue of ₹ 148 arising from contract liabilities as at March 31, 2022. During the year ended March 31, 2022, the Company recognized revenue of ₹ 185 arising from opening unearned revenue as at March 31, 2021.

b). Advance from customers: During the year ended March 31, 2023 the Company recognised revenue of ₹ 56 arising from advance from customers as at March 31, 2022. During the year ended March 31, 2022 the Company recognised revenue of ₹ 843 arising from advance from customers as at March 31, 2021.

The Company has applied practical expedient and has not disclosed information about remaining performance obligations in contracts, where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date. Consequently, disclosure related to transaction price allocated to remaining performance obligation is not material.

18. Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on financial assets carried at amortised cost:		
Deposits with banks and financial institutions	231	449
Interest on loan to subsidiaries	102	90
Others	1	-
	334	**539**
Dividend income		
Dividend from subsidiary (refer note (i) below)	-	1,711
Dividend from mutual funds	31	-
	31	**1,711**
Other non-operating income		
Export incentives	-	42
Gain on termination of leases	111	-
Miscellaneous income	103	86
	214	**128**
Other gains and (losses)		
Gain /(loss) on disposal of property, plant and equipment (net)	14	(14)
Foreign exchange gain / (loss), (net)	50	(10)
(Loss)/gain on mutual Funds	(1)	11
Exchange gain on foreign currency forward contracts (net)	173	388
Gain on disposal of subsidiary (refer note 5B)	7	-
	243	**375**
Total	**822**	**2,753**

Notes:

(i) During the previous year, the Company received a dividend of ₹ 1,711 from Cyient Inc, its wholly owned subsidiary.

19. Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	10,560	8,012
Contribution to provident and other funds (refer note (i) below)	756	615
Social security and other benefits to overseas employees (refer note (ii) below)	4	4
Share based payments to employees	212	115
Staff welfare expenses	432	250
Less: Capitalised	-	(42)
Total	**11,964**	**8,954**

Notes:

i. Contribution to provident fund and other funds

Provident fund:

The Company makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the Fund administered and managed by the Government of India. The Company's monthly contributions are charged to the statement of profit and loss in the year they are incurred. Total expense recognised during the year aggregated ₹ 520 (2021-22: ₹ 392).

Gratuity (funded):

Amount recognised in statement of profit and loss in respect of gratuity: ₹ 171 (2021-22: ₹ 160). [refer note 12 (i)].

National Pension Scheme:

Amount recognised in statement of profit and loss in respect of national pension scheme ₹ 19 (2021-22: ₹ 14)

Superannuation fund - India:

The employees receive benefit under a Superannuation scheme which is a defined contribution scheme wherein the employee has an option to choose the percentage of contribution between 5% to 15% of the basic salary of the covered employee. These contributions are made to a fund administrated by Life Insurance Corporation of India. The Company's monthly contributions are charged to the statement of profit and loss in the year they are incurred. Total expense recognised during the year aggregated ₹ 24 (2021-22: ₹ 21).

Employees' State Insurance Scheme:

Amount recognised in the statement of profit and loss in respect of Company's contribution to employees' state insurance scheme ₹ 22 (2021-22: ₹ 28).

ii. Superannuation fund - Australia

The employees at the Australia branch of the Company are also covered under a superannuation scheme. The Company contributes 9.5% of the basic salary of the employee. The Company's monthly contributions are charged to the statement of profit and loss in the year they are incurred. Total expense recognised during the year aggregated ₹ 4 (2021-22: ₹ 4).

20. Finance cost

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest on lease liabilities (refer note 3C)	140	101
Other interest expense	26	3
Total	**166**	**104**

21. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 3A)	442	467
Depreciation on right of use assets (refer note 3C)	566	409
Amortisation of intangible assets (refer note 4)	127	91
Total	**1,135**	**967**

22. Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent including lease rentals [refer note 3C]	35	35
Rates and taxes	40	18
Insurance	90	32
Travelling and conveyance	352	177
Sub-contracting charges	578	235
Communication	80	219
Printing and stationery	6	2
Power and fuel	179	139
Repairs and maintenance		
- Buildings	4	8
- Machinery	1,207	946
- Others	178	200
Non - executive directors' commission	18	30
Legal and professional charges	1,433	863
Expenditure for corporate social responsibility [refer note (i) below]	81	94
Provision for expected credit loss for trade receivables and other financial assets [refer note (ii) below]	164	26
Auditors' remuneration [refer note (iii) below]	47	28
Recruitment expenses	197	76
Training and development	69	43
Software charges	148	-
Miscellaneous expenses	307	252
Total	**5,213**	**3,423**

Notes:

(i) Expenditure for Corporate Social Responsibility:

The Company contributes towards Corporate Social Responsibility (CSR) activities through Cyient Foundation and Cyient Urban Micro Skill Centre Foundation (refer note 24). The Company has formed CSR committee as per Section 135 of the Companies Act, 2013 to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified by law. The areas for CSR activities are promoting education, adoption of schools, facilitating skill development, medical and other social projects. Expenses incurred on CSR activities through Cyient Foundation and contributions towards other charitable institutions are charged to the statement of profit and loss under 'Other Expenses': ₹ 81 (2021-22 - ₹ 94).

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Gross amount required to be spent by the Company	**81**	**81**
Actual amount spent	**81**	**94**
1. Construction / acquisition of any asset	-	-
2. On purposes other than (1) above (in cash)	81	94
Shortfall	**-**	**-**

Nature of CSR activities:

Quality Education, IT / Digital Literacy, Skill Development and Employment, Women Empowerment and Sustainable Livelihood, Community Development and Environmental Protection, Preventive Healthcare and Innovation and Entrepreneurship.

ii. Expected credit loss:

Provision for expected credit loss allowance includes allowance on other financial assets ₹ 112 (2021-22: ₹ Nil) .

iii. Auditors' remuneration (net of applicable taxes) comprises of:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Payment to the auditors of the Company		
(a) For audit and related services of Company	18	10
(b) For audit and related services of subsidiaries	25	14
(c) For certification and other services	3	3
(d) Reimbursement of expenses	1	1
Total Auditors' remuneration	**47**	**28**

23. Contingent liabilities and commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Contingent liabilities:		
(a). Claims against the Company not acknowledged as debt (refer note (i) to (v) below)	519	553
(b). Guarantees (refer note (vi) below)	17,241	10,573
	17,760	**11,126**
(B) Commitments:		
Contracts remaining to be executed on capital account and not provided for (net of capital advances)	105	159
	105	**159**
Total	**17,865**	**11,285**

Notes:

(i) The Company disputed various demands raised by income tax authorities for the assessment years 2017-18 and 2018-19 (March 31, 2022: 2002-03, 2003-04, 2013-14, 2014-15, 2016-17, 2017-18 & 2018-19) which are pending at various stages of appeals. The aggregate amount of disputed tax not provided for is ₹ 6 (March 31, 2022 - ₹ 40). The Company is confident that these appeals will be decided in its favour.

(ii) The Company disputed various demands raised by the sales tax authorities for the financial years 2004-05 to 2009-10 and 2015-16 to 2017-18 (till June 2017) (March 31, 2022 - 2004-05 to 2009-10 and 2015-16 to 2017-18 (till June 2017)). The Company filed appeals, which are pending with the appropriate authorities. The aggregate amount of disputed tax not provided for is ₹ 21 (March 31, 2022 - ₹ 21). The Company is confident that these appeals will be decided in its favour. The above does not include show cause notices received by the Company.

(iii) The Company disputed various demands raised by the service tax authorities for the financial years 2006-07 to 2009-10 and 2013-14 to 2017-18 (till June 2017) (March 31, 2022: 2006-07 to 2009-10 and 2013-14 to 2017-18 (till June 2017)). The Company filed appeals, which are pending with the appropriate authorities. The aggregate amount of disputed tax not provided for is ₹ 371 (March 31, 2022 - ₹ 371). The Company is confident that these appeals will be decided in its favour. The above does not include show cause notices received by the Company.

(iv) The Company is contesting certain pending service tax refunds amounting to ₹ 29 (March 31, 2022 : ₹ 29) at various appellate authorities. The Company is confident that these appeals will be decided in its favour.

(v) During the financial year 2015-16, the Government of India notified an amendment to the Payment of Bonus Act, 1961 whereby the applicable slabs as well as coverage limit was enhanced. The said amendment was made effective April 1, 2014. The Company is contesting the retrospective applicability of the amendment for the financial year 2014-15 in the High Court of Judicature at Hyderabad for the states of Telangana and Andhra Pradesh. The aggregate amount of liability pertaining to the financial year 2014-15, not provided for, is ₹ 92 (March 31, 2022 - ₹ 92).

(vi) Corporate guarantee has been extended to subsidiaries / step down subsidiaries for availing loans from respective banks / fellow subsidiaries and the Company charges commission from subsidiaries, wherever applicable. (refer note 24 (B))

(C) The Company has certain outstanding export obligations/commitments as at March 31, 2022 and March 31, 2023. Further, the Company has certain commitments to bankers relating to receivable factoring arrangements entered with them in respect of receivables from few customers. These factoring arrangements are without recourse to the Company and in the normal course of business. The Company is confident of meeting these commitments arising from such arrangements.

24. Related Party Transactions

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

Name of Subsidiaries	Country of incorporation	Extent of holding (%) as at	
		March 31, 2023	March 31, 2022
Cyient Europe Limited	UK	100%	100%
Cyient Inc.	USA	100%	100%
Cyient GmbH	Germany	100%	100%
Cyient KK	Japan	14%	14%
Cyient Insights Private Limited	India	100%	100%
Cyient Australia Pty Limited	Australia	100%	100%
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	India	100%	100%
Cyient Singapore Private Limited	Singapore	100%	100%
Cyient Israel India Limited (refer note (i) below)	Israel	100%	100%
Cyient Solutions and Systems Private Limited	India	51%	51%
Citec Engineering India Private Limited [refer note (ii) below]	India	100%	-
Cyient Urban Micro Skill Centre Foundation	India	100%	100%

Notes:

(i) The Board of Directors of the Company at their meeting held on October 14, 2021 approved the closure of its wholly owned subsidiary, Cyient Israel India Limited (CIIL) in line with its strategy and simplification of legal entity structure. CIIL did not have any operations and the financial results of CIIL are not material to the Group. This has no impact on business as the same is serviced by the existing legal entities.

(ii) Acquired 100% of equity shares of Citec Engineering India Limited on September 01, 2022.

Name of the Joint Venture	Country of incorporation	Extent of holding (%) as at	
		March 31, 2023	March 31, 2022
Infotech HAL Limited (refer note 1)	India	50%	50%

Subsidiaries of Cyient Inc.:

Name of Subsidiaries	Country of incorporation	Extent of holding (%) as at	
		March 31, 2023	March 31, 2022
Cyient Canada Inc.	Canada	100%	100%
Cyient Defense Services Inc.	USA	100%	100%

Subsidiaries of Cyient Europe Limited:

Name of Subsidiaries	Country of incorporation	Extent of holding (%) as at	
		March 31, 2023	March 31, 2022
Cyient Benelux BV	Netherlands	100%	100%
Cyient Schweiz GmbH	Switzerland	100%	100%
Cyient SRO	Czech Republic	100%	100%
Cyient NV (formerly AnSem NV)	Belgium	100%	100%
AnSem B.V. (merged with Cyient Benelux BV from April 01, 2022)	Netherlands	-	100%
Celfinet – Consultoria em Telecomunicações, S.A. (refer note (i))	Portugal	100%	-
Metemesonip, Unipessoal Lda (refer note (i))	Portugal	100%	-
Celfinet UK Telecommunications Consulting Services Ltd (refer note (i))	UK	100%	-
Celfinet Espanã - Consultoria en Telecomunicaciones, SL (refer note (i))	Spain	100%	-
Celfinet (Brasil) - Consultoria em Telecomunicações, Ltda. (refer note (i))	Brazil	100%	-
Celfinet Mozambique – Consultoria em Telecomunicações, Limitada (refer note (i))	Mozambique	100%	-
Celfinet Mexico - Consultoria de Telecomunicaciones AS (refer note (i))	Mexico	100%	-
Celfinet Germany - Telecommunications Consulting Services GmbH (refer note (i))	Germany	100%	-
Sentiec Oyj (refer note (ii))	Finland	100%	-
Citec group Oy Ab (refer note (ii))	Finland	100%	-
Citec Oy Ab (refer note (i))	Finland	100%	-
Citec Engineering France Sarl (refer note (ii))	France	100%	-
Citec AB (refer note (ii))	Sweden	100%	-
Citec Information & Engineering GmbH (refer note (ii))	Germany	100%	-
Citec Group France SAS (refer note (ii))	France	100%	-
Akilea Overseas Ltd (refer note (ii))	UK	100%	-
Citec Norway AS (refer note (ii))	Norway	100%	-

(i) Cyient Europe Limited, acquired 100% of equity shares of Celfinet – Consultoria em Telecomunicações, S.A.(and its wholly owned subsidiaries Metemesonip, Unipessoal Lda; Celfinet UK Telecommunications Consulting Services Ltd; Celfinet Espanã - Consultoria en Telecomunicaciones, SL; Celfinet (Brasil) - Consultoria em Telecomunicações, Ltda.; Celfinet Mozambique – Consultoria em Telecomunicações, Limitada and Celfinet Mexico - Consultoria de Telecomunicaciones AS) on June 30, 2022.

(ii) Cyient Europe Limited, acquired 100% of equity shares of Sentiec Oyj (and its wholly owned subsidiaries Citec Group Oy Ab; Citec Oy Ab; Citec Engineering France Sarl; Citec AB; Citec Information & Engineering GmbH; Citec Group France SAS; Akilea Overseas Ltd and Citec Norway AS) on September 1, 2022.

Subsidiary of Cyient GmbH:

Name of the Subsidiary	Country of incorporation	Extent of holding (%) as at	
		March 31, 2023	March 31, 2022
Cyient AB	Sweden	100%	100%

Subsidiaries of Cyient Australia Pty Limited:

Name of Subsidiaries	Country of incorporation	Extent of holding (%) as at	
		March 31, 2023	March 31, 2022
Integrated Global Partners Pty Limited	Australia	100%	100%
Integrated Global Partners Pte. Limited	Singapore	100%	100%
Integrated Global Partners SpA	Chile	100%	100%
Workforce Delta Pty Limited (refer note below)	Australia	100%	100%
IG Partners South Africa (Pty) Ltd	South Africa	100%	100%

Note: Cyient Australia Pty Limited, Australia, acquired 100% of equity shares of Workforce Delta Pty Limited ('WFD'), Australia August 05, 2021.

Subsidiaries of Cyient Singapore Private Limited:

Name of Subsidiaries	Country of incorporation	Extent of holding (%) as at	
		March 31, 2023	March 31, 2022
Grit Consulting Pte Ltd (refer note below)	Singapore	100%	-

Note: Cyient Singapore Private Limited, acquired 100% of equity shares of Grit Consulting Pte Ltd on May 1, 2022.

Other related party:

Entity	Country of incorporation	Nature of relationship
Cyient Foundation	India	Entity with common KMP
Infotech ESOP Trust	India	Entity with common KMP
Cyient Associate stock option scheme 2021 Trust	India	Entity with common KMP

Key Managerial Personnel (KMP):

Name	Designation
M.M. Murugappan	Non-Executive Chairman
B.V.R Mohan Reddy	Founder Chairman; Non-Executive and Non-independent Director
Krishna Bodanapu	Executive Vice Chairman & Managing Director (from April 3, 2023); Managing Director & Chief Executive Officer (till April 2, 2023)
Ajay Aggarwal	Executive Director and Chief Financial Officer (retired as Executive Director w.e.f. March 2, 2023)
Karthikeyan Natarajan	Executive Director and Chief Executive Officer (from 3 April 2023); Executive Director and Chief Operating Officer (till 2 April 2023)
Sudheendhra Putty	Company Secretary
Vinai Kumar Thummalapally	Independent Director (retired w.e.f. June 3, 2022)
Vikas Sehgal	Independent Director
Vivek Gour	Independent Director
Matangi Gowrishankar	Independent Director
Ramesh Abhishek	Independent Director
Alain De Taeye	Non-Executive and Non-independent Director (retired w.e.f. June 3, 2022)

(B) Summary of the transactions and balances with the above related parties:

(a) Transactions during the year:

Nature of the transaction	Party name	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	Cyient Inc.	6,888	4,581
	Cyient Europe Limited	877	1,493
	Cyient Benelux BV	695	672
	Integrated Global Partners Pty Limited*	(294)	(56)
	Cyient Schweiz GmbH	329	280
	Cyient S.R.O.*	(49)	(91)
	Cyient GmbH	720	825
	Cyient AB	67	167
	Cyient Canada Inc.	925	592
	Cyient KK	576	548
	Cyient Australia Pty Limited	750	911
	Cyient Singapore Private Limited*	(7)	44
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	13	1
	Cyient NV (formerly AnSem NV)*	(22)	11
	WorkForce Delta Pty. Ltd	83	-

Nature of the transaction	Party name	For the year ended March 31, 2023	For the year ended March 31, 2022
Sub-contracting charges	Cyient Inc.	19	35
	Integrated Global Partners Pty Limited	3	-
	Cyient Europe Ltd	1	-
	Cyient GmbH	34	-
	Cyient Canada Inc.	2	-
	Cyient Insights Private Limited	7	9
	Cyient Benelux BV	10	-
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	1	12
Reimbursement of expenses (net)	Cyient Inc.	(19)	(49)
	Cyient Europe Limited	(29)	(19)
	Cyient Benelux BV	(9)	(6)
	Cyient S.R.O.	(4)	(4)
	Cyient GmbH	(9)	(10)
	Cyient Canada Inc.	(11)	(5)
	Cyient KK	(4)	(3)
	Cyient Singapore Private Limited	(5)	(3)
	Cyient Insights Private Limited	(1)	(1)
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	(97)	(42)
	Cyient Australia Pty Limited	(17)	(11)
	Cyient Defence Services Inc	(3)	(1)
	Cyient NV (formerly AnSem NV)	(8)	(2)
	Cyient Solutions and Systems Private Limited	(5)	-
	Integrated Global Partners Pty Limited	(10)	(1)
	WorkForce Delta Pty. Ltd	(2)	-
	Cyient Schweiz GmbH	(1)	-
Corporate guarantee given to subsidiary's bankers	Cyient Europe Limited	7,470	-
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	750	-
	Cyient S.R.O.	95	-
	Cyient Singapore Private Limited	1,149	-

Nature of the transaction	Party name	For the year ended March 31, 2023	For the year ended March 31, 2022
Corporate guarantee given to subsidiary's bankers liquidated	Cyient Inc.	-	1,085
	Cyient Defense Services Inc.	-	250
	Cyient Europe Limited	1,485	417
	Cyient Australia Pty Limited	302	234
	Cyient Singapore Private Limited	82	-
	Cyient S.R.O.	310	-
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	-	750
	Cyient Solutions and Systems Private Limited	11	-
Other income on corporate guarantee given to subsidiary's bankers	Cyient Australia Pty Limited	4	6
	Cyient Defense Services Inc.	-	1
	Cyient Europe Limited	21	16
	Cyient GmbH	2	2
	Cyient Inc.	6	8
	Cyient Singapore Private Limited	2	-
	Cyient S.R.O.	1	2
Advance received from customer	Cyient KK	62	-
	Cyient GmbH	139	30
	Cyient AB	4	26
	Cyient BV	16	-
	Cyient Schweiz GmbH	1	-
	Cyient Europe Ltd	2	-
Loans given	Cyient Insights Private Limited	89	-
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	210	825
Loans recovered	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	210	600
	Cyient Insights Private Limited	4	47
Interest on loans given	Cyient Insights Private Limited	10	8
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	92	82
Rental income	Cyient Insights Private Limited	-	3
Dividend from subsidiary	Cyient Inc.	-	1,711
CSR expenditure	Cyient Foundation	81	94

* Net of revenue and subcontract provision reversal during the year.

Compensation to Key Managerial Personnel is as follows:

Nature of the transaction	Party name	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term benefits	Executive Vice Chairman & Managing Director and Executive officers#1 & 2	388	400*
Dividend paid	Non-Executive and Non-independent Director and Executive Vice Chairman & Managing Director	59	64
Commission and other benefits	Non-executive and Non-independent/independent directors	18	30

*Includes ₹ 50 accrued in the year 2020-21 as a part of overall incentive provision and paid during the year 2021-22 for executive officers.

#1 Executive officers include Krishna Bodanapu, Ajay Aggarwal, Karthikeyan Natarajan and Sudheendhra Putty.

#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.

(b) Balances at the year-end:

Nature of the balance	Party name	As at March 31, 2023	As at March 31, 2022
Trade receivables	Cyient Inc.	1,974	1,318
	Cyient Europe Limited	269	163
	Cyient Benelux BV	110	179
	Cyient Schweiz GmbH	59	30
	Cyient S.R.O.	-	94
	Cyient GmbH	24	-
	Cyient AB	-	-
	Cyient Canada Inc.	469	210
	Cyient KK	200	183
	Cyient Australia Pty Limited	1,164	270
	Cyient Insights Private Limited	27	27
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	364	261
	Integrated Global Partners Pty Limited	-	-
	Cyient Singapore Private Limited	130	119
	Cyient Israel Limited	10	10
	Cyient NV	-	18
	Cyient Defense Services Inc.	8	6
	Cyient Solutions and Systems Private Limited	3	8
	WorkForce Delta Pty. Ltd	84	-

Nature of the balance	Party name	As at March 31, 2023	As at March 31, 2022
Unbilled revenue	Cyient Inc.	365	277
	Cyient Canada Inc.	287	99
	Cyient Europe Limited	114	115
	Cyient Benelux BV	45	38
	Cyient GmbH	74	58
	Integrated Global Partners Pty Limited	1	2
	Cyient Schweiz GmbH	9	11
	Cyient AB	2	4
	Cyient KK	-	4
	Cyient Australia Pty Limited	61	84
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	1	1
	Cyient Singapore Private Limited	5	5
Advance from subsidiaries	Cyient KK	62	-
	Cyient GmbH	168	30
	Cyient AB	4	26
	Cyient BV	16	-
	Cyient Schweiz GmbH	1	-
	Cyient Europe Ltd	2	-
Trade payables	Cyient Inc.	641	364
	Cyient Europe Limited	45	36
	Cyient Benelux BV	54	41
	Cyient AB	66	48
	Cyient Singapore Private Limited	43	43
	Cyient S.R.O.	41	4
	Cyient GmbH	148	100
	Cyient KK	39	39
	Integrated Global Partners Pty Limited	406	85
	Cyient Insights Private Limited	18	23
	Cyient Canada Inc.	-	11
	Cyient Defense Services Inc.	4	4
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	18	-
	Cyient NV	14	-
	Cyient Australia Pty Limited	236	129

Nature of the balance	Party name	As at March 31, 2023	As at March 31, 2022
Other receivables	Cyient Inc.	65	15
	Cyient Canada Inc.	3	2
	Cyient Europe Limited	-	14
	Cyient Benelux BV	-	1
	Cyient NV	6	1
	Cyient GmbH	-	3
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	6	1
	Cyient Defense Services Inc.	2	-
	Cyient KK	1	1
	Cyient Australia Pty Limited	15	12
	Integrated Global Partners Pty Limited	6	-
	Cyient Singapore Private Limited	3	1
	WorkForce Delta Pty. Ltd	2	-
Unearned revenue	Cyient Inc.	57	82
	Cyient Schweiz GmbH	3	-
	Cyient Europe Limited	5	31
	Cyient Benelux BV	1	1
	Cyient GmbH	10	23
	Cyient KK	1	-
	Cyient Canada Inc.	3	2
	WorkForce Delta Pty. Ltd	1	-
	Cyient Singapore Private Limited	1	1
	Cyient Australia Pty Limited	2	9
Corporate guarantee given to subsidiary's bankers (refer note 23(A))	Cyient Inc.	1,190	1,100
	Cyient Europe Limited	9,623	3,192
	Cyient S.R.O	95	305
	Cyient GmbH	412	389
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	4,470	4,520
	Cyient Australia Pty Limited	662	980
	Cyient Singapore Private Limited	1,149	76
	Cyient Solutions and Systems Private Limited	-	11
Advances to suppliers and service providers	Cyient KK	6	6
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	2	2
	Cyient Insight Pvt Ltd	15	-

Nature of the balance	Party name	As at March 31, 2023	As at March 31, 2022
Loans outstanding	Cyient Insights Private Limited	200	115
	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	1,536	1,536
	Cyient Solutions and Systems Private Limited (refer note 2 below)	311	311
Interest on loans outstanding	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	227	144
	Cyient Insights Private Limited	12	3
Short-term benefits payable	Executive Vice Chairman & Managing Director and Executive officers	210	231
Commission and other benefits payable	Non-executive and Non-independent/ independent directors	18	22

Notes:

1. During the year 2020-21, the Company has impaired the carrying value of its investment in joint venture company, Infotech HAL Limited, India of ₹ 20, based on the long term outlook of the business.
2. During the FY 2019-20, Company's subsidiary, Cyient Solutions and Systems Private Limited ('CSS') has recognised one-time charge of ₹ 222 relating to costs incurred on development of UAV systems in view of the potential delays in materialization of orders. Accordingly, a corresponding provision for impairment of the loan given to CSS of ₹ 311 has been recognised in the Statement of Profit and Loss for FY 20.

   During the previous year, CSS has recovered ₹ 35 against aforesaid impairment of non-current assets.
3. Foreign exchange restatements have not been disclosed as transactions during the year.

25. Earnings per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit after tax	**3,548**	**5,691**
Basic:		
Number of shares outstanding at the year end	110,575,006	110,317,416
Less: treasury shares	1,079,000	1,079,000
Number of shares for earnings per share	109,496,006	109,238,416
Weighted average number of equity shares	109,365,875	109,379,568
Earnings per share (₹)	**32.44**	**52.03**
Diluted:		
Effect of potential equity shares on ASOPs and RSUs outstanding	757,880	487,183
Weighted average number of equity shares outstanding	110,123,755	109,866,751
Earnings per share (₹)	**32.22**	**51.80**

26. Research & Development:

i. Property, plant and equipment used in Research and Development

The following table provides the break-up of 'Property, plant and equipment' used specifically for the research and development:

Carrying amounts of:	As at March 31, 2023	As at March 31, 2022
Buildings	26	28
Plant and Equipment	25	31
Furniture and Fixtures	5	6
Electrical Installations	10	12
Computers	4	7
Office Equipment	2	4
Total Tangible Assets	**72**	**88**

Particulars	Buildings	Plant and Equipment	Furniture and Fixtures	Electrical Installations	Computers	Office Equipment	Total
Balance as at April 1, 2021	**29**	**5**	**7**	**14**	**8**	**5**	**68**
Additions	-	28	-	-	6	1	35
Depreciation	(1)	(2)	(1)	(2)	(7)	(2)	(15)
Balance as at March 31, 2022	**28**	**31**	**6**	**12**	**7**	**4**	**88**
Depreciation	(2)	(6)	(1)	(2)	(3)	(2)	(16)
Balance as at March 31, 2023	**26**	**25**	**5**	**10**	**4**	**2**	**72**

ii. Revenue Expenditure:

Revenue expenditure pertaining to research and development are charged to the Statement of Profit and Loss aggregated to ₹ 263 (2021-22: ₹ 215).

27. Financial Instruments

27.1 Capital management

The Company manages its capital to ensure that it maximises the return to stakeholders through the optimisation of the capital structure. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company is predominantly equity financed which is evident from the capital structure. Further the Company has always been positive on its net cash position with cash and bank balances along with other treasury investments.

27.2 Financial instruments by category:

Particulars	Carrying value as at March 31, 2023	Carrying value as at March 31, 2022
Financial assets:		
Amortised cost		
Loans	1,739	1,651
Trade receivables	7,075	4,589
Cash and cash equivalents	1,152	8,748
Other bank balance	1	1
Other financial assets	2,243	1,678
Investment in		
(i) Tax free bonds (quoted)*	1,656	1,716
(ii) Perpetual bonds (quoted)*	632	603
(iii) commercial papers (quoted)*	295	-
Fair value through other comprehensive income		
Investment in unquoted equity shares	37	923
Derivative instruments designated in a hedging relationship	80	245
Fair value through profit and loss		
Investments in mutual funds	995	704
Investment in unquoted Compulsorily convertible preference shares (CCPS)	10	10
Total financial assets	**15,915**	**20,868**
Financial liabilities:		
Amortised cost		
Trade payables	3,122	2,661
Other liabilities	33	55
Lease liabilities	1,363	1,156
Sale and lease back	34	60
Fair value through other comprehensive income		
Derivative instruments designated in a hedging relationship	188	49
Total financial liabilities	**4,740**	**3,981**

* Fair value of the investments in tax free and perpetual bonds is ₹ 2,145 (March 31, 2022: 2,276) and Commercial paper is ₹ 295 (March 31, 2022: ₹ Nil)

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

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

Investment in unquoted equity shares are measured at fair value through initial designation in accordance with Ind-AS 109.

Investments in mutual funds and derivative assets/ (liabilities) are mandatorily measured at fair value.

27.3 Fair value hierarchy

Valuation technique and key inputs

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

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

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

Particulars	Date of valuation	As at March 31, 2023	Fair value measurement at the end of year using		
			Level 1	Level 2	Level 3
Assets					
Investment in unquoted equity shares*	March 31, 2023	37	-	-	37
Investment in unquoted CCPS*	March 31, 2023	10	-	-	10
Investment in mutual funds	March 31, 2023	995	995	-	-
Investment in tax free and perpetual bonds (quoted)	March 31, 2023	2,145	-	2,145	-
Investment in commercial paper (quoted)	March 31, 2023	295	-	295	-
Derivative instruments designated in a hedging relationship**	March 31, 2023	80	-	80	-
Liabilities					
Derivative instruments designated in a hedging relationship**	March 31, 2023	188	-	188	-

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2022:

Particulars	Date of valuation	As at March 31, 2022	Fair value measurement at the end of year using		
			Level 1	Level 2	Level 3
Assets					
Investment in unquoted equity shares *	March 31, 2022	923	-	-	923
Investment in unquoted CCPS*	March 31, 2022	10	-	-	10
Investment in tax free and perpetual bonds	March 31, 2022	2,276	-	2,276	-
Investment in mutual fund	March 31, 2022	704	704	-	-
Derivative instruments designated in a hedging relationship**	March 31, 2022	245	-	245	-
Liabilities					
Derivative instruments designated in a hedging relationship**	March 31, 2022	49	-	49	-

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

The following methods and assumptions were used to estimate the fair values:

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

** The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, etc. As at March 31, 2023 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had insignificant impact on the hedge effectiveness assessment for derivatives designated in hedge relationships.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents changes in level 3 items for the year ended March 31, 2023 and March 31, 2022:

Particulars	Investment in unquoted equity shares	Investment in unquoted CCPS	Total
As at March 31, 2021	**39**	**12**	**51**
Acquisitions	885	-	885
Gains/(losses) recognised	(1)	(2)	(3)
As at March 31, 2022	**923**	**10**	**933**
Gains/(losses) recognised	(1)	-	(1)
Sale of investment	(885)	-	(885)
As at March 31, 2023	**37**	**10**	**47**

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 as at March 31, 2023	Fair value as at March 31, 2022	Significant unobservable inputs	Valuation process	Sensitivity of the inputs to fair value
Investment in unquoted equity shares and compulsorily convertible preference shares (CCPS)	47	933	Earnings growth rate	i) Earnings growth factor for unquoted equity shares and CCPS are estimated based on the market information of similar type of companies and also considering the economic environment impact.	a) Any increase in the earnings growth rate would result in a increase in fair value.
			Discount rate	ii) 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.	b) Any increase in the discount rate would result in a decrease in the fair value.

27.4 Financial risk management

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and other price risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The liquidity risk is measured by the Company's inability to meet its financial obligations as they become due.

Foreign exchange risk

The Company operates internationally and a major portion of the business is dominated in foreign currency predominantly US Dollar, Pound Sterling, Australian Dollar and Euro currencies. Consequently the Company is exposed to foreign exchange risk through its services and purchases / import of services from overseas suppliers in various foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are affected as the rupee appreciates/ depreciates against these currencies.

The Company monitors and manages its financial risks by analysing its foreign exchange exposures.
The Company, in accordance with its Board approved risk management policies and procedures, enters into foreign exchange forward contracts to manage its exposure in foreign exchange rates.

The Company has applied the hedge accounting principles set out in Indian Accounting Standard – 109 "Financial Instruments" (Ind AS - 109) in respect of such derivative contracts, designated in a hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to certain highly probable forecast transactions. Accordingly, in respect of all such outstanding contracts as at March 31, 2023 that were designated as effective hedges of highly probable forecast transactions, (loss)/ gain, net of tax aggregating ₹ (81) (March 31, 2022: ₹ 128) have been recognised under the cash flow hedge reserve.

Derivative financial instruments:

Outstanding forward exchange contracts as on March 31, 2023:

Currency	No. of contracts	Amount in foreign currency	Amount in ₹	Buy/Sell	Cross currency
AUD	26	27,990,000	1,596	Sell	INR
CAD	21	18,050,000	1,135	Sell	INR
EUR	42	31,070,000	2,738	Sell	INR
GBP	14	7,720,000	772	Sell	INR
USD	90	86,000,000	7,130	Sell	INR

Outstanding forward exchange contracts as on March 31, 2022:

Currency	No. of contracts	Amount in foreign currency	Amount in ₹	Buy/Sell	Cross currency
AUD	35	28,000,000	1,605	Sell	INR
CAD	27	18,000,000	1,115	Sell	INR
EUR	40	30,000,000	2,743	Sell	INR
GBP	13	7,200,000	767	Sell	INR
USD	74	75,200,000	5,858	Sell	INR

All outstanding forward exchange contracts as at March 31, 2023 and March 31, 2022 have maturity period of less than one year.

Sensitivity analysis:

In respect of the Company's forward exchange contracts, a 5% increase/decrease in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

* an approximately ₹ (669)/ 669 (decrease)/increase in the Company's other comprehensive income as at March 31, 2023.
* an approximately ₹ (577)/ 577 (decrease)/increase in the Company's other comprehensive income as at March 31, 2022.

Foreign currency exposure unhedged

The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the volatility of the Company's net financial assets (viz. which includes cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities), which are denominated in various foreign currencies (USD, Euro, UK pound sterling, Aus $, SGD, CAD, Yen etc.)

Sensitivity analysis:

For the year ended March 31, 2023 and March 31, 2022 , every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by ₹ 258 / (₹ 258) and ₹ 110 / (₹ 110) respectively.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, derivative financial instruments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments.

In addition, the Company is exposed, to credit risk in relation to financial guarantees given to subsidiary's banks. The Company's exposure in this respect is limited to the maximum amount the Company could have to pay if the guarantee is called on (refer note 23 (A))

The following table gives details in respect of percentage of total receivables and unbilled receivables from top customer and top five customers (excluding inter company):

(in %)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Receivables from top customer	14.36	15.47
Receivables from top five customers	46.89	51.48

Investments:

The Company limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Company does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Liquidity risk

The Company's principal sources of liquidity are cash & bank balances, investments in mutual funds and cash generated from operations. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

As of March 31, 2023 and March 31, 2022, the Company had unutilized credit limits from banks of ₹ 2,874 and ₹ 2,669, respectively.

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

Particulars	Less than 1 year	1-2 years	2 years and above
Trade payables	3,122	-	-
Other financial liabilities	253	2	-
Total	**3,375**	**2**	**-**

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

Particulars	Less than 1 year	1-2 years	2 years and above
Trade payables	2,598	63	-
Other financial liabilities	136	28	-
Total	**2,734**	**91**	**-**

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

Other price risks:

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

28. Segment information

Segment information has been presented in the Consolidated Financial Statements in accordance with Ind AS 108 notified under the Companies (Indian Accounting Standards) Rules, 2015.

29. Disclosures under 34(3) of SEBI (listing obligation and disclosure requirement) regulations, 2015:

The details of loans and advances to subsidiaries / joint venture are given below (refer note 24):

Particulars	Relationship	Nature	As at		Maximum amount outstanding at any time during the year ended	
			March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Cyient KK	Subsidiary	Advance	6	6	6	6
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	Subsidiary	Advance	2	2	2	2
Cyient Insights Private Limited	Subsidiary	Advance	15	-	15	-
Cyient Insights Private Limited	Subsidiary	Loan	200	115	200	161
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	Subsidiary	Loan	1,536	1,536	1,746	1,736
Cyient Solutions and Systems Private Limited (refer note 6)	Subsidiary	Loan	311	311	311	311
Total			**2,070**	**1,970**		

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

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	8	21
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The disclosures in respect of the amounts payable to such enterprises as at March 31, 2023 and March 31, 2022 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Company has not received any claim for interest from any supplier as at the balance sheet date.

31. Dividends distribution made and proposed

Particulars	March 31, 2023	March 31, 2022
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2022 : ₹ 14 per share (March 31, 2021 : ₹ 17 per share)	1,544	1,871
Interim dividend for the year ended on March 31, 2023 : ₹ 10 per share (March 31, 2022: ₹ 10 per share)	1,105	1,102
Total#	**2,649**	**2,973**
Proposed dividends on equity shares:		
Final dividend for the year ended on March 31, 2023 : ₹ 16 per share (March 31, 2022: ₹ 14 per share)	**1,769**	**1,544**
	1,769	**1,544**

Includes unclaimed dividend amount of ₹ 4 (net) (2021-22: ₹ 5).

*Includes dividend on treasury shares ₹ 26 (2021-22: ₹ 21)

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2023.

The dividend declared/paid and proposed is in accordance with Section 123 of The Companies Act, 2013.

32. Ratios

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	% Variance	Reason for variance
(a) Current Ratio	Current Asset	Current Liabilities	2.80	4.45	-37%	Note 1(a)
(b) Debt-Equity Ratio	Total Debt*	Shareholder's Equity	0.05	0.05	3%	
(c) Debt Service Coverage Ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses+ finance cost	Debt service = Interest & Lease Payments + Principal Repayments	6.71	13.36	-50%	Note 1(b)
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	13%	23%	-42%	Note 1(b)
(e) Trade Receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	3.82	3.94	-3%	
(f) Trade payables turnover ratio	Other expenses + Employee benefit expenses	Average Trade Payable	6.01	4.63	30%	Note 1(c)
(g) Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	2.52	1.29	95%	Note 1(c)
(h) Net profit ratio	Net Profit after taxes	Net sales = Total sales - sales return	16%	33%	-52%	Note 1(b)
(i) Return on Capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt*	17%	26%	-33%	Note 1(b)
(j) Return on investment	Finance Income	Time weighted average Investment	4.09%	3.38%	21%	

*Debt represents lease liabilities and sale and lease back liability

Mutual funds, Tax free bonds, perpetual bonds and commercial paper are considered for the purpose of computing return on investments.

Explanations given where the change in the ratio is more than 25% as compared to the preceding year.

Note1: Variance in the ratios is due to below reasons:

a) Variance in current ratio is primarily due to a decrease in cash and cash equivalents during the year which is used for long-term investments.

b) Debt service, net profit and return on capital employed ratios were higher in the previous year due to dividends received from the subsidiary to the tune of ₹ 1,711.

c) Improved due to efficient working capital management and revenue growth.

33. Other statutory information

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

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

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

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

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

(vi) Other than disclosed below, the Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall, 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.

Name of the intermediary to which the funds are advanced or loaned or invested	Nature of transaction	Date on which funds are advanced or loaned or invested	Amount of funds advanced or loaned or invested	Parties to which these funds are further advanced or loaned or invested	Date on which funds are further advanced or loaned or invested	Amount of funds further advanced or loaned or invested
Cyient Europe Limited	Investment in equity shares	December 1, 2022	3,972	Shareholders of Sentiec Oyj	August 25, 2022*	5,667
	Investment in equity shares			Open Spiral, SGPS S.A	June 30, 2022*	1,983
Cyient Singapore Private Limited	Investment in equity shares	November 30, 2022	746	Rainer John Ptasznik Jeremy James Brown	June 4, 2022*	1,380
Cyient Insights Private Limited	Loan given	September 1, 2022	89	KreativeSarg Technology Solutions LLP	September 1, 2022	90
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	Investment in equity shares	September 2, 2022	889	Cyient Limited	September 14, 2022	892

*Funds were first advanced by the intermediary by utilising a bridge loan facility which was repaid using the funds advanced to the intermediary.

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money Laundering Act, 2002 (15 of 2003).

Complete details of intermediaries

Name	Registered address	Government Identification	Relationship with the Company
Cyient Europe Limited	First Floor Block A, Apex Plaza, Forbury Road, Reading, England RG1 1AX United Kingdom.	Company No: 02743776	Subsidiary
Cyient Singapore Private Limited	61, Seletar Aerospace views, Singapore 797560.	GST: 201512291G	Subsidiary
Cyient Insights Private Limited	Tower 2 4B, Plot no. 2, Infotech IT Park, Nanakramguda, Gachibowli, Hyderabad, Telangana, India 500032.	CIN: U72200TG2013PTC087527	Subsidiary
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	The registered office of the Company is at 3rd floor, Plot No. 11, Software Layout Units, Infocity, Hyderabad, Telangana, India - 500081.	CIN: U31909TG1993PTC141346	Subsidiary

(vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

(viii) The Company has not 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.

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

35. Previous year figures have been regrouped / reclassified, where necessary, to conform to the current years' classification.

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of Cyient Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Cyient Limited (hereinafter referred to as "the Parent Company"), its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group") and its joint venture comprising of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss, including Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, joint venture in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Consolidated Financial Statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Consolidated Financial Statements. The results of audit procedures performed by us including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Impairment assessment of Goodwill and non-current investments carried at fair value through other comprehensive income ("FVOCI") and fair value through profit and loss ("FVTPL") (as described in note 4 and 6 respectively of the Consolidated Financial Statements)	
As at March 31, 2023, the Group has goodwill of ₹ 16,363 mn on consolidation pertaining to acquisitions and ₹ 1,603 mn of non-current investments carried at FVOCI and FVTPL. The goodwill and non-current investments carried at FVOCI and FVTPL are tested annually for impairment using discounted cash-flow models of recoverable value compared to the carrying value of the assets. A deficit between the recoverable value and carrying value would result in impairment. The inputs to the impairment testing model include: • Projected revenue growth, operating margins, operating cash-flows and capex during the periods relating to explicit forecasts; • Stable long-term growth rates beyond explicit forecast period and in perpetuity; and • Discount rates that represent the current market assessment of the risks specific to the cash generating unit, taking into consideration the time value of money. The financial projections, basis which the future cash flows have been estimated, consider the impact of the economic uncertainties on the discount rates, the projected growth rates and terminal values and subjecting these variables to sensitivity analysis. The annual impairment testing is considered a key audit matter because the assumptions on which the tests are based are highly judgmental and are affected by future market and economic conditions which are inherently uncertain, and because of the materiality of the balances to the Consolidated Financial Statements as a whole.	Our audit procedures included the following: • We tested the design and operative effectiveness of management's key internal controls over impairment assessments. • Gained an understanding of and evaluated the methodology used by management to prepare its cash flow forecasts and the appropriateness of the assumptions applied. In making this assessment, we also evaluated the competence, professional qualification, objectivity and independence of Company's specialists involved in the process. • With the assistance of specialists, we assessed the assumptions on the key drivers of the cash flow forecasts including discount rates, expected growth rates and terminal growth rates used; in consideration of the current and estimated future economic conditions. • We assessed the historical accuracy of management's forecasting by comparing actual financial performance to management's previous forecasts. We also analysed the consistency of cash flow forecasts with Management's latest estimates presented to the Board of Directors as part of the budget process. • We assessed the recoverable value headroom by performing sensitivity testing of key assumptions used. • We tested the arithmetical accuracy of the models. • We assessed the adequacy of the related disclosures in note 4 and 6 to the Consolidated Financial Statements.

Key audit matters	How our audit addressed the key audit matter
Accuracy of recognition and measurement of Revenues (as described in note 2 and 21 of the Consolidated Financial Statements)	
The application of the revenue recognition standard Ind AS 115 – "Revenue from contracts with customers" involves certain key judgements and principles for evaluating various distinctive terms/matters. Revenue contracts with customers have defined delivery milestones with agreed scope of work and pricing for each milestone depending on the nature of service/industry served. The pricing arrangement of these contracts vary between time and material, fixed bid/unit based, etc. Revenue from fixed bid/unit-based contracts, where the performance obligation is satisfied over time has been recognised using the percentage of completion method. Use of the percentage-of-completion method requires the Group to determine the actual efforts or costs expended to date as a proportion of the estimated total efforts or costs to be incurred. Identification of performance obligations involves high degree of judgement and assessment of contractual terms. Also, the estimate of total efforts or remaining efforts to complete fixed bid/unit-based contracts measured using the percentage of completion method involves significant judgement throughout the period of the contract and is subject to revision as the contract progresses based on the latest available information. As the revenue recognition involves significant estimates and judgments, we regard this as a key audit matter.	Our audit procedures include the following: • Evaluated the design and operating effectiveness of management's key internal controls over revenue recognition. • Tested relevant information technology systems' controls relating to contracts and related information used in recording and disclosing revenue. • Substantive testing of sample revenue contracts and performed the following procedures to assess management analysis and impact of Ind AS 115: - Read, analyzed and identified the distinct performance obligations in these contracts. - Compared these performance obligations with that identified and recorded by the Company. - Considered the terms of the contracts and assessed the transaction price including any variable consideration to test revenue. • Sample contracts in respect of revenue recorded for time and material contracts were tested using a combination of approved time sheets including customer acceptances and subsequent invoicing. • In respect of fixed price contracts, progress towards completion of performance obligation used to compute revenue was verified based on actual cost relative to estimated cost from management analysis and systems or external evidence of progress. Also, reviewed cost incurred with estimated cost to identify significant variations and reasons and to verify whether those variations have been considered in estimating the remaining cost to complete the contract.
Allowance for credit losses for trade receivables including unbilled revenue (as described in note 2, 7 and 10 of the Consolidated Financial Statements)	
As at March 31, 2023, the Group has outstanding trade receivables and unbilled revenue of ₹ 11,271 mn and ₹ 4,123 mn respectively. The Group has determined the allowance for credit losses based on the ageing status and historical loss experience adjusted to reflect current and estimated future economic conditions. We considered this as key audit matter due to the materiality of the amounts and significant estimates and judgements as stated above.	Our audit procedures included the following: • We tested the design and operative effectiveness of management's key internal controls over allowance for credit losses. • We assessed the completeness and accuracy of the information used in the estimation of probability of default and tested historical payment records, correspondence with customers, credit related information and subsequent collection of the customers' balances. • We assessed the allowance for expected credit loss made by management and performed analysis of ageing of receivables, tested the mathematical accuracy and computation of the allowance for credit losses.

Key audit matters	How our audit addressed the key audit matter
Business Combinations (as described in note 33 of the Consolidated Financial Statements)	
During the year ended March 31, 2023, the Group completed certain acquisitions that resulted in the Group acquiring control over the entities Grit Consulting Pte Ltd, Celfinet – Consultoria em Telecomunicações, S.A., and Sentiec Oyj and Citec Engineering India Private Limited including subsidiaries of these entities. The Group determined the acquisition to be business combination in accordance with Ind AS 103 - "Business Combinations". Ind AS 103 requires the identified assets and liabilities be recognised at fair value, at the date of acquisition with the excess of identified acquisition cost over the fair value of recognised assets and liabilities recognised as Goodwill. The Purchase Price Allocation (PPA) exercise was completed resulting in the Group recognising Goodwill of ₹ 9,309 mn. Further, the group recognized earn-out liabilities based on the contingent consideration as part of business combination at fair value. Management made judgements whether the acquisitions are in the nature of business or assets, identification of assets and liabilities acquired, assessment of fair value of assets and liabilities on the date of acquisition, allocation of consideration or cost of acquisition to the assets and liabilities acquired. Considering, the identification and valuation of intangible assets involves significant judgements and assumptions around future cash flows and discount rates and fair value measurement of contingent consideration require management's estimation and significant judgement on post-acquisition performance of acquired business, we have considered this as a key audit matter.	• We tested the design and operating effectiveness of the Parent Company's key controls over the accounting of business combination. • We obtained the Shareholders Agreement ("SHA"), traced the value of the consideration transferred and understood the key terms and conditions for each acquisition, including assessment of the date of acquisition, determination of purchase consideration (including contingent consideration). • We assessed the acquisition accounting in line with the requirements of Ind AS 103, including evaluation of the procedures applied to identify and value additional assets and liabilities on acquisition and evaluating the key judgements. In performing these procedures, we involved our valuation expert ("auditor's expert") to review the PPA reports including the work done by management experts to assess reasonableness of the underlying key assumptions and valuation methodology (terminal growth/discount rate etc) used in determining the fair value of contingent consideration, assets and liabilities (including intangible assets) as at the acquisition date. We evaluated the competence, capabilities and objectivity of the management's expert, obtained an understanding of the work of the expert, and evaluated the appropriateness of the expert's work as audit evidence. • We assessed the adequacy of related disclosures in note 33 to the consolidated financial statements.

Other Information

The Parent Company' s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated cash flows and Consolidated statement of changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Parent Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group and its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and its joint venture are also responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors.

We communicate with those charged with governance of the Parent Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The Consolidated Financial Statements include the Group's share of net loss of Rs. Nil for the year ended March 31, 2023, as considered in the Consolidated Financial Statements, in respect of a joint venture, whose financial statements, other financial information have not been audited and whose unaudited financial statements, other unaudited financial information have been furnished to us by the Management. Our opinion, in so far as it relates amounts and disclosures included in respect of joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statements and other unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements and other financial information are not material to the Group.

Our opinion above on the Consolidated Financial Statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Financial Statements;

(d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Parent Company and its subsidiaries incorporated in India as on March 31, 2023 taken on record by the respective Board of Directors of the Parent Company and its subsidiaries, none of the directors of the Group's companies, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Parent Company and its subsidiary companies incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Parent Company and its subsidiary company incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act. The provisions of section 197 read with Schedule V of the Act are not applicable to the other two subsidiaries incorporated in India for the year ended March 31, 2023;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Group had disclosed the impact of pending litigations on its consolidated financial position of the Group in its Consolidated Financial Statements – Refer note 35 to the Consolidated Financial Statements;

ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer note 16 to the Consolidated Financial Statements in respect of such items as it relates to the Group;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company during the year ended March 31, 2023. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries incorporated in India during the year ended March 31, 2023;

iv. a) The respective managements of the Parent Company and its subsidiaries which are companies incorporated in India, have represented to us that, to the best of its knowledge and belief, other than as disclosed in the note 41 to the Consolidated Financial Statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Parent Company or its subsidiaries to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Parent Company or its subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Parent Company and its subsidiaries, which are companies incorporated in India, have represented to us that, to the best of its knowledge and belief, other than as disclosed in the note 41 to the Consolidated Financial Statements, no funds which are material either individually or in the aggregate have been received by the respective Parent Company or its subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or its subsidiaries shall, whether, directly or indirectly, lend or invest in other person or entity 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; and

c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. a) The final dividend paid by the Parent Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend;

b) The interim dividend declared and paid by the Parent Company during the year and until the date of this audit report is in accordance with section 123 of the Act; and

c) The Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Group only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm Registration Number: 101049W/E300004

per Vikas Pansari
Partner
Membership Number: 093649
UDIN: 23093649BGXPKI3901
Place of Signature: Hyderabad
Date: April 20,2023

ANNEXURE '1' REFERRED TO IN PARAGRAPH UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CYIENT LIMITED ("THE PARENT COMPANY")

In terms of the information and explanations sought by us and given by the Company and to the best of our knowledge and belief, we state that:

3 (xxi) There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the Company and its subsidiary companies included in the Consolidated Financial Statements. The report of a joint venture included in the Consolidated Financial Statements has not been issued by its auditor till the date of our auditor's report.

S.No	Name of the joint venture company	Corporate Identification Number
1	Infotech HAL Limited	U29200KA2007PLC043691

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Vikas Pansari

Partner

Membership Number: 093649

UDIN: 23093649BGXPKI3901

Place of Signature: Hyderabad

Date: April 20, 2023

ANNEXURE '2' REFERRED TO IN OUR REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CYIENT LIMITED ("THE PARENT COMPANY")

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Consolidated Financial Statements of the Parent Company and its subsidiaries (the Parent Company and its subsidiaries together referred to as "the Group"), which are companies incorporated in India, as of March 31, 2023, in conjunction with our audit of the Consolidated Financial Statements of the parent company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent Company's internal financial controls with reference to Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both, issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements included obtaining an understanding of internal financial controls with reference to Consolidated Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Parent Company and its subsidiary companies, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to Consolidated Financial Statements and such internal financial controls with reference to Consolidated Financial Statements were operating effectively as at March 31,2023, based on the internal control over financial reporting criteria established by the Parent Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per Vikas Pansari

Partner

Membership Number: 093649

UDIN: 23093649BGXPKI3901

Place of Signature: Hyderabad

Date: April 20, 2023

Consolidated Balance Sheet as at March 31, 2023

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

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3A	4,481	4,540
Right of use assets	3C	2,770	2,247
Capital work-in-progress	3B	27	134
Goodwill	4	16,363	6,185
Other intangible assets	5A	4,632	477
Intangible assets under development	5B	418	-
Financial assets			
(a) Investments	6	3,463	3,582
(b) Other financial assets	7	249	257
Deferred tax assets (net)	18.2	482	248
Income tax assets (net)	18.3	321	876
Other non-current assets	8	362	355
Total non-current assets		**33,568**	**18,901**
Current assets			
Inventories	9	4,358	2,790
Financial assets			
(a) Investments	6	1,718	866
(b) Trade receivables	10	11,271	7,333
(c) Cash and cash equivalents	11A	6,215	12,157
(d) Other bank balances	11B	979	509
(e) Other financial assets	7	4,527	3,476
Other current assets	8	2,845	1,841
Total current assets		**31,913**	**28,972**
Total assets		**65,481**	**47,873**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	12	553	552
Other equity	13	34,114	30,614
Equity attributable to Shareholders of the Company		**34,667**	**31,166**
Non-controlling interests	14	(32)	(32)
Total equity		**34,635**	**31,134**

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	15	4,939	23
(b) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		-	63
(c) Lease liabilities	3C	1,960	1,732
(d) Other financial liabilities	16	1,270	345
Provisions	17	1,616	1,347
Deferred tax liabilities (net)	18.2	830	345
Other non-current liabilities	19	-	261
Total non-current liabilities		**10,615**	**4,116**
Current liabilities			
Financial liabilities			
(a) Borrowings	15	4,397	3,241
(b) Trade payables	20		
(i) total outstanding dues of micro enterprises and small enterprises		89	53
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		7,053	5,206
(c) Lease liabilities	3C	882	738
(d) Other financial liabilities	16	2,038	425
Income tax liabilities (net)	18.3	570	350
Provisions	17	1,137	414
Other current liabilities	19	4,065	2,196
Total current liabilities		**20,231**	**12,623**
Total liabilities		**30,846**	**16,739**
Total equity and liabilities		**65,481**	**47,873**
Corporate information and significant 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

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

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

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

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
INCOME			
Revenue from operations	21	60,159	45,344
Other income	22	814	1,121
Total income		**60,973**	**46,465**
EXPENSES			
Employee benefits expense	23	30,260	22,665
Cost of materials consumed	24	6,839	5,881
Changes in inventories of finished goods, stock-in-trade and work-in-progress	25	125	(175)
Finance costs	26	1,000	393
Depreciation and amortisation expense	27	2,566	1,922
Other expenses	28	12,904	8,795
Total expenses		**53,694**	**39,481**
Profit before share of profit/(loss) from joint venture, exceptional items and tax		**7,279**	**6,984**
Share of profit/(loss) from joint venture	6(iii)	-	-
Profit before exceptional items and tax		**7,279**	**6,984**
Exceptional items	40	467	-
Profit before tax		**6,812**	**6,984**
Tax expense			
Current tax	18.1	2,016	1,692
Deferred tax (credit)/charge:	18.1	(348)	69
Total tax expense		**1,668**	**1,761**
Profit for the year		**5,144**	**5,223**
Other comprehensive income (OCI)			
(a) Items that will not be reclassified subsequently to statement of profit and loss:			
(i) Remeasurements of the net defined benefit liability	17(i)	(56)	(52)
(ii) Equity instruments through other comprehensive income	13	(1)	(1)
(iii) Income tax relating to items that will not be reclassified to statement of profit and loss	18.1 (B)	14	11

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
(b) Items that will be reclassified subsequently to statement of profit and loss:			
(i) Exchange differences in translating the financial statements of foreign operations	13	854	57
(ii) Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge	13	(305)	6
(iii) Income tax on items that will be reclassified to statement of profit and loss	18.1 (B)	96	(2)
Total other comprehensive income for the year		**602**	**19**
Total comprehensive income for the year		**5,746**	**5,242**
Profit for the year attributable to:			
- Shareholders of the Company		5,144	5,223
- Non-controlling interests		-	-
		5,144	**5,223**
Other comprehensive income for the year attributable to:			
- Shareholders of the Company		602	19
- Non-controlling interests		-	-
		602	**19**
Total comprehensive income for the year attributable to:			
- Shareholders of the Company		5,746	5,242
- Non-controlling interests		-	-
		5,746	**5,242**
Earnings per equity share (par value of ₹ 5 each)	29		
Basic (₹)		47.03	47.75
Diluted (₹)		46.71	47.54
Corporate information and significant 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

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

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

a. Equity share capital

Particulars	Notes	Amount
Balance as at April 1, 2021		**550**
Issue of shares during the year	12A	2
Balance as at March 31, 2022		**552**
Issue of shares during the year*	12A	1
Balance as at March 31, 2023		**553**

* During the year, the Company allotted 257,590 (March 31, 2022 : 287,604) equity shares of ₹ 5 each valuing ₹ 1.29 (March 31, 2022 : ₹ 1.44), consequent to the exercise of the stock options by the associates of the Company under the Associate Stock Option Plan.

b. Other equity

Particulars	Notes	Attributable to shareholders of the Company												Non-controlling Interests (NCI)	Total other equity (Including NCI)
		Reserves and surplus								Items of other comprehensive income					
		Capital redemption reserve	Securities premium	General reserve	Share based payments reserve	Special economic zone (SEZ) re-investment reserve	Retained earnings	Treasury shares	Share application money pending allotment	Capital reserve	Cash flow hedge reserve	Foreign currency translation reserve	Equity instruments through OCI		
Balance as at April 1, 2021		**16**	**2,111**	**5,139**	**158**	**-**	**20,212**	**-**	**7**	**35**	**124**	**1,216**	**5**	**(32)**	**28,991**
Profit for the year	13	-	-	-	-	-	5,223	-	-	-	-	-	-	-	5,223
Other comprehensive income	13	-	-	-	-	-	(41)	-	-	-	4	57	(1)	-	19
Total comprehensive income for the year		-	-	-	-	-	5,182	-	-	-	4	57	(1)	-	5,242
Issue of shares on exercise of associate stock options	13	-	184	-	(56)	-	-	-	(7)	-	-	-	-	-	121
Purchase of treasury shares	13	-	-	-	-	-	-	(950)	-	-	-	-	-	-	(950)
Share-based payments expense	13	-	-	-	130	-	-	-	-	-	-	-	-	-	130

Particulars	Notes	Attributable to shareholders of the Company												Non-controlling Interests (NCI)	Total other equity (Including NCI)
		Reserves and surplus								Items of other comprehensive income					
		Capital redemption reserve	Securities premium	General reserve	Share based payments reserve	Special economic zone (SEZ) re-investment reserve	Retained earnings	Treasury shares	Share application money pending allotment	Capital reserve	Cash flow hedge reserve	Foreign currency translation reserve	Equity instruments through OCI		
Dividend on equity shares	37	-	-	-	-	-	(2,952)	-	-	-	-	-	-	-	(2,952)
Transfer to SEZ re-investment reserve	13	-	-	-	-	65	(65)	-	-	-	-	-	-	-	-
Balance as at March 31, 2022		**16**	**2,295**	**5,139**	**232**	**65**	**22,377**	**(950)**	**-**	**35**	**128**	**1,273**	**4**	**(32)**	**30,582**
Profit for the year	13	-	-	-	-	-	5,144	-	-	-	-	-	-	-	5,144
Other comprehensive income	13	-	-	-	-	-	(42)	-	-	-	(209)	854	(1)	-	602
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**5,102**	**-**	**-**	**-**	**(209)**	**854**	**(1)**	**-**	**5,746**
Issue of shares on exercise of associate stock options	13	-	132	-	(51)	-	-	-	-	-	-	-	-	-	81
Share based payment expense	13	-	-	-	307	-	-	-	-	-	-	-	-	-	307
Dividend on equity shares	37	-	-	-	-	-	(2,634)	-	-	-	-	-	-	-	(2,634)
Balance as at March 31, 2023		**16**	**2,427**	**5,139**	**488**	**65**	**24,845**	**(950)**	**-**	**35**	**(81)**	**2,127**	**3**	**(32)**	**34,082**

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

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Consolidated Statement of Cash Flow for the year ended March 31, 2023

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

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit for the year	**5,144**		**5,223**	
Adjustments for:				
Tax expense	1,668		1,761	
Depreciation and amortisation expense	2,566		1,922	
Profit on sale of property, plant and equipment and termination of leases (net)	(69)		(29)	
Finance costs	1,000		393	
Interest income	(289)		(479)	
Dividend from mutual funds	(31)		-	
Liabilities no longer required written back	(1)		-	
Loss/ (gain) on fair valuation of financial assets and financial liability	16		(11)	
Share-based payments to employees	307		130	
Provision for expected credit loss (net)	336		36	
Fair value changes in liability towards acquisition of business	22		52	
Gain on fair valuation of equity instruments	(59)		(19)	
Unrealised forex gain (net)	(298)		(9)	
Operating profit before working capital changes		**10,312**		**8,970**
Changes in operating assets and liabilities:				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(2,274)		744	
Other financial assets	(1,064)		(725)	
Inventories	(1,560)		(1,203)	
Other assets	(634)		(609)	
Adjustments for increase in operating liabilities:				
Trade payables	560		756	
Other liabilities	1,037		45	
Provisions	450		19	
Cash generated from operations		**6,827**		**7,997**
Net income taxes paid		(1,288)		(1,652)
Net cash flow from operating activities (A)		**5,539**		**6,345**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment towards purchase of property, plant and equipment and intangible assets	(675)		(647)	
Proceeds from sale of property, plant and equipment	23		21	
Investments in				
- mutual funds	(5,767)		(2,000)	
- bonds	(1,153)		(2,279)	
- commercial paper	(294)		-	
- equity instruments	(102)		(278)	
Proceeds from sale of investments in				
- mutual funds	5,535		1,307	
- bonds	1,121		-	
Interest received	413		545	
Dividend received from mutual funds	31		-	
Payment towards acquisition of business (refer note (ii) below)	(8,989)		(225)	
Movement in other bank balances	(470)		(267)	
Net cash flow used in investing activities (B)		**(10,327)**		**(3,823)**
C. CASH FLOW FROM FINANCING ACTIVITIES				
Purchase of treasury shares (refer note 12(F))	-		(950)	
Proceeds from shares issued on exercise of associate stock options	79		121	
Interest paid	(658)		(166)	
Proceeds from non-current borrowings*	1,797		-	
Repayment of non-current borrowings	(315)		(447)	
Movement in current borrowings (net)*	2,029		(98)	
Repayment of lease liabilities	(1,369)		(962)	
(Repayment)/ proceeds from sale and leaseback of assets	(26)		9	
Dividends paid (includes transfer to investor education and protection fund)	(2,630)		(2,952)	
Net cash flow used in financing activities (C)		**(1,093)**		**(5,445)**
Net decrease in cash and cash equivalents (A+B+C)		**(5,881)**		**(2,923)**
Cash and cash equivalents at the beginning of the year		11,118		13,989
Effect of exchange differences on translation of foreign currency cash and cash equivalents		265		52
Cash and cash equivalents at the end of the year (refer note below)		**5,502**		**11,118**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Notes:		
(i) Cash and cash equivalents comprises of: (refer note 11A)		
Cash on hand	-	-
Balances with banks		
in current accounts	5,200	3,682
in deposit accounts	347	5,103
Deposits with financial institutions	-	3,150
Cheques on hand	22	-
Unpaid dividend	28	19
Remittances in transit	618	203
	6,215	**12,157**
Bank overdraft account balances	**(713)**	**(1,039)**
	5,502	**11,118**

(ii) Net cash outflow on acquisition of business:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Consideration paid in cash	11,323	300
Less: Cash and cash equivalent balances acquired on the acquisition	(2,334)	(75)
Net cash outflow on acquisition of business	**8,989**	**225**

*During the year, the Group has converted short-term borrowings to long-term borrowings amounting to ₹ 3,076.

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

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Notes Forming Part of the Consolidated Financial Statements for the Year Ended March 31, 2023

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

1. Corporate information

Cyient Limited ('Cyient' or 'the Company') and its subsidiaries (collectively referred to as 'the Group') and its joint venture is engaged in providing global technology services and solutions specialising in geospatial, engineering design, IT solutions and data analytics. The Group also specialises in the areas of total electronics manufacturing solutions in the fields of medical, industrial, automotive, telecommunications, defence and aerospace applications, including manufacturing and machining of components for aerospace, automotive and defence industries. The Company is a public limited Company incorporated in India and has its headquarters and development facilities in India and serves a global customer base through its subsidiaries and joint ventures in the United States of America ('USA'), United Kingdom ('UK'), Germany, Japan, Australia Singapore, Portugal and Finland. The Group's range of services include digitisation of drawings and maps, photogrammetry, computer aided design/engineering ('CAD/CAE'), design and modelling, repair development engineering, reverse engineering application software development, software products development, consulting, analytics and implementation. The Group specialises in software services and solutions for the manufacturing, utilities, telecommunications, transportation & logistics, local government and financial services markets. Further, the Group is also engaged in the business of manufacturing, assembling, integrating, testing and sale of unmanned aerial systems.

The Company's shares are listed on the BSE Limited and National Stock Exchange of India Limited. The registered office of the Company is located at 4th Floor, "A" Wing, Plot No. 11, Software Units Layout, Infocity, Madhapur, Hyderabad 500 081, India.

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on April 20, 2023.

2. Significant accounting policies

2.1 Statement of compliance

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, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

2.2 Basis of preparation and presentation

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

Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

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.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group's voting rights and potential voting rights; and
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. 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.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests ('NCI'). Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the NCI even if this results in the non-controlling interests having a deficit balance.

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 estimates and judgements

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions considered in 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 recognised in the consolidated financial statements such as:

- Impairment assessment of goodwill and intangible assets under development;
- Revenue recognition and related cost estimation;
- Share-based payments;
- Provision for income tax and recoverability of deferred tax assets;
- Fair Value measurement of financial instruments;
- Determination of purchase price allocation and valuation of intangible assets; and
- Allowance for expected credit losses on trade receivables and unbilled revenue.

2.5 Business combinations and goodwill

The Group 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 recognised 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 those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised 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 recognised 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 as 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 recognised in the consolidated statement of profit and loss.

Acquisition of some or all of the NCI is accounted for as a transaction with equity holders in their capacity as equity holders. Consequently, the difference arising between the fair value of the purchase consideration paid and the carrying value of the NCI is recorded as an adjustment to retained earnings that is attributable to the Company. No goodwill is recognised as a result of such transactions.

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 entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Business combinations arising from entities that are under the common control are accounted at historical cost. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the entity are recorded in other equity.

Goodwill

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.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units that is expected to benefit from the synergies of the combination.

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. Any impairment loss for goodwill is recognised directly in the consolidated statement of profit and loss. An impairment loss recognised for goodwill is not reversed in the subsequent periods.

2.6 Foreign currency translation

i) Functional and presentation currency

These consolidated financial statements are presented in INR, which is the functional and presentation currency of the Company. For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

ii) Transactions and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit 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 assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

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

iii) 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 recognised 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 stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to the acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management. 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 Companies Act, 2013 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. Freehold land is not depreciated.

Type of asset	Useful lives
Buildings	28 years
Leasehold improvements	Shorter of lease period or estimated useful lives
Computers	3-5 years
Plant and equipment	10 years
Office equipment	3-5 years
Furniture and fixtures	3-10 years
Electrical installations	3-10 years
Vehicles	8 years
Tools and equipment	5 years

Depreciation methods, useful lives and residual values are reviewed periodically including at each financial year end.

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. 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 'other income' of 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 amortisation and impairment.

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised 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 amortised over their estimated useful life on a straight-line basis as follows:

Type of asset	Useful lives
Computer software	3 years/ Over the period of the respective project
Technology/ Intellectual property	2-6 years
Customer contracts	2-10 years
Process knowhow	5 years
Other intangible assets	Over the period of the respective project

An intangible asset is de-recognised on disposal, or when no future economic benefits are expected from use. 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 'other income' of the consolidated statement of profit and loss when the asset is de-recognised.

Expenditure incurred towards development is eligible for capitalisation are carried as intangible assets under development where such assets are not yet ready for their intended use.

Amortisation methods and useful lives are reviewed periodically at each financial year end.

Research and development costs

Research costs are expensed as incurred. Development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, availability of resources to complete the asset is established, the Group has intention and ability to complete and use the asset and the costs are reliably measured, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis for creating, producing and making the asset ready for its intended use.

Amortisation and impairment of development cost

Following initial recognition of the development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and the asset is available for use. It is amortised over the period of expected future benefit. Amortisation expense is recognised in the consolidated statement of profit and loss unless such expenditure forms part of carrying value of another asset.

During the period of development, the asset is tested for impairment annually.

2.9 Leases

Group as a lessee

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

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.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

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.

ROU asset	Useful lives
Leasehold land	15-33 years
Buildings	2-15 years
Computers	2-5 years
Vehicles	3 years

ii) Lease liabilities

The lease liability is initially measured at amortised 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.

Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight-line basis over the term of the relevant lease.

2.10 Investments in joint venture

A Joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in a joint venture is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the joint venture. Distributions received from a joint venture reduce the carrying amount of the investment. If entity's share of losses of a joint venture equals or exceeds its interest in the joint venture (which includes any long term interest that, in substance, form part of the Group's net investment in the joint venture), the entity discontinues recognising its share of further losses.

After application of the equity method of accounting, the Group determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Group's investment in a joint venture.

2.11 Income taxes

The income tax expense or credit for the period is the tax payable on the taxable income based on the applicable income tax rate for each jurisdiction 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 is calculated on the basis of the 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 in full, 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.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and associates and interest in joint arrangements 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 utilise 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.

Minimum alternate tax ('MAT') paid in a year is charged to the consolidated statement of profit and loss as current tax for the year. MAT credit is recognised in accordance with tax laws in India as a deferred tax asset only to the extent that is probable that the Group will pay normal income tax during the specified period i.e. the period for which MAT credit is allowed to be carried forward. The Group reviews the MAT credit at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

In the situations where one or more entities in the Group are entitled to a tax holiday under the Income-tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where they operate, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned entity's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

2.12 Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs of inventories are determined on a weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventories are valued in accordance with the below method of valuation.

i) Raw materials and consumables: Valued at cost or net realisable value whichever is less. Cost includes purchase costs and other costs incurred in bringing the inventories to their present location and condition.

ii) Stores and spares: Valued at cost. Cost includes purchase costs and other costs incurred in bringing the inventories to their present location and condition.

iii) Work-in-progress and finished Goods: Valued at cost or net realisable value whichever is less. Costs includes direct material costs, wages and applicable overheads.

2.13 Cash and cash equivalents

Cash comprises cash on hand, in bank, demand deposits with banks and with financial institutions. 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.

Cash flows are reported using indirect method, whereby profit / (loss) after tax is adjusted for the effects of transaction of non- cash nature and any deferrals or accruals of past or future cash receipts or payments for the year. The cash flows from operating, investing and financing activities of the Group are segregated based on the available information.

2.14 Equity share capital

Ordinary shares are classified as equity. Shares bought back are shown as a deduction from equity. No gain or loss is recognised in the consolidated statement of profit and loss on purchase, sale, issue or cancellation of equity instruments, except in case of employee stock options. Incremental costs directly attributable to the issuance of equity shares or buyback of equity shares are recognised as a deduction from equity, net of taxes.

2.15 Provisions and contingent liabilities

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 desired by the Group from a contract are lower than unavoidable costs of meeting to 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.

Contingencies

Contingent liabilities are not recognised in the consolidated financial statements. A contingent asset is neither recognised nor disclosed in the consolidated financial statements.

2.16 Revenue

The Group derives revenue primarily from services and solutions specialising in geospatial, engineering design, analytics, network and operations solutions. Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a product or a service to a customer. The method for recognising revenues and costs depends on the nature of services rendered as mentioned below:

a) Time and material: Revenue from time and material contracts are recognised 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 recognised as unbilled revenue.

b) Fixed price contracts: Revenue from fixed price contracts is recognised 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. In certain projects, a fixed quantum of service or output units is agreed at a fixed price for a fixed term. In such contracts, revenue is recognised with respect to the actual output achieved till date as a percentage of total contractual output. Any residual service unutilised by the customer is recognised as revenue on completion of the term.

c) Maintenance contracts: Revenue from fixed price maintenance contracts are recognised pro-rata over the term of the maintenance arrangement.

d) Sale of products: Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

Revenue from contract with customers is recognised by applying revenue recognition criteria specified in Ind AS 115 'Revenue from Contracts with Customers' for each distinct performance obligation. The arrangement with customer specify services to be rendered which meet criteria of performance obligations. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted for prospective, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (unearned revenue).

The Group accounts for the deferred contract costs, upfront costs incurred for the contract, on a systematic amortisation that is consistent with the transfer to the customer of the goods or services to which the asset relates.

The Group accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive.

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

2.17 Other income

Interest income from a financial asset is recognised 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 recognised on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.

Dividend income is recognised when the Group's right to receive dividend is established.

Foreign currency gains and losses are reported on net basis. This includes the changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through consolidated statement of profit and loss.

2.18 Government grants/incentives

Government grants are recognised when there is a reasonable assurance that:

a) The Group will comply with the conditions attached to them; and

b) The grant will be received.

Export entitlements from government authorities are recognised in the consolidated statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Group, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. Grants are recognised net of attributable expenses.

2.19 Employee benefits

Employee benefits include provident fund, super-annuation fund, employee's state insurance scheme, gratuity fund, pension and deferred compensation and compensated absences.

Defined benefit plans

Gratuity and pension and deferred compensation

The Group accounts for its liability towards gratuity and pension and deferred compensation ('post-employment benefits plan') based on actuarial valuation made by an independent actuary as at the balance sheet date using projected unit credit method. The liability recognised in the balance sheet in respect of the post-employment benefits 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 recognised 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 recognised 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 unutilised accrued compensated absence and utilise it in future periods or receive cash compensation at retirement or termination of employment. 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.

Medical insurance plan

In Cyient Inc., medical insurance plan is offered to the associates on self-insured basis which consists of fixed costs of administration charges and stop loss insurance that are charged on a per associate and monthly claims being settled from consolidated fund maintained by third party insurance fund. At the end of every calendar year, the insurance agency provides an estimate of "Claims Not Yet Received" computed on actuarial valuation based on number of associates and claims received over the last 12 months. This estimate is extrapolated on the basis of the closing enrolments as of March 31 and the management creates a liability for medical expenses.

Defined contribution plans

Contributions in respect of provident fund and pension 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 service are rendered by the employees.

Contributions under the superannuation plan which is a defined contribution scheme, are made to a fund administered and managed by the Life Insurance Corporation 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.

The Group provides a defined contribution plan benefit such as 401(K) benefit plan to all of its eligible employees of subsidiaries and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Other short-term employee benefits

Other short-term employee benefits, including overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders service.

2.20 Share-based payments

The Company recognises 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 Company issues equity-settled and cash-settled share-based options to eligible employees under various stock option schemes established after June 19, 1999.

These 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 expensed on a straight-line basis over the vesting period, based on the Company'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 Company revises its estimate of the number of equity instruments expected to vest. The impact of the original estimates, if any, is recognised 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 recognised in the consolidated statement of profit and loss.

The dilutive effect of outstanding options if any is reflected as additional share dilution in the computation of diluted earnings per share.

2.21 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 consolidated profit 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 consolidated statement of profit and loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees and Restricted Share Units ('RSU's') outstanding.

2.22 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Group's Chief Operating Decision maker is the Executive Vice Chairman and Managing Director who evaluates Group's performance and allocates resources based on analysis of various performance indicators by business verticals and geographical segmentation of customers. Refer note 30 for operating segment information.

2.23 Financial instruments

(A) Initial recognition

Financial assets and financial liabilities are recognised when a Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value and subsequently measured at amortised cost, fair value through other comprehensive income ('FVTOCI') and fair value through profit or loss ('FVTPL'). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in the consolidated statement of profit and 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 for revenue in note 2.16.

(B) Subsequent measurement

a. Non-derivative financial instruments

i) Financial assets carried at amortised cost: A financial asset is subsequently measured at amortised 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.

ii) Financial assets at FVTOCI: A financial asset is subsequently measured at FVTOCI 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.

iii) Financial assets at FVTPL: Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) Financial liabilities: Financial liabilities are subsequently carried at amortised cost using the effective interest method, except for contingent consideration recognised 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.

b. Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the consolidated statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the consolidated statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the consolidated statement of profit and loss and is included in 'Other income'.

c. Hedge accounting

The Group designates derivative contracts in a cash flow hedging relationship by applying the hedge accounting principles designated in a hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to certain highly probable forecast transactions.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

These derivative contracts are stated at the fair value at each reporting date.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under cash flow hedge reserve. The gain or loss relating to the ineffective portion is recognised immediately in the consolidated statement of profit and loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to the consolidated statement of profit and loss in the periods when the hedged item affects profit or loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the consolidated statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the consolidated statement of profit and loss.

d. De-recognition of financial assets and liabilities

Financial assets

The Group de-recognises 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 risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised 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 recognised in other comprehensive income and accumulated in equity is recognised in the consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in the consolidated statement of profit and loss on disposal of that financial asset.

Financial liabilities

The Group de-recognises 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 de-recognised and the consideration paid and payable is recognised in the consolidated statement of profit and loss.

e. Foreign exchange gains and losses

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the consolidated statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in the statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.
- For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised 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 recognised in the consolidated statement of profit and loss.

2.24 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 realised.

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 takes into account the characteristics of asset or liability of market participants when pricing the asset or liability at the measurement date.

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 'Leases', and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 'Inventories' or value in use in Ind AS 36 ' Impairment of Assets'.

In addition, for financial reporting purposes, fair value measurements are categorised 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.

2.25 Impairment of assets

a. Financial assets

The Group recognises loss allowances using the expected credit loss ('ECL') model for the financial assets which are not fair valued through consolidated 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 months 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 recognised 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 recognised 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 recognised in the consolidated statement of profit and loss.

b. Non-financial assets

Other intangible assets, intangible assets under development, property, plant and equipment, capital work-in-progress 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 cash generating unit ('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 recognised 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 amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

2.26 Cash dividend to equity holders

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

2.27 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.28 Treasury shares

The Group has created an Employee Benefit Trust ('EBT') for providing share-based payment to its employees. The Group uses EBT as a vehicle for distributing shares to employees under the employee remuneration schemes. The EBT buys shares of the Company from the market, for giving shares to employees. The Group treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in capital reserve. Share options exercised during the reporting period are satisfied with treasury shares.

2.29 New and amended standards

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2022. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) Onerous contracts – Costs of fulfilling a contract – Amendments to Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'

An onerous contract is a contract under which the unavoidable of meeting the obligations under the contract costs (i.e., the costs that the Group cannot avoid because it has the contract) exceed the economic benefits expected to be received under it.

The amendments specify that when assessing whether a contract is onerous or loss-making, an entity needs to include costs that relate directly to a contract to provide goods or services including both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract and costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

(ii) Reference to the conceptual framework – Amendments to Ind AS 103 'Business Combinations'

The amendments replaced the reference to the ICAI's "Framework for the Preparation and Presentation of Financial Statements under Indian Accounting Standards" with the reference to the "Conceptual Framework for Financial Reporting under Indian Accounting Standard" without significantly changing its requirements.

The amendments also added an exception to the recognition principle of Ind AS 103 to avoid the issue of potential 'day 2' gains or losses arising for liabilities and contingent liabilities that would be within the scope of Ind AS 37 or Appendix C, Levies, of Ind AS 37, if incurred separately. The exception requires entities to apply the criteria in Ind AS 37 or Appendix C, Levies, of Ind AS 37, respectively, instead of the Conceptual Framework, to determine whether a present obligation exists at the acquisition date.

The amendments also add a new paragraph to Ind AS 103 to clarify that contingent assets do not qualify for recognition at the acquisition date.

(iii) Property, plant and equipment: Proceeds before intended use – Amendments to Ind AS 16 'Property, Plant and Equipment'

The amendments modified paragraph 17(e) of Ind AS 16 to clarify that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment.

(iv) Ind AS 101 'First-time Adoption of Indian Accounting Standards' – Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply the exemption in paragraph D16(a) of Ind AS 101 to measure cumulative translation differences for all foreign operations in its financial statements using the amounts reported by the parent, based on the parent's date of transition to Ind AS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. This amendment is also available to an associate or joint venture that uses exemption in paragraph D16(a) of Ind AS 101.

(v) Ind AS 109 – Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

These amendments had no impact on the consolidated financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

2.30 Standards notified but not yet effective

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective from April 1, 2023.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments are effective for annual reporting periods beginning on or after April1, 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period.

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

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1 'Presentation of Financial Statements'

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments to Ind AS 1 are applicable for annual periods beginning on or after April 1, 2023. Consequential amendments have been made in Ind AS 107 'Financial Instruments: Disclosures'.

The Group is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

(iii) Deferred tax related to assets and liabilities arising from a single transaction - Amendments to Ind AS 12 'Income Taxes'

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences.

The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The amendments to Ind AS 12 are applicable for annual periods beginning on or after April 1, 2023.

The Group is currently assessing the impact of the amendments.

3A. Property, plant and equipment

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of:		
Freehold land	16	16
Buildings	2,100	2,117
Leasehold improvements	74	79
Computers	542	464
Plant and equipment	993	1,070
Office equipment	131	147
Furniture and fixtures	286	340
Electrical installations	171	187
Vehicles	86	55
Tools and equipment	82	65
Total	**4,481**	**4,540**

Notes:

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

Particulars	Freehold land [refer note (b) below]	Buildings [refer note (c) below]	Leasehold improvements	Computers [refer note (d) below]	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Tools and equipment	Total
I. Cost or deemed cost											
Balance as at April 1, 2021	**16**	**3,063**	**197**	**2,252**	**2,487**	**827**	**983**	**633**	**41**	**175**	**10,674**
Additions	-	58	2	280	79	12	9	7	50	6	503
Deletions	-	(5)	(1)	(6)	(37)	(2)	(18)	-	(4)	-	(73)
Foreign currency translation adjustments	-	-	3	8	2	7	3	1	-	-	24
Balance as at March 31, 2022	**16**	**3,116**	**201**	**2,534**	**2,531**	**844**	**977**	**641**	**87**	**181**	**11,128**
Additions	-	119	-	243	81	44	21	17	38	29	592
Additions through business combinations (refer note 33)	-	-	13	56	17	3	14	-	9	-	112
Deletions	-	-	-	(201)	(83)	(13)	(7)	-	(14)	-	(318)
Foreign currency translation adjustments	-	-	11	35	59	20	20	4	1	-	150
Balance as at March 31, 2023	**16**	**3,235**	**225**	**2,667**	**2,605**	**898**	**1,025**	**662**	**121**	**210**	**11,664**
II. Accumulated depreciation											
Balance as at April 1, 2021	**-**	**860**	**109**	**1,794**	**1,291**	**618**	**579**	**421**	**27**	**105**	**5,804**
Depreciation for the year	-	141	7	274	186	78	63	33	8	11	801
Deletions	-	(1)	(1)	(4)	(16)	(2)	(6)	-	(4)	-	(34)
Foreign currency translation adjustments	-	(1)	7	6	-	3	1	-	1	-	17
Balance as at March 31, 2022	**-**	**999**	**122**	**2,070**	**1,461**	**697**	**637**	**454**	**32**	**116**	**6,588**
Depreciation for the year	-	136	22	231	188	66	98	35	17	12	805
Deletions	-	-	-	(193)	(71)	(12)	(5)	-	(14)	-	(295)
Foreign currency translation adjustments	-	-	7	17	34	16	9	2	-	-	85
Balance as at March 31, 2023	**-**	**1,135**	**151**	**2,125**	**1,612**	**767**	**739**	**491**	**35**	**128**	**7,183**
III. Carrying amounts (I-II)											
Net book value as at March 31, 2022	16	2,117	79	464	1,070	147	340	187	55	65	4,540
Net book value as at March 31, 2023	**16**	**2,100**	**74**	**542**	**993**	**131**	**286**	**171**	**86**	**82**	**4,481**

(b) Includes ₹ 4 (March 31, 2022: ₹ 4) in respect of which land allocation letters have been received, pending completion of legal formalities relating to conveyance.

(c) Includes ₹ 1,369 (March 31, 2022: ₹ 1,406) relating to building constructed on leasehold land.

(d) During the year, the Company has entered into sale and leaseback transaction for sale of computers for a consideration of ₹ Nil (March 31, 2022: ₹ 40). As the transaction has not met conditions specified under Ind AS 115, these assets continued to be recognised under property, plant and equipment and financial liability equivalent to the sale consideration has been recognised in other financial liabilities. As at March 31, 2023, closing balance of the financial liabilities, net of repayment is ₹ 34 (March 31, 2022: ₹ 60)(refer note 16).

3B. Capital work-in-progress

Particulars	As at March 31, 2023	As at March 31, 2022
Capital Work in Progress	27	134

(a) Ageing of capital work-in-progress:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	Total
Balance as at March 31, 2023				
Projects in progress	15	-	12	27
Total	**15**	**-**	**12**	**27**
Balance as at March 31, 2022				
Projects in progress	91	38	5	134
Total	**91**	**38**	**5**	**134**

3C. Leases

(a) Right of use assets:

Movement in the carrying amount of right of use ('ROU') assets is as below:

Particulars	Category of ROU assets				
	Leasehold land	Buildings	Computers	Vehicles	Total
Balance as at April 1, 2021	416	1,575	320	-	**2,311**
Additions	-	237	621	-	858
Deletions	-	(164)	-	-	(164)
Depreciation for the year	(32)	(465)	(257)	-	(754)
Other adjustments	-	-	(17)	-	(17)
Foreign currency translation adjustments	-	15	(2)	-	13
Balance as at March 31, 2022	**384**	**1,198**	**665**	**-**	**2,247**
Additions	-	705	1,002	5	1,712
Additions through business combinations (refer note 33)	-	176	44	5	225
Deletions	-	(397)	-	(2)	(399)
Depreciation for the year	(26)	(626)	(409)	(3)	(1,064)
Foreign currency translation adjustments	12	45	(9)	1	49
Balance as at March 31, 2023	**370**	**1,101**	**1,293**	**6**	**2,770**

(b) Current and non current lease liabilities:

Particulars	As at March 31, 2023	As at March 31, 2022
Current lease liabilities	882	738
Non-current lease liabilities	1,960	1,732
Total	**2,842**	**2,470**

Movement in the carrying amount of lease liabilities is as below:

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	2,470	2,590
Additions	1,712	858
Additions through business combinations (refer note 33)	225	-
Deletions	(467)	(208)
Finance cost accrued during the year (refer note 26)	215	176
Payment of lease liabilities	(1,369)	(962)
Foreign currency translation adjustments	56	16
Balance at the end of the year	**2,842**	**2,470**

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

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	999	802
One to five years	2,087	1,440
More than five years	616	1,014
Total	**3,702**	**3,256**

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.

The aggregate depreciation on ROU assets has been included under depreciation and amortisation expense in the consolidated statement of profit and loss. (refer note 27)

Rental expense for low value assets and short-term leases was ₹ 194 (March 31, 2022: ₹ 130) included under other expenses in the consolidated statement of profit and loss. (refer note 28)

4. Goodwill

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	6,185	5,830
Additions through business combinations (refer note 33)	9,419	272
Foreign currency translation adjustments	759	83
Balance at end of the year	**16,363**	**6,185**

Goodwill of ₹ 13,372 (March 31, 2022: ₹ 3,223) has been allocated to the Services segment (refer note 30). Under the Services segment, the Group has identified cash generating units (CGU), based on its acquisitions in current and earlier years. The estimated value-in-use of this CGU is based on the future cash flows using a 1%-2% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 13.0%-24.4%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Goodwill of ₹ 2,991 (March 31, 2022: ₹ 2,962) has been allocated to the DLM segment (refer note 30). The estimated value-in-use of this cash generating unit (CGU) is based on the future cash flows using a 2%-5% annual growth rate for periods subsequent to the forecast period of 5 years and discount rate of 15.2%-19.2%. An analysis of the sensitivity of the computation to a change in key parameters (operating margin, discount rates and long term average growth rate), based on reasonably probable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

5A. Other Intangible assets

Particulars	As at March 31, 2023	As at March 31, 2022
Carrying amount of:		
Computer software	350	160
Technology/ Intellectual property	27	46
Customer contracts	3,753	188
Process knowhow	-	4
Other intangible assets	502	79
Total intangible assets	**4,632**	**477**

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

Particulars	Computer software	Technology/ Intellectual property	Customer contracts	Process knowhow	Other intangible assets	Total
I. Cost or deemed cost						
Balance as at April 1, 2021	**3,540**	**143**	**610**	**88**	**1,192**	**5,573**
Additions	51	-	22	-	820	893
Additions through business combinations (refer note 33)	-	-	81	-	42	123
Deletions (refer note below)	-	-	-	-	(791)	(791)
Foreign currency translation adjustments	15	4	9	4	18	50
Balance as at March 31, 2022	**3,606**	**147**	**722**	**92**	**1,281**	**5,848**
Additions	33	-	120	-	10	163
Additions through business combinations (refer note 33)	277	-	3,631	-	464	4,372
Deletions	-	-	(22)	-	(25)	(47)
Foreign currency translation adjustments	64	11	294	8	94	471
Balance as at March 31, 2023	**3,980**	**158**	**4,745**	**100**	**1,824**	**10,807**

Particulars	Computer software	Technology/ intellectual property	Customer contracts	Process knowhow	Other intangible assets	Total
II. Accumulated amortisation						
Balance as at April 1, 2021	**3,344**	**78**	**383**	**71**	**1,099**	**4,975**
Amortisation for the year	87	21	149	16	94	367
Deletions	-	-	-	-	(6)	(6)
Foreign currency translation adjustments	15	2	2	1	15	35
Balance as at March 31, 2022	**3,446**	**101**	**534**	**88**	**1,202**	**5,371**
Amortisation for the year	139	23	445	-	90	697
Deletions	-	-	(15)	-	(25)	(40)
Foreign currency translation adjustments	45	7	28	12	55	147
Balance as at March 31, 2023	**3,630**	**131**	**992**	**100**	**1,322**	**6,175**
III. Carrying amounts (I-II)						
Net book value as at March 31, 2022	160	46	188	4	79	477
Net book value as at March 31, 2023	350	27	3,753	-	502	4,632

Note:

During the year ended March 31, 2022, the Company entered into an agreement with a third party, wherein it was granted technology license to develop (namely Software Design Radio), test and commercially utilise the benefits from such testing and development activity. Accordingly, the initial amount and subsequent development costs aggregating to ₹ 791 had been classified under 'intangible assets under development'.

On December 22, 2021, the Board of Directors authorized the Company to hive off the Software Design Radio (SDR) division to Innovation Communications Systems Limited (ICS), a company in the business of wireless communication systems. The transfer was undertaken through a Business Transfer Agreement between Cyient and ICS dated December 31, 2021 for ₹ 791.

In exchange for the SDR division and an additional cash investment of ₹ 100 by the Company in ICS aggregating to ₹ 891, the Company received a 15% stake in the paid up share capital of ICS (on a fully diluted basis). The said transfer was recorded in the books at fair value and did not result in any material profit / loss on disposal.

5B. Intangible assets under development

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	-	-
Additions through business combinations (refer note 33)	303	-
Additions	82	-
Foreign currency translation adjustments	33	-
Balance at end of the year	**418**	**-**

Intangible assets under development pertains to the development cost of software dedicated to the management, automation and monitoring of mobile networks and the processing of quality of experience data and service.

(a) Ageing of intangible assets under development:

Particulars	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Balance as at March 31, 2023					
Project in progress (additions through business combinations)	120	116	182	-	418
Total	**120**	**116**	**182**	**-**	**418**
Balance as at March 31, 2022					
Project in progress	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

6. Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Investment carried at equity method of accounting (refer note (a) below)		
(i) Equity instruments of joint venture company (unquoted)	-	-
	-	**-**
Investments carried at fair value through other comprehensive income ('FVTOCI') (refer note (a) below)		
(i) Equity instruments of other entities (unquoted)	926	926
	926	**926**
Investment carried at amortised cost		
(i) Investment in tax free bonds (quoted)	1,656	1,716
(ii) Investment in perpetual bonds (quoted)	204	441
	1,860	**2,157**
Investment carried at fair value through profit and loss ('FVTPL') (refer note (a) below)		
(i) Compulsorily convertible preference shares of other entities (unquoted)	8	10
(ii) Preferred instruments of other entities (unquoted)	387	338
(iii) Units of Partnership fund (unquoted)	282	151
	677	**499**
Total non-current investments	**3,463**	**3,582**
Current		
Investment carried at amortised cost		
(i) Investment in perpetual bonds (quoted)	428	162
(ii) Investments in commercial paper (quoted)	295	-
	723	**162**
Investment carried at fair value through profit and loss		
(i) Investments in mutual funds (quoted)	995	704
	995	**704**
Total current investments	**1,718**	**866**
Total investments	**5,181**	**4,448**
Aggregate book value of quoted investments	**3,578**	**3,023**
Aggregate market value of quoted investments	**3,435**	**2,980**
Aggregate value of unquoted investments	**1,603**	**1,425**
Aggregate amount of impairment in value of investments	**-**	**-**

Notes:

(a) Details of investments

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Investment carried at equity method of accounting				
(i) Equity instruments of joint venture company (unquoted)				
Infotech HAL Limited, India (refer note (iv) below)	2,000,000	-	2,000,000	-
	2,000,000	**-**	**2,000,000**	**-**
Investments carried at fair value through other comprehensive income				
(i) Equity instruments of other entities (unquoted)				
Traffic master Plc., UK (refer note (i) below)	35,088	-	35,088	-
Cardiac Design Labs Private Limited, India	6,036	17	6,036	20
Mysore ESDM Cluster, India	3,193,237	3	3,193,237	3
Qunu Labs Private Limited, India	67,437	21	67,437	18
Innovation Communications Systems Private Limited, India	2,342,869	885	2,342,869	885
	5,644,667	**926**	**5,644,667**	**926**
Investment carried at fair value through profit and loss				
(i) Compulsorily convertible preference shares of other entities (unquoted)				
Cardiac Design Labs Private Limited, India	3,048	8	3,048	10
	3,048	**8**	**3,048**	**10**
(ii) Preferred instruments of other entities (unquoted)				
Jana Care Inc., USA	368,297	98	368,297	76
Cylus Cyber Security Ltd., USA	668,986	140	668,986	126
Duskrise, Inc., USA	42,171	149	42,171	136
	1,079,454	**387**	**1,079,454**	**338**
(iii) Units of Partnership fund (unquoted)				
Vasuki 2019 SCSp, Luxembourg	NA	169	NA	113
Star Burst, USA	NA	113	NA	38
		282		**151**
Total		**677**		**499**

(i) As at March 31, 2023, carrying value of equity instruments in Traffic master Plc. was ₹ 0.11 (March 31, 2022: ₹ 0.11)

(ii) Gain / (Loss) on fair valuation of investments:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cardiac Design Labs Private Limited, India	(5)	(6)
Qunu Labs Private Limited, India	3	3
Jana Care Inc. USA	16	(5)
Cylus Cyber Security Ltd., USA	3	25
Vasuki 2019 SCSp, Luxembourg	53	-
Star Burst, USA	(12)	-

(iii) Carrying values

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate amount of Investments carried at fair value through other comprehensive income	926	926
Investment carried at amortised cost (current and non-current)	2,583	2,319
Aggregate amount of Investments carried at fair value through profit and loss (current and non-current)	1,672	1,203

(iv) Investment in joint venture

The Company holds 50% stake in Infotech HAL Limited, India as at March 31, 2023 (March 31, 2022: 50%). The share in profit of joint venture is accounted for using the equity method of accounting.

Summarised financial information:

Financial Position:

Particulars	As at March 31, 2023 (Unaudited)	As at March 31, 2022 (Audited)**
Non-current assets	2	2
Current assets	5	5
Current liabilities	(51)	(46)
Net assets	**(44)**	**(39)**

Particulars	For the year ended March 31, 2023 (Unaudited)	For the year ended March 31, 2022 (Audited)**
Revenue	-	-
Loss for the year	(5)	(1)
Other comprehensive income for the year	-	-
Total comprehensive loss for the year	(5)	(1)
Share in loss from joint venture	**(3)**	**(1)**
Share of loss from joint venture accounted in consolidated financial statements*	**-**	**-**

Reconciliation to carrying amounts

Particulars	As at March 31, 2023 (Unaudited)	As at March 31, 2022 (Audited)**
Opening net assets	(39)	(38)
Total comprehensive income for the year	(5)	(1)
Closing net assets	(44)	(39)
Group's share %	50%	50%
Group's share in net assets of joint venture*	**-**	**-**

* Cyient Limited has restricted its share of loss from joint venture to its carrying value in line with its contractual obligation.

The financial statements of joint venture is not audited as on date of approval of these financial statements.

** The disclosure pertaining to investment in joint venture were based on unaudited financial statements, which has been changed based on audited financial statements.

7. Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current:		
(at amortised cost)		
Security deposits		
Considered good	249	257
Considered doubtful	16	16
Less : Allowance for doubtful deposits	(16)	(16)
Total other non-current financial assets	**249**	**257**
Current:		
(at amortised cost)		
Unbilled revenue	4,123	2,986
Interest accrued on deposit accounts	49	171
Advance to employees	54	20
Other receivables	221	54
(at FVTOCI)		
Derivative instruments designated in a hedging relationship	80	245
Total other current financial assets	**4,527**	**3,476**
Total other financial assets	**4,776**	**3,733**

8. Other assets

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current:		
Capital advances	32	14
Prepaid expenses	295	268
Deferred contract costs	6	62
Balances with government authorities	29	11
Total other non-current assets	**362**	**355**
Current:		
Prepaid expenses	1,211	655
Deferred contract costs	113	149
Balances with government authorities	667	341
Advances to suppliers	716	675
Other receivables (refer note below)	138	21
Total other current assets	**2,845**	**1,841**
Total other assets	**3,207**	**2,196**

Note : Includes ₹ 62 (March 31, 2022 : ₹ Nil) towards share issue expenses in connection with the proposed Initial Public Offering ('IPO') incurred by the subsidiary, Cyient DLM Limited, which will be adjusted to their securities premium on completion of the IPO.

9. Inventories

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	3,908	2,220
Work-in-progress	301	385
Finished goods	113	154
Consumables and stores	36	31
Total	**4,358**	**2,790**

10. Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables (at amortised cost)		
Trade receivables considered good - unsecured	11,758	7,603
Less: Allowance for expected credit loss	(487)	(270)
	11,271	7,333
Trade receivables - credit impaired - unsecured	44	47
Less : Allowance for credit impairment	(44)	(47)
Total	**11,271**	**7,333**

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 270 days ranging between 1%-30% and 100% for the receivables due beyond 270 days. The ECL allowance (or reversal) during the year is recognised in the consolidated statement of profit and loss.

Ageing of trade receivables	As at March 31, 2023						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	8,664	2,669	242	103	57	23	11,758
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	44	44
Total	**8,664**	**2,669**	**242**	**103**	**57**	**67**	**11,802**
Less : Allowance for credit impairment and expected credit loss							(531)
Balance at the end of the year							**11,271**

Ageing of trade receivables	As at March 31, 2022						
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed trade receivables							
Considered good	6,442	817	167	84	13	80	7,603
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	11	36	47
Total	**6,442**	**817**	**167**	**84**	**24**	**116**	**7,650**
Less : Allowance for credit impairment and expected credit loss							(317)
Balance at the end of the year							**7,333**

Movement in the expected credit loss allowance	As at March 31, 2023	As at March 31, 2022
Balance at the beginning of the year	317	439
Provision made during the year (net of reversals)	172	36
Additions through business combinations (refer note 33)	66	-
Bad debts written-off	(39)	(191)
Foreign currency translation adjustments	15	33
Balance at the end of the year	**531**	**317**

11. Cash and Bank Balances

11A. Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
in current accounts	5,200	3,682
in deposit accounts *	347	5,103
Deposits with financial institutions *	-	3,150
Cheques on hand	22	-
Remittances in transit	618	203
Unpaid dividend	28	19
Total	**6,215**	**12,157**

* The deposits maintained by the Company with banks and financial institutions comprise time deposits, which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

11B. Other bank balances

Particulars	As at March 31, 2023	As at March 31, 2022
Balance in escrow account	45	-
Deposits held as margin money/security for bank guarantees	934	509
Total	**979**	**509**

Reconciliation of liabilities arising from financing activities for the year ended March 31, 2023:

Particulars	As at March 31, 2022	Proceeds/ Additions	Additions through business combinations	Repayment	Foreign currency translation adjustments	As at March 31, 2023
Borrowings (current and non-current)*	3,264	3,500	2,532	(315)	355	9,336
Lease liabilities	2,470	1,460	225	(1,369)	56	2,842
Sale and lease back liability	60	-	-	(26)	-	34
Total liabilities from financing activities	**5,794**	**4,960**	**2,757**	**(1,710)**	**411**	**12,212**

* Movement in current borrowings is considered net of repayment.

Reconciliation of liabilities arising from financing activities for the year ended March 31, 2022:

Particulars	As at March 31, 2021	Proceeds/ Additions	Additions through business combinations	Repayment	Foreign currency translation adjustments	As at March 31, 2022
Borrowings (current and non-current)	3,184	620	-	(545)	5	3,264
Lease liabilities	2,590	835	-	(962)	7	2,470
Sale and lease back liability	51	40	-	(31)	-	60
Total liabilities from financing activities	**5,825**	**1,495**	**-**	**(1,538)**	**12**	**5,794**

12. Equity share capital

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised share capital:		
280,000,000 fully paid up equity shares of ₹ 5 each (March 31, 2022 : 280,000,000)	1,400	1,400
Issued and subscribed capital:		
110,575,006 fully paid-up equity shares of ₹ 5 each (March 31, 2022 : 110,317,416)	553	552
Total	**553**	**552**

(A) Reconciliation of the number of shares outstanding:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Opening balance	110,317,416	552	110,029,812	550
Add: Issue of shares during the year (refer note below)	257,590	1	287,604	2
Closing balance	**110,575,006**	**553**	**110,317,416**	**552**

Note:

During the year, the Company allotted 257,590 (March 31, 2022 - 287,604) equity shares of ₹ 5 each valuing ₹ 1.29 (March 31, 2022 - ₹ 1.44), consequent to the exercise of the stock options by the associates of the Company under the Associate Stock Option Plan.

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

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Fully paid up equity shares				
Vineyard Point Software Private Limited	14,000,000	12.66%	14,000,000	12.69%
Amansa Holdings Private Limited	9,631,663	8.71%	9,568,296	8.67%
DSP Small Cap Fund	7,423,731	6.71%	4,803,051	4.35%
Infocad Enterprises Private Limited	7,000,000	6.33%	7,000,000	6.35%

(C) Details of Shares held by promoters at the end of the year:

Name of the promoter	Number of shares			% holding of equity shares	% Change during the Year
	As at March 31, 2022	Change	As at March 31, 2023		
Vineyard Point Software Private Limited	14,000,000	-	14,000,000	12.66%	-
Infocad Enterprises Private Limited	7,000,000	-	7,000,000	6.33%	-
Bodanapu Ganesh Venkat Krishna	1,913,260	-	1,913,260	1.73%	-
Bodanapu Sri Vaishnavi	1,793,008	-	1,793,008	1.62%	-
Venkat Rama Mohan Reddy Bodanapu	373,820	-	373,820	0.34%	-
Sucharitha Bodanapu	373,820	-	373,820	0.34%	-
D. Nageswara Reddy	172,800	-	172,800	0.16%	-
Bodanapu Avanti Reddy	137,500	-	137,500	0.12%	-
Carol Ann Reddy	38,400	-	38,400	0.03%	-
B V S Ratna Kumari	15,600	-	15,600	0.01%	-
A Amala Reddy	3,680	-	3,680	0.00%	-
B Ashok Reddy	300	-	300	0.00%	-

Name of the promoter	Number of shares			% holding of equity shares	% Change during the Year
	As at March 31, 2021	Change	As at March 31, 2022		
Vineyard Point Software Private Limited	14,000,000	-	14,000,000	12.69%	-
Infocad Enterprises Private Limited	7,000,000	-	7,000,000	6.35%	-
Bodanapu Ganesh Venkat Krishna	1,913,260	-	1,913,260	1.73%	-
Bodanapu Sri Vaishnavi	1,793,008	-	1,793,008	1.63%	-
Venkat Rama Mohan Reddy Bodanapu	373,820	-	373,820	0.34%	-
Sucharitha Bodanapu	373,820	-	373,820	0.34%	-
D. Nageswara Reddy	169,200	3,600	172,800	0.16%	2.13%
Bodanapu Avanti Reddy	137,500	-	137,500	0.12%	-
Carol Ann Reddy	38,400	-	38,400	0.03%	-
B V S Ratna Kumari	15,600	-	15,600	0.01%	-
A Amala Reddy	3,680	-	3,680	0.00%	-
B Ashok Reddy	300	-	300	0.00%	-

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

The Group has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group in proportion to their shareholding.

(E) Buyback of Equity shares:

Aggregate number of equity shares bought back during the period of previous five years : 3,123,963 (March 31, 2022: 3,123,963).

(F) Purchase of treasury shares:

The Group has constituted a 'Cyient Associate Stock Option Scheme 2021 Trust ('Trust'), to grant, offer and issue options to the employees of The Group and its subsidiaries. During the previous year, the Trust has acquired 1,079,000 equity shares from the secondary market amounting to ₹ 950 based on the loan received from The Group. The Group has treated the Trust as its direct extension, such that the assets and liabilities of the Trust are included in the standalone and consolidated financial statements and the shares acquired/held by the Trust are classified as 'Treasury Shares'.

(G) Details of shares allotted under Associate Stock Option Plans:

(i) 1,162,068 (March 31, 2022: 1,151,208) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2008 (ASOP - 2008)

(ii) 333,442 (March 31, 2022: 184,265) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2015 (ASOP - 2015)

(iii) 149,093 (March 31, 2022: 51,540) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Restricted Stock Units Scheme 2020 (ARSU - 2020)

(H) Details of shares reserved for issue:

(i) Shares aggregating 25,000 (March 31, 2022: 35,860), reserved for issue under ASOP 2008 scheme.

(ii) Shares aggregating 491,481 (March 31, 2022: 679,898), reserved for issue under ASOP 2015 scheme.

(iii) Shares aggregating 97,143 (March 31, 2022: 164,646), reserved for issue under ARSU 2020 scheme.

(iv) Shares aggregating 1,009,100 (March 31, 2022: 1,026,500), reserved for issue under ASOP 2021 scheme.

(I) (i) Associate Stock Option Plans

Associate Stock Option Plan – 2008 (ASOP 2008):

The Company instituted ASOP 2008 in July 2008 and earmarked 1,000,000 equity shares of ₹ 5 each for issue to the employees under ASOP. The Company modified ASOP 2008 and adjusted the number of options and exercise price on account of bonus issue 1:1 during Financial year 2010-11. Under ASOP 2008, options will be issued to employees at an exercise price, which shall not be less than the market price 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.

Movements in stock options during the year

ASOP 2008

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	35,860	510	121,000	510
Forfeited	-	-	(12,500)	500
Exercised	(10,860)	518	(72,640)	507
Options outstanding at the end of year	**25,000**	**518**	**35,860**	**510**

Out of the total outstanding options, 20,000 (March 31, 2022: 20,000) options pertain to options granted to the associates of subsidiary companies.

As at March 31, 2023, 1,162,068 (March 31, 2022: 1,151,208) equity shares of ₹ 5 each have been allotted to the associates under ASOP 2008 plan. Accordingly, options (net of cancellations) for a total number of 25,000 (March 31, 2022: 35,860) are outstanding as at March 31, 2023.

Associate Stock Option Plan – 2015 (ASOP 2015):

The Company instituted ASOP 2015 in July 2015 and earmarked 1,200,000 equity shares of ₹ 5 each for issue to the employees under ASOP. Under ASOP 2015, options will be issued to employees at an exercise price, which shall not be less than the market price 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.

Movements in stock options during the year

ASOP 2015

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	679,898	572	855,468	522
Granted	10,000	829	92,000	929
Forfeited	(49,240)	732	(104,146)	496
Exercised	(149,177)	491	(163,424)	558
Options outstanding at the end of year	**491,481**	**585**	**679,898**	**572**

Out of the total outstanding options, 316,177 (March 31, 2022: 316,177) options pertain to options granted to the associates of subsidiary companies.

As at March 31, 2023, 333,442 (March 31, 2022: 184,265) equity shares of ₹ 5 each have been allotted to the associates under ASOP 2015 plan. Accordingly, options (net of cancellations) for a total number of 491,481 (March 31, 2022: 679,898) are outstanding as at March 31, 2023.

Associate Restricted Stock Units Scheme 2020 (ARSU 2020):

The Group has instituted the ARSU's 2020 plan earmarking 1,050,000 shares of ₹ 5 each which provided for grant of Restricated Stock Units ('RSUs') to eligible associates of The Group 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.

Movements in stock options during the year

ARSU 2020

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	164,646	5	186,200	5
Granted	30,220	5	33,780	5
Forfeited	(170)	5	(3,794)	-
Exercised	(97,553)	5	(51,540)	5
Options outstanding at the end of year	**97,143**	**5**	**164,646**	**5**

Out of the total outstanding options 15,980 (March 31, 2022: 14,840) options pertain to options granted to the associates of subsidiary companies.

As at March 31, 2023, 149,093 (March 31, 2022: 51,540) equity shares of ₹ 5 each have been allotted to the associates under ASRSU 2020 plan. accordingly, Options (net of cancellations) for a total number of 97,143 (March 31, 2022: 164,646) are outstanding as at March 31, 2023.

Associate Stock Option Scheme 2021 (ASOP 2021):

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 Group 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.

Movements in stock options during the year

ASOP 2021

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	1,026,500	5	-	-
Granted*	12,000	5	1,026,500	5
Forfeited	(29,400)	5	-	-
Options outstanding at the end of year	**1,009,100**	**5**	**1,026,500**	**5**

*During the year ended March 31, 2022, Company has intimated the grant of performance based stock incentive in the form of Stock options (SO's) to certain eligible employees, which could eventually result in the issue of 1,026,500 shares against such options, Subject to the fulfilment of vesting conditions. During the year, the Group has granted 422,600 (March 31, 2022: Nil) options to the employees.

Out of the total outstanding options 403,640 (March 31, 2022: 394,000) options pertain to options granted to the associates of subsidiary companies.

(ii) Fair value of stock options granted during the year:

The weighted average fair value of the share options during the year is ₹ 61.69 - ₹791.85 (2021-22: ₹ 61.69 - ₹ 713.88). Options and RSUs were priced using Black Scholes pricing model. Where relevant, the expected life used in the model has been adjusted based on management's best estimate for the effects of non-transferability, exercise restrictions, and behavioural considerations. Expected volatility is based on the historical share price volatility over the past years.

The following assumptions were used for calculation of fair value of grants:

Particulars	Black-Scholes Model	
	As at March 31, 2023	As at March 31, 2022
a) ASOP 2008		
Exercise price (₹)	184 - 559	184 - 559
Grant date share price (₹)	185 - 531.5	185 - 531.5
Dividend yield (%)	1.53 - 2.64	1.53 - 2.64
Expected volatility (%)	28.66 - 65.53	28.66 - 65.53
Risk-free interest (%)	6.41 - 8.4	6.41 - 8.4
Expected term (in years)	3 - 4	3 - 4
b) ASOP 2015		
Exercise price (₹)	222 - 1011	222 - 1011
Grant date share price (₹)	234.8 - 986	235 - 986
Dividend yield (%)	1.7 - 2.9	1.7 - 2.9
Expected volatility (%)	29.8 - 41.82	29.8 - 41.60
Risk-free interest (%)	4.49 - 7.9	4.49 - 7.9
Expected term (in years)	3 - 4	3 - 4
c) ARSU 2020		
Exercise price (₹)	5	5
Grant date share price (₹)	284.15 - 874	284.15 - 874
Dividend yield (%)	2.5 - 2.9	2.5 - 2.9
Expected volatility (%)	34.7 - 41.9	34.7 - 40.30
Risk-free interest (%)	4.49 - 6.9	4.49 - 5.36
Expected term (in years)	3 - 4	3 - 4
d) ASOP 2021		
Exercise price (₹)	5	5
Grant date share price (₹)	805.65 - 982.9	982.9
Dividend yield (%)	2.6 - 2.9	2.9
Expected volatility (%)	36 - 41.8	36 - 41
Risk-free interest (%)	5.1 - 6.3	5.1 - 6.3
Expected term (in years)	3 - 4	5 - 9

(iii). Share Options exercised during the year

Series	Year	No. of options exercised	Exercise date*	Share price at exercise date
Associate Stock Option Plan – 2008 (ASOP 2008)*	2022-23	10,860	May 31, 2022 to November 11, 2022	742.70 - 783.40
Associate Stock Option Plan – 2015 (ASOP 2015)*	2022-23	149,177	May 31, 2022 to February 23, 2023	742.70 - 938.95
Associate Restricted Stock Units Scheme 2020 (ARSU 2020)*	2022-23	97,553	May 31, 2022 to February 23, 2023	742.70 - 938.95
Associate Stock Option Plan – 2008 (ASOP 2008)*	2021-22	72,640	April 06, 2021 to March 31, 2022	679.65 - 928.00
Associate Stock Option Plan – 2015 (ASOP 2015)*	2021-22	163,424	June 10, 2021 to March 31, 2022	814.10 - 928.00
Associate Restricted Stock Units Scheme 2020 (ARSU 2020)*	2021-22	51,540	August 26, 2021 to March 31, 2022	928.00 - 942.70

* Allotment were made on various dates during that period

13. Other equity

Particulars	As at March 31, 2022	As at March 31, 2022
(a) Capital redemption reserve		
Opening and closing balance	16	16
	16	16
(b) Securities premium		
Opening balance	2,295	2,111
Options exercised	51	56
Premium received on allotment of shares	81	128
	2,427	2,295
(c) General reserve		
Opening and closing balance	5,139	5,139
	5,139	5,139
(d) Share based payments reserve		
Opening balance	232	158
Share-based payments expense	307	130
Options exercised	(51)	(56)
	488	232
(e) Special economic zone (SEZ) reinvestment reserve		
Opening balance	65	-
Add: Addition during the year	-	65
	65	65
(f) Retained earnings		
Opening balance	22,377	20,212
Profit for the year attributable to the shareholders of the Company	5,144	5,223
Other comprehensive income arising out of remeasurements of the net defined benefit liability (net of taxes)	(42)	(41)
	27,479	25,394
Less: Appropriations		
Dividend on equity shares (refer note 37)	(2,634)	(2,952)
Transfer to Special Economic Zone reinvestment reserve account	-	(65)
	24,845	22,377
(g) Treasury shares		
Opening balance	(950)	-
Purchase of Treasury shares	-	(950)
	(950)	(950)
(h) Share application money pending allotment		
Opening balance	-	7
Allotment during the year	-	(7)
	-	-

Particulars	As at March 31, 2022	As at March 31, 2022
(i) Capital reserve		
Opening and closing balance	35	35
	35	35
(j) Cash flow hedge reserve		
Opening balance	128	124
Effective portion of gain/(loss) on designated portion of hedging instruments (net of taxes)	(209)	4
	(81)	128
(k) Foreign currency translation reserve		
Opening balance	1,273	1,216
Additions (net)	854	57
	2,127	1,273
(l) Equity instruments through OCI (refer note 6)		
Opening balance	4	5
Increase in fair value of equity instruments (net of taxes)	(1)	(1)
	3	4
Total	**34,114**	**30,614**

Nature of reserves:

(a) Capital redemption reserve

Represents the nominal value of equity shares bought back pursuant to Buyback in accordance with Section 69 of the Companies Act, 2013.

(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) General reserve

Represents appropriation of profit by the Group. Additionally, General reserve is appropriated for the creation of capital redemption reserve on Buyback of equity shares pursuant to section 69 of Companies Act, 2013.

(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 securities premium upon exercise of stock options by employees.

(e) Special economic zone (SEZ) reinvestment reserve

Represents amount transferred to the SEZ reinvestment reserve The reserve has been created out of the profits of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of the Income-tax Act, 1961 and shall be utilized by the Group for acquiring new plant and machinery for the purpose of its business in the terms of Section 10AA(2) of the Income-tax Act, 1961.

(f) Retained earnings

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

(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.

(iii) Gain or loss on disposal of equity instruments designated at fair value through other comprehensive income is reclassified to retained earnings.

(iv) Net difference between the consideration paid for the acquisition of non-controlling interests and its respective carrying value is recognised in retained earnings.

(g) Treasury shares

The Company has constituted a 'Cyient Associate Stock Option Plan 2021 Scheme ('Trust'), to grant, offer and issue options to the employees of the Company and its subsidiaries. During the previous year, the Trust has acquired 1,079,000 equity shares from the secondary market amounting to ₹ 950 based on the loan received from the Company. The Company has treated the Trust as its direct extension, such that the assets and liabilities of the Trust are included in the standalone and consolidated financial statements and the shares acquired/held by the Trust are classified as 'Treasury Shares'.

(h) Share application money pending allotment

Represents amount received from associates on exercise of stock options, pending allotment.

(i) Capital reserve

Represents the gain on bargain purchase on acquisitions and other additions from components.

(j) 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.

(k) Foreign currency translation reserve

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

(l) Equity instruments through OCI

Represents the cumulative gains and losses arising on fair valuation of the equity instruments measured at fair value through OCI, net of amounts reclassified to retained earnings when the investments have been disposed off.

14. Non-controlling Interests ('NCI')

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	(32)	(32)
Total comprehensive profit/loss for the year attributable to NCI	-	-
Balance at end of the year	**(32)**	**(32)**

Details of subsidiaries with the non-controlling interests:

Name of the subsidiary	Place of incorporation and principal place of business	Non-controlling interests	
		As at March 31, 2023	As at March 31, 2022
Cyient Solutions and Systems Private Limited ('CSSPL')	India	49%	49%

15. Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Non - current		
Unsecured - at amortised cost		
Term loans from banks	4,939	23
Total	**4,939**	**23**
Current		
Secured - at amortised cost		
Working capital loans from banks	1,656	1,953
Current maturities of non-current borrowings	110	421
Unsecured - at amortised cost		
Working capital loans from banks	2,348	863
Current maturities of non-current borrowings	283	4
Total	**4,397**	**3,241**
Total borrowings	**9,336**	**3,264**

Details of the non-current borrowings along with their terms and conditions are mentioned in the below tables:

Particulars	Security	Benchmark	As at March 31, 2023			As at March 31, 2022		
			Coupon/ Interest Rate*	Foreign currency	INR	Coupon/ Interest Rate*	Foreign currency	INR
Cyient Inc.								
DECD (USD) (refer note below) (USD 500,000 Obtained in August 2018)	None	Fixed	2.50%	299,338	25	2.50%	350,135	27
Cyient Europe Limited								
HSBC (EUR) (EUR 11,500,000 availed in October 2017 repayable in quarterly installments over a period of 4 years)	First charge on all existing and future freehold and leasehold property and other assets. Corporate guarantee from Cyient Limited	EURIBOR	3.69%	1,250,000	110	0.78%	5,000,000	421
HSBC (GBP) (GBP 20,000,000 availed in February 2023 repayable in quarterly installments over a period of 5 years)	Corporate guarantee from Cyient Limited	SONIA	4.93%	20,000,000	2,035	-	-	-
Citibank (GBP) (GBP 10,000,000 availed in February 2023 repayable in quarterly installments over a period of 5 years)	Corporate guarantee from Cyient Limited	SONIA	4.79%	10,000,000	1,017	-	-	-
Citibank (GBP) (GBP 10,297,388 availed in January 2023 repayable in quarterly installments over a period of 5 years)	Corporate guarantee from Cyient Limited	SONIA	4.93%	10,297,388	1,048	-	-	-
Celfinet – Consultoria em Telecomunicações, S.A. ('Celfinet')								
BCP (EUR) (EUR 1,000,000 availed in June 2020 repayable in monthly installments over a period of 8 years)	Secured by personal guarantee from Nuno Ribeiro, Director	EURIBOR 6 Months	5.23%	682,860	61	-	-	-
BCP (EUR) (EUR 1,000,000 availed in November 2019 repayable in monthly installments over a period of 10 years)	Secured by personal guarantee from Nuno Ribeiro, Director	EURIBOR 6 Months	5.07%	731,111	66	-	-	-
Banco BPI (EUR) (EUR 1,000,000 availed in May 2021 repayable in monthly installments over a period of 6 years)	Secured by personal guarantee from Nuno Ribeiro, Director	EURIBOR 12 Months	4.54%	819,445	73	-	-	-

Particulars	Security	Benchmark	As at March 31, 2023			As at March 31, 2022		
			Coupon/ Interest Rate*	Foreign currency	INR	Coupon/ Interest Rate*	Foreign currency	INR
Novobanco (EUR) (EUR 1,000,000 availed in July 2020 repayable in monthly installments over a period of 6 years)	Secured by personal guarantee from Nuno Ribeiro, Director	EURIBOR 3 Months	3.82%	888,889	80	-	-	-
Abanca (EUR) (EUR 500,000 availed in August 2020 repayable in monthly installments over a period of 4 years)	Secured by personal guarantee from Nuno Ribeiro, Director	EURIBOR 12 Months	2.99%	177,083	16	-	-	-
Cyient Australia Pty Limited								
HSBC (AUD) (AUD 2,000,000 repayable in quarterly installments over a period of 2 years)	Corporate guarantee from Cyient Limited	BBSY	4.81%	500,000	28	-	-	-
Cyient Singapore Private Limited								
Citibank (SGD) (SGD 12,500,000 availed in February 2023 repayable in quarterly installments over a period of 5 years)	Corporate guarantee from Cyient Limited	SORA	3.87%	12,500,000	773	-	-	-

* Term Loans (except Cyient Inc. DECD loan) are at variable rates that are linked to respective Benchmark rates + margin (Benchmarks are "EURIBOR" which means the Euro Interbank Offer Rate," SONIA" which means Sterling Overnight Index Average ,"BBSY" which means Bank Bill Swap Bid Rate and " SORA" which means Singapore Overnight Rate Average).

Note:

In the earlier years, Cyient Inc. has received financial assistance in the form of loan of ₹ 35 (USD 500,000) from 'The Connecticut Department of Economics and Community Development' (DECD) at interest rate of 2.5% for a term of 10 years and repayble in monthly installments, as a part of the Company's project in East Hartford, Connecticut, USA ("Assistance agreement"). The Company may be eligible for a principal loan forgiveness of USD 200,000 based on creation of 85 new jobs and retention of 456 existing jobs at a specified average salary and retaining the same for 24 consecutive months. The Company is required to use the loan funds for the acquisition of machinery and equipment. As at March 31, 2023, Company has filed for an extension of timeline to meet specified terms and conditions of the assistance agreement.

Working capital loans:

Particulars	Security	Benchmark	As at March 31, 2023			As at March 31, 2022		
			Coupon/ Interest Rate*	Foreign currency	INR	Coupon/ Interest Rate*	Foreign currency	INR
Cyient DLM Limited								
HDFC Bank (INR)	Primary Security: Paripassu charge on current assets of Cyient DLM Limited. Secondary Security: Paripassu charge on movable fixed assets of Cyient DLM Limited.	Fixed	7.58% - 9.00%	-	324	1.40% - 13.60%	-	449
State Bank of India (INR)	Primary Security: Paripassu charge on current assets of Cyient DLM Limited. Secondary Security: Paripassu charge on movable fixed assets of Cyient DLM Limited.	Fixed	8.45% - 8.65%	-	581	6.80%	-	200
Federal Bank (INR)	Primary Security: Paripassu charge on current assets of Cyient DLM Limited. Secondary Security: Paripassu charge on movable fixed assets of Cyient DLM Limited.	Fixed	7.85%	-	525	6.00% - 7.00%	-	558
Axis Bank (INR)	Primary Security: Paripassu charge on current assets of Cyient DLM Limited. Secondary Security: Paripassu charge on movable fixed assets of Cyient DLM Limited.	Fixed	7.60% - 8.55%	-	109	-	-	-
HDFC Bank - Packing Credit (INR)	None	Fixed	6.08%	-	70	1.60% - 1.90%	-	190
Cyient Europe Limited								
HSBC (GBP)	Secured by corporate guarantee from Cyient Limited and charge on all existing and future freehold and leasehold property and other assets and liabilities	SONIA	5.40%	1,147,191	117	2.44%	7,492,344	746
Citibank (GBP)	Corporate guarantee from Cyient Limited	SONIA	4.93%	12,000,000	1,221	4.43%	1,600,000	159
Citibank (EUR)	Corporate guarantee from Cyient Limited	EURIBOR	3.93%	7,000,000	627	-	-	-

Particulars	Security	Benchmark	As at March 31, 2023			As at March 31, 2022		
			Coupon/ Interest Rate*	Foreign currency	INR	Coupon/ Interest Rate*	Foreign currency	INR
Cyient GmbH								
HSBC (EUR)	Corporate guarantee from Cyient Limited	EURIBOR	4.43%	2,358,397	211	1.50%	3,431,795	290
Cyient Australia Pty Limited								
HSBC (AUD)	Corporate guarantee from Cyient Limited	BLR	10.95%	3,966,763	219	1.65%	3,715,553	211
Cyient SRO								
HSBC (CZK)	Corporate guarantee from Cyient Limited	PRIBOR	-	-	-	2.32%	3,728,468	13

* Working Capital Loans are at variable rates that are linked to respective Benchmark rates + margin (Benchmarks are " Repo" which means Repurchasing Option, " SONIA" means which Sterling Overnight Index Average , "EURIBOR" which means the Euro Interbank Offer Rate, "PRIBOR" which means Prague Inter Bank Offered Rate and " BLR" which means Base Lending Rate).

Note:

Cyient DLM Limited have taken loans against security of current assets and quarterly returns or statements of current assets filed by these entities with banks or financial institutions are in agreement with the books of accounts.

16. Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
(at amortised cost)		
Sale and lease back liability	2	28
(at FVTPL)		
Liability towards acquisition of business (refer note (i) below)	1,268	317
Total	**1,270**	**345**
Current		
(at amortised cost)		
Capital creditors	20	50
Interest accrued	5	2
Unpaid dividends	28	24
Sale and lease back liability	32	32
(at FVTPL)		
Liability towards acquisition of business (refer note (i) below)	1,761	268
(at FVTOCI)		
Derivative instruments designated in a hedging relationship	192	49
Total	**2,038**	**425**
Total other financial liabilities	**3,308**	**770**

Note:

i) The Group has certain outstanding liabilities to previous shareholders of acquired entities payable on meeting certain critiera defined within acquisition agreements:

Payable by	Acquisition of	As at March 31, 2023	As at March 31, 2022
Cyient Singapore Private Limited	Grit Consulting Pte Ltd		
	Non-current	641	-
	Current	544	-
	(Deferred consideration is payable through May 2023 until May 2024 (refer note 33))		
Cyient Australia Pty Limited	Integrated Global Partners Pty Limited		
	Non-current	-	247
	Current	192	153
	(Deferred consideration is payable through May 2022 until March 2024. During the year, an amount of ₹ 222 has been paid as deferred consideration) (refer note 33))		
Cyient Australia Pty Limited	Work Force Delta Pty Limited		
	Non-current	-	70
	Current	85	115
	(Deferred consideration is payable through September 2022 until November 2023. During the year, an amount of ₹ 132 has been paid as deferred consideration)(refer note 33))		
Cyient Europe Limited	Celfinet – Consultoria em Telecomunicações, S.A.		
	Non-current	627	-
	Current	940	-
	(Deferred consideration is payable through May 2023 until May 2024 (refer note 33))		

17. Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Gratuity (refer note (i) below)	1,184	1,001
Pension and deferred compensation (refer note (ii) below)	67	-
Compensated absences (refer note (iii) below)	1,481	756
Others	17	-
Other provisions	4	4
Total	**2,753**	**1,761**
Non-current:		
Provision for employee benefits		
Gratuity	876	873
Pension and deferred compensation	67	-
Compensated absences	659	474
Others	14	-
Total non-current provisions	**1,616**	**1,347**
Current:		
Provision for employee benefits		
Gratuity	308	128
Compensated absences	822	282
Others	3	-
Other provisions	4	4
Total current provisions	**1,137**	**414**

Note:

Employee benefit plans:

The employee benefit schemes are as under:

Defined benefit plans

(i). Gratuity:

In accordance with the 'Payment of Gratuity Act, 1972' of India, the Company and three of its subsidiaries provide 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 Consolidated Statement of Profit and Loss in the period determined. The gratuity plan is administered by the Company's own trust which has subscribed to the "Group Gratuity Scheme" of Life Insurance Corporation of India.

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

Principal assumptions used for the purposes of the actuarial valuation	As at March 31, 2023	As at March 31, 2022
Discount Rate (%)	7.26%- 7.53%	6.15% - 7.46%
Salary Increase rate (%)	7.00%- 10.00%	7.00% - 10.06%
Attrition (%)	0.00%- 30.00%	13.01% - 20.00%
Mortality Table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Retirement age	58 - 60 years	58 - 60 years

The following table sets out the defined benefit costs as per actuarial valuation for the Company and its subsidiaries in India:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Amounts recognised in consolidated statement of profit and loss in respect of these defined benefit plans		
Current service cost	140	117
Total service cost (A)	**140**	**117**
Interest expense on defined benefit obligation	66	55
Interest income on plan assets	(10)	(6)
Net interest cost (B)	**56**	**49**
Defined benefit cost recognised in consolidated statement of profit and loss (A)+(B)	**196**	**166**
Remeasurement effects recognised in other comprehensive income		
Actuarial (gain)/loss due to demographic assumptions change in defined benefit obligation	(45)	-
Actuarial (gain)/loss due to financial assumptions change in defined benefit obligation	20	24
Actuarial (gain)/loss due to experience on defined benefit obligation	76	25
Return on plan assets less/(greater) than discount rate	5	3
Components of defined benefit costs recognised in other comprehensive income	**56**	**52**
Total	**252**	**218**

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, 2023	As at March 31, 2022
Present value of funded defined benefit obligation	1,325	1,115
Fair value of plan assets	(141)	(113)
Net liability arising from defined benefit obligation	**1,184**	**1,002**

Movement in the present value of the defined benefit obligation:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Projected benefit obligation at the beginning of the year	1,115	1,029
Liabilities assumed through business combinations	100	-
Current service cost	140	117
Interest cost	66	55
Actuarial loss/(gain)	51	49
Payments	(147)	(135)
Defined benefit obligation at the end of the year	**1,325**	**1,115**

Change in plan assets

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Plan assets at the beginning of the year	113	104
Assets acquired through business combinations	73	-
Return on plan assets	10	6
Employer contribution	97	141
Payments	(147)	(135)
Return on plan assets less than discount rate	(5)	(3)
Plan assets at the end of the year	**141**	**113**

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

Sensitivity analysis

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(41)	45	(49)	53
Future salary growth (1% movement)	46	(44)	52	(48)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2023	As at March 31, 2022
Within 1 year	359	197
1-2 years	281	184
2-3 years	216	156
3-4 years	176	136
4-5 years	145	120
5-10 years	363	404

The expected contribution to the plan for the year ended March 31, 2024 is ₹ 359.

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.

(ii) Pension and deferred compensation:

Employees of the Company's subsidiary, Citec Information & Engineering GmbH ('Citec GmbH'), are entitled to a pension benefit and deferred compensation in the form of a defined benefit plan. For the pension plan and the deferred compensation plan, Citec GmbH has established a contractual trust arrangement in Germany with separate accounts, which are qualified as plan assets.

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.

Principal assumptions used for the purposes of the actuarial valuation	As at March 31, 2023
Discount Rate (%)	3.70%
Salary Increase rate (%)	2.25%
Attrition (%)	"Until age of 39 - 5.00% Age of 40-49 - 2.50%- 3.00% From age of 50 - 0.00%"
Mortality Table	HEUBECK-RICHTTAFELN 2018 G
Retirement age	63 years

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

Particulars	For the year ended March 31, 2023
Current service cost	6
Total service cost (A)	**6**
Interest expense on defined benefit obligation	1
Interest income on plan assets	(2)
Net interest cost (B)	**(1)**
Defined benefit cost recognised in consolidated statement of profit and loss (A)+(B)	**5**

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, 2023
Present value of funded defined benefit obligation	255
Fair value of plan assets	(188)
Net liability arising from defined benefit obligation	**67**

Movement in the present value of the defined benefit obligation:

Particulars	For the year ended March 31, 2023
Projected benefit obligation at the beginning of the year	-
Liabilities assumed on acccount of business combination	222
Current service cost	6
Interest cost	1
Payments	(1)
Foreign currency translation adjustments	27
Defined benefit obligation at the end of the year	**255**

Change in plan assets

Particulars	For the year ended March 31, 2023
Plan assets at the beginning of the year	-
Assets acquired on acccount of business combination	166
Return on plan assets	2
Foreign currency translation adjustments	20
Plan assets at the end of the year	**188**

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

Sensitivity analysis

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

Particulars	As at March 31, 2023	
	Increase	Decrease
Discount rate (1% movement)	(45)	51
Future salary growth (1% movement)	2	(3)

Maturity profile of defined benefit obligation:

Particulars	As at March 31, 2023
Within 1 year	4
1-2 years	6
2-3 years	6
3-4 years	7
4-5 years	8
5-10 years	49

The expected contribution to the plan for the year ended March 31, 2024 is ₹ 4.

Composition of plan assets

Plan assets comprise of 100% insurer managed funds.

(iii) Assumptions for compensated absences

a) Compensated absences – India and domestic subsidiaries:

Actuarial assumptions for long-term compensated absences	As at March 31, 2023	As at March 31, 2022
Discount Rate (%)	7.26%- 7.53%	6.15% - 7.32%
Salary escalation rate (%)	7.00%- 10.00%	7.00% - 10.00%
Mortality Table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Attrition (%)	0.0%- 30.00%	8.00% - 20.00%
Retirement age	58 - 60 years	58 - 60 years

b) Compensated absences – Overseas branches and subsidiaries :

Actuarial assumptions for long-term compensated absences	As at March 31, 2023	As at March 31, 2022
Discount Rate (%)	0.50% - 5.00%	2.50% - 2.90%
Salary escalation rate (%)	3.00%-4.00%	2.00%
Mortality Table	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
Attrition (%)	5.00% - 28.00%	5.00% - 15.00%
Retirement age	60 years	60 years

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

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

c) Long Service Leave – Australia:

The regulations of long service leave are applicable to the associates of the Company employed at its Australia Branch and subsidiaries. The accrual of long service leave is in addition to the compensated absences to which the associates are entitled to. These long service leaves are dependent on the tenure of the employee with the same employer and are regulated by respective state laws.

18. Income taxes

18.1 Tax expense

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current tax:		
In respect of the current year	1,992	1,678
In respect of earlier years	24	14
	2,016	**1,692**
Deferred tax (credit)/charge:		
In respect of the current year	(348)	40
In respect of MAT credit	-	29
	(348)	**69**
Total	**1,668**	**1,761**

B. Income tax (expense)/benefit recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income tax (expense)/benefit recognised directly in equity consists of:		
Tax effect on remeasurements of the net defined benefit liability	14	11
Tax effect on effective portion of hedging instruments in a cash flow hedge	96	(2)
Total	**110**	**9**
Bifurcation of the income tax recognised in other comprehensive income into:		
Items that will not be reclassified to consolidated statement of profit and loss	14	11
Items that may be reclassified to consolidated statement of profit and loss	96	(2)
Total	**110**	**9**

C. Reconciliation of effective tax rate

The following is the reconciliation of the Group's effective tax rate for the year ended March 31, 2023 and March 31, 2022:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	**6,812**	**6,984**
Enacted rate in India	34.94%	34.94%
Computed expected tax expense	**2,380**	**2,440**
Exemptions / deductions for tax purposes / tax holidays	(598)	(739)
Effect of expenses that are not deductible in determining taxable profit	92	138
Deferred tax asset not recognised on tax losses in certain jurisdictions/reversal of deferred tax asset recognised in earlier years	(51)	29
Adjustments in respect of current income tax of previous years	24	14
Effect of different tax rates of subsidiaries operating in other jurisdictions	(189)	(138)
Others	10	17
Income tax expense	**1,668**	**1,761**
Effective tax rate	**24.49%**	**25.22%**

Notes:

The difference between the tax rate enacted in India and the effective tax rate of the Group is primarily on account of the benefit availed on the profits of the undertakings situated in Special Economic Zones ('SEZ'). The SEZ units of the Company which began to provide the services on or after April 1, 2005 are eligible for 100% deduction of profits and gains derived from export of services for a period of first five years from the year of commencement of provision of services. For the next five years, they are eligible for deduction of 50% of profits and gains derived from export of services.

18.2 Deferred tax assets and liabilities

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

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets (net)	482	248
Deferred tax liabilities (net)	(830)	(345)

B. Movement in deferred tax assets and liabilities :

2022-23	Opening balance	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	Additions through business combinations (refer note 33)	MAT utilisation/ entitlement	Foreign currency translation adjustments	Closing balance
Deferred tax assets / (liabilities) in relation to:							
Property, plant and equipment and intangible assets	(265)	125	-	(734)	-	(70)	(944)
Expected credit loss allowance	67	65	-	11	-	1	144
Provisions	432	98	14	20	-	3	567
Unbilled revenue	(437)	162	-	-	-	(9)	(284)
Cash flow hedges	(69)	-	96	-	-	-	27
Carry forward of tax losses	51	(20)	-	-	-	5	36
MAT credit entitlement	-	-	-	-	-	-	-
Gain on bargain purchase on business combinations	(13)	-	-	-	-	-	(13)
Capital loss	49	-	-	-	-	6	55
Right of use assets/lease liabilities	81	(59)	-	2	-	3	27
Others	7	(23)	-	51	-	2	37
Net deferred tax assets/ (liabilities)	**(97)**	**348**	**110**	**(650)**	**-**	**(59)**	**(348)**

2021-22	Opening balance	Recognised in the consolidated statement of profit and loss	Recognised in other comprehensive income	Additions through business combinations (refer note 33)	MAT utilisation/ entitlement	Foreign currency translation adjustments	Closing balance
Deferred tax assets / (liabilities) in relation to:							
Property, plant and equipment and intangible assets	(205)	36	-	(93)	-	(3)	(265)
Expected credit loss allowance	106	(42)	1	-	-	2	67
Provisions	355	64	10	-	-	3	432
Unbilled revenue	(329)	(99)	-	-	-	(9)	(437)
Cash flow hedges	(67)	-	(2)	-	-	-	(69)
Carry forward of tax losses	73	(23)	-	-	-	1	51
MAT credit entitlement	80	(4)	-	-	(76)	-	-
Gain on bargain purchase on business combinations	(13)	-	-	-	-	-	(13)
Capital loss	54	(6)	-	-	-	1	49
Right of use assets/lease liabilities	77	4	-	-	-	-	81
Others	6	1	-	-	-	-	7
Net deferred tax assets/ (liabilities)	**137**	**(69)**	**9**	**(93)**	**(76)**	**(5)**	**(97)**

Gross deferred tax assets and liabilities are as follows:

As at March 31, 2023	Jurisdictions with Net Assets	Jurisdictions with Net Liabilities	Net
Deferred tax assets / (liabilities) in relation to:			
Property, plant and equipment and intangible assets	(101)	(843)	(944)
Expected credit loss allowance	105	39	144
Provisions	396	171	567
Unbilled revenue	-	(284)	(284)
Cash flow hedges	27	-	27
Carry forward of tax losses	-	36	36
MAT credit entitlement	-	-	-
Gain on bargain purchase on business combinations	-	(13)	(13)
Capital loss		55	55
Right of use assets/lease liabilities	21	6	27
Others	34	3	37
Net deferred tax assets/(liabilities)	**482**	**(830)**	**(348)**

As at March 31, 2022	Jurisdictions with Net Assets	Jurisdictions with Net Liabilities	Net
Deferred tax assets / (liabilities) in relation to:			
Property, plant and equipment and intangible assets	(111)	(154)	(265)
Expected credit loss allowance	47	20	67
Provisions	324	108	432
Unbilled revenue	-	(437)	(437)
Cash flow hedges	(69)	-	(69)
Carry forward of tax losses	-	51	51
MAT credit entitlement	-	-	-
Gain on bargain purchase on business combinations	-	(13)	(13)
Capital loss		49	49
Right of use assets/lease liabilities	54	27	81
Others	3	4	7
Net deferred tax assets/(liabilities)	**248**	**(345)**	**(97)**

18.3. Income tax assets and liabilities

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

Particulars	As at March 31, 2023	As at March 31, 2022
Income tax assets, net	321	876
Income tax liabilities, net	(570)	(350)

19. Other liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current		
Advance from customers	-	261
Total	**-**	**261**
Current		
Unearned revenue	655	240
Advance from customers	2,135	1,128
Statutory remittances	1,254	791
Others	21	37
Total	**4,065**	**2,196**

20. Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
(at amortised cost)		
Non-current		
(i) Total outstanding dues of micro enterprises and small enterprises ('MSME') (refer note 36)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises*	-	63
	-	**63**
Current		
(i) Total outstanding dues of micro enterprises and small enterprises ('MSME') (refer note 36)	89	53
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises*	7,053	5,206
	7,142	**5,259**
Total	**7,142**	**5,322**

* includes amount payable to its related parties (refer note 32).

** Trade payables are non-interest bearing and are normally settled on 30- 60 days.

Ageing of trade payables	As at March 31, 2023						
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	35	54	-	-	-	89
Others	4,740	947	1,338	20	-	8	7,053
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**4,740**	**982**	**1,392**	**20**	**-**	**8**	**7,142**

Ageing of trade payables	As at March 31, 2022						
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	-	53	-	-	-	-	53
Others	3,779	1,109	288	44	26	23	5,269
Disputed dues - MSME	-	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-	-
Total	**3,779**	**1,162**	**288**	**44**	**26**	**23**	**5,322**

21. Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from services	50,285	37,515
Revenue from products	9,874	7,829
Total revenue from operations	**60,159**	**45,344**

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

A. 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, 2023	For the year ended March 31, 2022
Revenues by contract type		
Fixed price	22,778	16,622
Time and material	27,396	20,851
Maintenance	111	42
Product sale	9,874	7,829
Total	**60,159**	**45,344**
Revenues by geography		
North America	28,833	22,294
Europe	17,871	11,825
APAC (including India)	13,455	11,225
Total	**60,159**	**45,344**
Revenues by timing of recognition		
Goods and services transferred		
- At a point in time	9,874	7,829
- Over time	50,285	37,515
Total	**60,159**	**45,344**

B. Trade receivables and contract balances

Particulars	As at March 31, 2023	As at March 31, 2022
Trade receivables	11,271	7,333
Unbilled revenue ('Contract assets')	4,123	2,986
Unearned revenue ('Contract liabilities')	655	240
Advance from customers ('Contract liabilities')	2,135	1,389

Contract assets:

During the year ended March 31, 2023, ₹ 2,986 of contract assets as at March 31, 2022 has been reclassified to receivables on completion of performance obligation. During the year ended March 31, 2022, ₹ 2,238 of contract assets as at March 31, 2021 has been reclassified to receivables on completion of performance obligation.

Contract liabilities:

a) **Unearned revenue:** During the year ended March 31, 2023, the Group recognised revenue of ₹ 232 arising from unearned revenue as at March 31, 2022. During the year ended March 31, 2022, the Group recognised revenue of ₹ 310 arising from unearned revenue as at March 31, 2021.

b) **Advance from customers:** During the year ended March 31, 2023, the Group recognised revenue of ₹ 782 arising from advance from customers as at March 31, 2022. During the year ended March 31, 2022, the Group recognised revenue of ₹ 676 arising from advance from customers as at March 31, 2021.

C. Transaction price allocated to the remaining performance obligations

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized, which includes contract liabilities and amounts that will be invoiced and recognized as revenue in future periods. Applying the practical expedient, the Company has not disclosed information about remaining performance obligations in contracts, where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

As at March 31, 2023, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was ₹ 57,247 of which approximately 69% is expected to be recognized as revenues within one year, and the remainder thereafter. This includes contracts, with a substantive enforceable termination penalty if the contract is terminated without cause by the customer, based on an overall assessment of the contract carried out at the time of inception. Historically, customers have not terminated contracts without cause.

As at March 31, 2022, the aggregate amount of transaction price allocated to remaining performance obligations, other than those meeting the exclusion criteria above, was ₹ 38,175 of which approximately 70% is expected to be recognized as revenues within one year, and the remainder thereafter. This includes contracts, with a substantive enforceable termination penalty if the contract is terminated without cause by the customer, based on an overall assessment of the contract carried out at the time of inception. Historically, customers have not terminated contracts without cause.

22. Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest income on financial assets carried at amortised cost		
Deposits with banks and financial institutions	183	439
Interest income on bonds and commericial paper	106	40
	289	**479**
Dividend income		
Dividend from mutual funds	31	-
	31	-
Other non-operating income		
Gain on termination of leases	68	41
Liabilities no longer required, written back (net)	1	-
Export incentives	4	93
Miscellaneous income	149	62
	222	**196**
Other gain and loss		
Foreign exchange gain (net)	70	28
Gain on fair valuation of equity instruments	59	19
Exchange gain on foreign currency forward contracts (net)	159	388
(Loss)/gain on fair valuation of financial assets and financial liability	(16)	11
	272	**446**
Total	**814**	**1,121**

23. Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	27,362	20,829
Contribution to provident and other funds (refer note (i) below)	674	631
Social security and other benefits to overseas employees (refer note (ii) below)	947	306
Share-based payments expense (refer note 13)	307	130
Staff welfare expenses (refer note (iii) below)	1,030	811
Less: Capitalised	(60)	(42)
Total	**30,260**	**22,665**

Notes:

(i) Contribution to provident fund and other funds

Provident fund:

The Company and three of its subsidiaries makes provident fund contributions which are defined contribution plans for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. These contributions are made to the fund administered and managed by the Government of India. The Group's 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 ₹ 409 (2021-22: ₹ 398).

Gratuity (funded):

Amount recognised in the consolidated statement of profit and loss in respect of gratuity ₹ 196 (2021-22: ₹ 166) (refer note 17(i)).

National pension scheme:

Amount recognised in consolidated statement of profit and loss in respect of national pension scheme ₹ 19 (2021-22: ₹ 14).

Superannuation fund - India:

The qualifying employees of the Company receive benefit under a Superannuation scheme which is a defined contribution scheme wherein the employee has an option to choose the percentage of contribution in between 5% to 15% of the basic salary of the covered employee. These contributions are made to a fund administrated by Life Insurance Corporation of India. The Company's 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 ₹ 28 (2021-22: ₹ 25).

Employees' state insurance scheme:

Amount recognised in the consolidated statement of profit and loss in respect of Company's contribution to employees' state insurance scheme ₹ 22 (2021-22: ₹ 28).

(ii) Social security and other benefits to overseas employees

Superannuation fund - Australia:

The employees at the Australia branch and subsidiaries of the Company are also covered under a superannuation scheme. The Group contributes 9.5% of the basic salary of the employee. The Group's 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 ₹ 141 (2021-22: ₹ 107).

401 (K) benefit plan - Cyient Inc:

Cyient Inc., provides a defined contribution plan benefit through 401(K) benefit plan to all of its eligible employees. The plan is administered by the Cyient Inc., while the trustee for the plan is an external agency. The contribution from the Cyient Inc., is at the discretion of the Board of Directors. The Cyient Inc., 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 ₹ 103 (2021-22: ₹ 99). The amount payable towards 401(K) benefit plan as at March 31, 2023 is ₹ Nil (March 31, 2022: ₹ Nil).

(iii) Staff welfare expenses

Medical insurance plan - Cyient Inc:

Cyient Inc., offers a medical insurance plan to its associates on self-insured basis which consists of fixed costs of administration charges and stop loss insurance that are charged on a per associate and monthly claims being settled from consolidated fund maintained by third party insurance fund. At the end of every calendar year, the insurance agency provides an estimate of "Claims Not Yet Received" computed on actuarial valuation based on number of associates and claims received over the last 12 months. This estimate is extrapolated on the basis of the closing enrolments as of March 31 and a liability is recognised for medical expenses. Total expense recognised during the year aggregated to ₹ 594 (2021:22: ₹ 572).

24. Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	2,220	1,191
Add: Purchases	8,527	6,910
Less: Closing stock	(3,908)	(2,220)
Total	**6,839**	**5,881**

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock		
Finished goods	154	226
Work-in-progress	385	138
	539	**364**
Closing stock		
Finished goods	113	154
Work-in-progress	301	385
	414	**539**
Net (increase)/decrease	**125**	**(175)**

26. Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense		
Interest on borrowings	412	94
Interest on lease liabilities (refer note 3C)	215	176
Other interest expense	222	72
Unwinding of discounting of deferred consideration	151	51
Total	**1,000**	**393**

27. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment	805	801
Depreciation of right of use assets (refer note 3C)	1,064	754
Amortisation of other intangible assets	697	367
Total	**2,566**	**1,922**

28. Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Rent including lease rentals (refer note 3C)	194	130
Rates and taxes	314	55
Insurance	294	178
Stores and spares consumed	51	33
Freight outwards	57	133
Travelling and conveyance	1,029	529
Sub-contracting charges	4,023	3,139
Communication	187	285
Printing and stationery	26	24
Power and fuel	269	204
Marketing and advertising expenses	42	141
Repairs and maintenance		
- Buildings	42	19
- Machinery	1,779	1,187
- Others	253	206
Non-Executive Directors' commission	18	30
Legal and professional charges	2,565	1,446
Expenditure for corporate social responsibility	86	95
Provision for expected credit loss for trade receivables and other financial assets (refer note (i) below)	336	36
Fair value changes in liability towards acquisition of business	22	52
Auditors' remuneration	56	34
Recruitment expenses	378	160
Training and development	92	76
Software charges	196	157
Miscellaneous expenses	595	446
Total	**12,904**	**8,795**

Notes:

(i) Provision for expected credit loss allowance includes allowance on other financial assets ₹ 164 (2021-22: ₹ Nil) .

29. Earnings per share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit for the year attributable to shareholders of the Company	5,144	5,223
Basic:		
Number of shares outstanding at the year end	110,575,006	110,317,416
Less: Treasury shares	1,079,000	1,079,000
Number of shares for earnings per share	109,496,006	109,238,416
Weighted average number of equity shares	109,365,875	109,379,568
Earnings per share (₹)	**47.03**	**47.75**
Diluted:		
Effect of potential equity shares on ASOPs & RSUs outstanding	757,880	487,183
Weighted average number of equity shares outstanding	110,123,755	109,866,751
Earnings per share (₹)	**46.71**	**47.54**

30. Segment information

A. Products and services from which reportable segments derive their revenue

The Group's Chief Operating Decision Maker ('CODM'), is the Executive Vice Chairman and Managing Director who evaluates Group's performance and allocates resources based on an analysis of various performance indicators by business verticals and geographical segmentation of customers.

The Group has identified business segments as its primary segment and geographic segments as its secondary segment.

Geographic segments of the Group are North America, Europe and Asia Pacific ('APAC').

The CODM reviews the business as two operating segments - Services and Design Led Manufacturing ('DLM'), and in accordance with the core principles of Ind AS 108 'Operating Segments', these have been considered as the reportable segments of the Group.

Effective April 1, 2022, the Group has re-organised its business units within the services segment into ARC (Aero, Rail & Communication), MEU (Mining Energy & Utilities) and NGA (New Growth Areas such as HiTech, Automotive, Semicon and Medical Technologies) while the Digital, Embedded Solutions are across all the Business Units. The DLM segment is engaged in providing electronic manufacturing solutions predominantly in the fields of ARC, Energy and Medical Technologies as well as Digital Services & Solutions.

The DLM segment includes Cyient DLM Limited (formerly Cyient DLM Private Limited), Cyient Solutions and Systems Private Limited and Aerospace Tooling and Parts division of Cyient Defense Services Inc., USA.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, expenses, assets and liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocable revenue /expenses /assets /liabilities".

B. Segment revenue and results

Particulars	Segment Revenue		Segment Profit	
	For the year ended March 31, 2023	For the year ended March 31, 2022	For the year ended March 31, 2023	For the year ended March 31, 2022
Services	50,963	37,541	6,780	5,753
Design Led Manufacturing	9,209	7,815	724	646
Less : Inter segment revenue	(13)	(12)	-	-
Total	**60,159**	**45,344**	**7,504**	**6,399**
Less : Finance costs			1,000	393
Less : Exceptional items (refer note 40)			467	-
Add : Unallocable income (net of unallocable expenses)			775	978
Add : Share of profit /(loss) from joint venture			-	-
Profit before tax			**6,812**	**6,984**

C. Capital employed (Segment assets - Segment liabilities)

Particulars	As at March 31, 2023	As at March 31, 2022
Segment assets		
Services	40,451	19,417
Design Led Manufacturing	11,708	9,802
Total	**52,159**	**29,219**
Unallocable assets	13,322	18,654
Consolidated total assets	**65,481**	**47,873**
Segment liabilities		
Services	12,207	7,004
Design Led Manufacturing	4,802	3,172
Total	**17,009**	**10,176**
Unallocable liabilities	13,837	6,563
Consolidated total liabilities	**30,846**	**16,739**

Geographic segments

Information regarding geographical revenue is as follows:

Geographic location	For the year ended March 31, 2023	For the year ended March 31, 2022
Segment revenue		
North America	28,833	22,294
Europe	17,871	11,825
APAC (including India)	13,455	11,225
Total	**60,159**	**45,344**

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

Geographic location	As at March 31, 2023	As at March 31, 2022
Segment non-current assets		
North America	1,988	1,996
Europe	13,828	2,266
APAC (including India)	13,237	9,676
Total	**29,053**	**13,938**

31. List of subsidiaries and joint venture included in consolidation of financial statements:

Sl. No.	Name of the Company	Parent Company	Country of Incorporation	Extent of holding (%)	
				As at March 31, 2023	As at March 31, 2022
	Subsidiaries				
1	Cyient Europe Limited	Cyient Limited	UK	100%	100%
2	Cyient Benelux BV	Cyient Europe Limited	Netherlands	100%	100%
3	Cyient Schweiz GmbH	Cyient Europe Limited	Switzerland	100%	100%
4	Cyient SRO	Cyient Europe Limited	Czech Republic	100%	100%
5	Cyient NV (Formerly AnSem NV)	Cyient Europe Limited	Belgium	100%	100%
6	AnSem B.V. (merged with Cyient Benelux BV from April 1, 2022)	Cyient NV	Netherlands	-	100%
7	Cyient Inc.	Cyient Limited	USA	100%	100%
8	Cyient Canada Inc.	Cyient Inc.	Canada	100%	100%
9	Cyient Defense Services Inc.	Cyient Inc.	USA	100%	100%
10	Cyient GmbH	Cyient Limited	Germany	100%	100%
11	Cyient AB	Cyient GmbH	Sweden	100%	100%
12	Cyient KK @1	Cyient Limited	Japan	100%	100%
13	Cyient Insights Private Limited	Cyient Limited	India	100%	100%
14	Cyient DLM Limited (Formerly Cyient DLM Private Limited)	Cyient Limited	India	100%	100%
15	Cyient Australia Pty Limited	Cyient Limited	Australia	100%	100%
16	Integrated Global Partners Pty Limited	Cyient Australia Pty Limited	Australia	100%	100%
17	Integrated Global Partners Pte. Limited	Integrated Global Partners Pty Limited	Singapore	100%	100%
18	Integrated Global Partners SpA	Integrated Global Partners Pty Limited	Chile	100%	100%
19	IG Partners South Africa (Pty) Ltd	Integrated Global Partners Pty Limited	South Africa	100%	100%
20	Workforce Delta Pty Limited @2	Cyient Australia Pty Limited	Australia	100%	100%
21	Cyient Singapore Private Limited	Cyient Limited	Singapore	100%	100%
22	Cyient Israel India Limited @3	Cyient Limited	Israel	100%	100%
23	Cyient Solutions and Systems Private Limited	Cyient Limited	India	51%	51%
24	Grit Consulting Pte Ltd @4	Cyient Singapore Private Limited	Singapore	100%	-
25	Celfinet – Consultoria em Telecomunicações, S.A. @5	Cyient Europe Limited	Portugal	100%	-
26	Metemesonip, Unipessoal Lda @5	Celfinet – Consultoria em Telecomunicações, S.A.	Portugal	100%	-
27	Celfinet UK Telecommunications Consulting Services Ltd @5	Celfinet – Consultoria em Telecomunicações, S.A.	UK	100%	-

Sl. No.	Name of the Company	Parent Company	Country of Incorporation	Extent of holding (%)	
				As at March 31, 2023	As at March 31, 2022
28	Celfinet Espanã - Consultoria en Telecomunicaciones, SL [@5]	Celfinet – Consultoria em Telecomunicações, S.A.	Spain	100%	-
29	Celfinet (Brasil) - Consultoria em Telecomunicações, Ltda. [@5]	Celfinet – Consultoria em Telecomunicações, S.A.	Brazil	100%	-
30	Celfinet Mozambique – Consultoria em Telecomunicações, Limitada [@5]	Celfinet – Consultoria em Telecomunicações, S.A.	Mozambique	100%	-
31	Celfinet Mexico - Consultoria de Telecomunicaciones AS [@5]	Celfinet – Consultoria em Telecomunicações, S.A.	Mexico	100%	-
32	Celfinet Germany - Telecommunications Consulting Services GmbH (from July 7, 2022)	Celfinet – Consultoria em Telecomunicações, S.A.	Germany	100%	-
33	Sentiec Oyj [@6]	Cyient Europe Limited	Finland	100%	-
34	Citec Group Oy Ab [@6]	Sentiec Oyj	Finland	100%	-
35	Citec Oy Ab [@6]	Citec Group Oy Ab	Finland	100%	-
36	Citec Engineering France Sarl [@6]	Citec Oy Ab	France	100%	-
37	Citec AB [@6]	Citec Oy Ab	Sweden	100%	-
38	Citec Information & Engineering GmbH [@6]	Citec Group Oy Ab	Germany	100%	-
39	Citec Group France SAS [@6]	Citec Group Oy Ab	France	100%	-
40	Akilea Overseas Ltd [@6]	Citec Group France SAS	UK	100%	-
41	Citec Norway AS [@6]	Citec Group Oy Ab	Norway	100%	-
42	Citec Engineering India Private Limited [@7]	Cyient Limited	India	100%	-
43	**Joint venture** Infotech HAL Limited	-	India	50%	50%
44	**Section 8 Company** Cyient Urban Micro Skill Centre Foundation [@8]	-	India	-	-

Notes:

1. Cyient Australia Pty Limited holds 86% of shareholding in Cyient KK and Cyient Limited holds the remaining 14% shareholding.
2. Cyient Australia Pty Limited, acquired 100% of equity shares of Workforce Delta Pty Limited, on July 27, 2021.
3. The Board of Directors of the Company at their meeting held on October 14, 2021 approved the closure of its wholly owned subsidiary, Cyient Israel India Limited ('CIIL') in line with its strategy and simplification of legal entity structure. CIIL did not have any operations and the financial results of CIIL are not material to the Group. This has no impact on business as the same is serviced by the existing legal entities.
4. Cyient Singapore Private Limited, acquired 100% of equity shares of Grit Consulting Pte Ltd on May 1, 2022.
5. Cyient Europe Limited, acquired 100% of equity shares of Celfinet – Consultoria em Telecomunicações, S.A.(and its wholly owned subsidiaries Metemesonip, Unipessoal Lda; Celfinet UK Telecommunications Consulting Services Ltd; Celfinet Espanã - Consultoria en Telecomunicaciones, SL; Celfinet (Brasil) - Consultoria em Telecomunicações, Ltda.; Celfinet Mozambique – Consultoria em Telecomunicações, Limitada and Celfinet Mexico - Consultoria de Telecomunicaciones AS) on June 30, 2022.

6. Cyient Europe Limited, acquired 100% of equity shares of Sentiec Oyj (and its wholly owned subsidiaries Citec Group Oy Ab; Citec Oy Ab; Citec Engineering France Sarl; Citec AB; Citec Information & Engineering GmbH; Citec Group France SAS; Akilea Overseas Ltd and Citec Norway AS) on September 1, 2022.
7. Cyient Limited, acquired 100% of equity shares of Citec Engineering India Private Limited on September 1, 2022.
8. On October 10, 2018, the Company incorporated Cyient Urban Micro Skill Centre Foundation ('Cyient Urban'), a wholly owned Section 8 Company under the Companies Act, 2013, to further the CSR activities of the Company. The objective is not to obtain economic benefits through the activities of Cyient Urban and accordingly it has been excluded for the purpose of preparation of consolidated financial statements.

32. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note.

Details of transactions between the Group and other related parties are disclosed below.

Joint venture:

Name of the Joint venture	Country of incorporation	Extent of holding (%)	
		As at March 31, 2023	As at March 31, 2022
Infotech HAL Limited	India	50%	50%

Other related parties:

Entity	Country of incorporation	Nature of relationship
Cyient Foundation	India	Entity with common KMP
Infotech ESOP Trust	India	Entity with common KMP
Cyient Associate Stock Option Scheme 2021 Trust	India	Entity with common KMP

Key Managerial Personnel (KMP):

Name	Designation
M.M. Murugappan	Non-Executive Chairman
B.V.R Mohan Reddy	Founder Chairman; Non-Executive and Non-Independent Director
Krishna Bodanapu	Executive Vice Chairman and Managing Director (from April 3, 2023); Managing Director and Chief Executive Officer (till April 2, 2023)
Ajay Aggarwal	Chief Financial Officer (retired as Executive Director w.e.f. March 2, 2023)
Karthikeyan Natarajan	Executive Director and Chief Executive Officer (from April 3, 2023); Executive Director and Chief Operating Officer (till April 2, 2023)
Sudheendhra Putty	Company Secretary
Vinai Kumar Thummalapally	Independent Director (retired w.e.f. June 3, 2022)
Vikas Sehgal	Independent Director
Vivek Gour	Independent Director
Matangi Gowrishankar	Independent Director
Ramesh Abhishek	Independent Director
Alain De Taeye	Non-Executive and Non-Independent Director (retired w.e.f. June 3, 2022)

Summary of the transactions and balances with the above related parties are as follows:

(a) Transactions during the year:

Nature of the transaction	Party name	For the year ended March 31, 2023	For the year ended March 31, 2022
Expenditure for corporate social responsibility	Cyient Foundation	86	95

Compensation to KMP is as follows:

Nature of the transaction	Party name	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term benefits	Executive Vice Chairman and Managing Director and executive officers[#1 & 2]	388	400*
Dividend paid	Non-Executive and Non-Independent Director and Executive Vice Chairman and Managing Director	59	64
Commission and other benefits	Non-Executive and Non-Independent Director and Independent Directors	18	30

* Includes ₹ 50 accrued in the previous year as a part of overall incentive provision and paid during the year for executive officers.

#1 Executive officers include Ajay Aggarwal, Karthikeyan Natarajan and Sudheendhra Putty.

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

(b) Balances at the year end:

Nature of the balance	Party name	As at March 31, 2023	As at March 31, 2022
Short-term benefits payable	Executive Vice Chairman and Managing Director and executive officers	210	231
Commission and other benefits payable	Non-Executive and Non-Independent Director and Independent Directors	18	22

33. Business combinations

A. Business combinations during the year 2022-23:

(i) Grit Consulting Pte Ltd (Grit)

On April 26, 2022, the Company through its wholly owned subsidiary Cyient Singapore Private Limited entered into a Share Purchase Agreement (SPA) and its amendment to acquire 100% of the issued capital of Grit Consulting Pte Ltd ('Grit') for an upfront cash consideration of ₹ 1,380 and earn out payments based on future performance. Grit became a subsidiary of Cyient Singapore Private Limited effective April 29, 2022 on satisfactory completion of the closing conditions under the SPA and has been consolidated with effect from that date.

Grit has deep-rooted expertise in consulting for asset-intensive industries like metal mining and energy. This acquisition will enable Cyient customers across sectors to draw value from the Grit's deep knowledge and Cyient's technology solutions capabilities. The acquisition of Grit will empower Cyient to accelerate its consulting capabilities and deliver innovative technology solutions to its customers. Grit is well established in the mining and energy space and will allow for the rapid expansion and deepening of Cyient's footprint in these industries by leveraging customer, geographic and talent synergies.

The fair value of the purchase consideration of ₹ 2,523 comprises of an upfront consideration of ₹ 1,380, contingent consideration of upto ₹ 1,143 payable subject to the satisfaction of certain conditions. 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 21% and probabilities of achievement of financial targets.

The fair value of net assets acquired on the acquisition date amounted to ₹ 826. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. The goodwill amounting to ₹ 1,697 is attributable to the workforce and high profitability of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes. The intangible assets are amortised over a period of 3-7 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. Refer table below for summary of net assets acquired.

From the date of acquisition, Grit has contributed revenues amounting to ₹ 843 and profit amounting to ₹ 207 to the Group's performance for the year ended March 31, 2023. If the acquisition had taken place at the beginning of the year, revenues would have been ₹ 920 and the profit would have been ₹ 226.

(ii) Celfinet – Consultoria em Telecomunicações, S.A. (Celfinet)

On June 6, 2022, the Company through its wholly owned subsidiary Cyient Europe Limited entered into a Share Purchase Agreement (SPA) to acquire 100% of the issued capital of Celfinet – Consultoria em Telecomunicações, S.A. ('Celfinet') for an upfront cash consideration of ₹ 1,977 and earn out payments based on future performance. Celfinet became a subsidiary of Cyient Europe Limited effective June 30, 2022 on satisfactory completion of the closing conditions under the SPA and has been consolidated with effect from that date.

Celfinet, an international Wireless Engineering Services company, is focused on providing end-to-end Network Planning and Performance Optimization services. The reach and performance of ongoing 5G deployment and early steps towards 6G are developing to a point where they provide flawless infrastructure for pervasive and unified connectivity. With this acquisition, Cyient strengthens its Wireless Engineering practice to support Communication Service Providers (CSPs) and Enterprises in deploying their pervasive connectivity networks at scale. This will also enable Enterprises to build networks to harness the power of 5G and drive their own Digital Transformation journey. The addition will further strengthen Cyient's presence in Europe, where 'Celfinet' has a strong footprint, and help scale Cyient's business across North America and Australia.

The fair value of the purchase consideration of ₹ 3,343 comprise of an upfront consideration of ₹ 1,977, contingent consideration of upto ₹ 1,186 payable subject to the satisfaction of certain conditions and working capital adjustment of ₹ 180. 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 14.5% and probabilities of achievement of financial targets.

The fair value of net assets acquired on the acquisition date amounted to ₹ 975. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. The goodwill amounting to ₹ 2,368 is attributable to the workforce and high profitability of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes. The intangible assets are amortised over a period of 3-6 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. Refer table below for summary of net assets acquired.

From the date of acquisition, Celfinet has contributed revenues amounting to ₹ 1,519 and profit amounting to ₹ 282 to the Group's performance for the year ended March 31, 2023. If the acquisition had taken place at the beginning of the year, revenues would have been ₹ 2,025 and the profit would have been ₹ 376.

(iii) Sentiec Oyj (Citec Europe)

On April 22, 2022, the Company through its wholly owned subsidiary Cyient Europe Limited entered into a Share Purchase Agreement (SPA) to acquire 100% of the issued capital of Sentiec Oyj ('Citec Europe') for an upfront cash consideration of ₹ 5,667. Citec Europe became a subsidiary of Cyient Europe Limited effective September 01, 2022 on satisfactory completion of the closing conditions under the SPA and has been consolidated with effect from that date.

Citec Europe, an international Plant and Product engineering services company serving customers across the energy, process, oil and gas, and manufacturing industries. This acquisition will enhance Cyient's position as a leader in the Plant and Product Engineering sector, strengthen its presence in the energy industry with a focus on clean energy and expand its European footprint in the Nordic countries of Finland, Norway, and Sweden, and in Germany and France. The combined portfolios of Cyient and Citec will be one of the largest independent plant engineering capabilities globally. This will enable customers to leverage a comprehensive set of services and offerings such as Plant Engineering, Digital Solutions, Product Engineering, Consulting, and Technical Documentation. And the synergies from these combined portfolios will provide the scale, expertise, resources, and access to new capabilities that can be offered to customers.

The fair value of the purchase consideration of ₹ 5,667 has been paid upfront. The fair value of net assets acquired on the acquisition date amounted to ₹ 499. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. The goodwill amounting to ₹ 5,168 is attributable to the workforce and high profitability of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes. The intangible assets are amortised over a period of 5-8 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. Refer table below for summary of net assets acquired.

From the date of acquisition, Citec Europe has contributed revenues amounting to ₹ 3,704 and profit amounting to ₹ 721 to the Group's performance for the year ended March 31, 2023. If the acquisition had taken place at the beginning of the year, revenues would have been ₹ 6,350 and the profit would have been ₹ 1,236.

(iv) Citec Engineering India Private Limited (Citec India)

On April 22, 2022, the Company entered into a Share Purchase Agreement (SPA) to acquire 100% of the issued capital of Citec Engineering India Private Limited ('Citec India') for an upfront cash consideration of ₹ 906. Citec India became a subsidiary of Cyient Limited effective September 1, 2022 on satisfactory completion of the closing conditions under the SPA and has been consolidated with effect from that date.

Citec India, was one of the subsidiary of Citec Europe and with its acquisition it will complement the synergies expected from acquisition of Citec Europe.

The fair value of the purchase consideration of ₹ 906 has been paid upfront. The fair value of net assets acquired on the acquisition date amounted to ₹ 830. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. The goodwill amounting to ₹ 76 is attributable to the workforce and high profitability of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes. Refer table below for summary of net assets acquired.

From the date of acquisition, Citec India has contributed revenues amounting to ₹ 455 and loss amounting to ₹ 258 to the Group's performance for the year ended March 31, 2023. If the acquisition had taken place at the beginning of the year, revenues would have been ₹ 780 and the loss would have been ₹ 442.

(v) Klaus IT Solutions Private Limited (Klaus IT)

On May 6, 2022, the Company entered into a Business Transfer Agreement (BTA) to acquire Specified Business of Klaus IT Solutions Private Limited ('Klaus IT') relating to provision of professional services being engineering, software and IT for an upfront cash consideration of ₹ 850. Klaus IT's business has been acquired by Cyient Limited effective April 30, 2022 on satisfactory completion of the closing conditions under the BTA and has been consolidated with effect from that date.

The fair value of the purchase consideration of ₹ 850 has been paid upfront. The fair value of net assets acquired on the acquisition date amounted to ₹ 740. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill of ₹ 110. Goodwill represents the movement of workforce to Cyient Limited. Goodwill arising on the acquisition is not deductible for tax purposes. Refer table below for summary of net assets acquired.

From the date of acquisition, Klaus IT has contributed revenues amounting to ₹ 612 and profit amounting to ₹ 105 to the Group's performance for the year ended March 31, 2023. If the acquisition had taken place at the beginning of the year, revenues would have been ₹ 667 and the profit would have been ₹ 115.

Summary of net assets acquired:

Particulars	Grit	Celfinet	Citec Europe	Citec India	Klaus IT	Total
Property, plant and equipment	-	14	23	75	-	112
Right of use assets	-	-	143	82	-	225
Intangibles assets including under development	727	1,021	2,175	12	740	4,675
Trade receivables	353	143	858	154	-	1,508
Cash and cash equivalents	48	250	1,942	152	-	2,392
Borrowings	-	(326)	(2,206)	-	-	(2,532)
Lease liabilities	-	-	143	82	-	225
Trade payables	(140)	(260)	(806)	(100)	-	(1,306)
Other assets/(liabilities)	(24)	255	(1,400)	272	-	(897)
Income taxes assets/(liabilities)	(14)	(27)	107	52	-	118
Deferred tax Liabilities	(124)	(95)	(480)	49	-	(650)
Net assets	**826**	**975**	**499**	**830**	**740**	**3,870**
Goodwill	1,697	2,368	5,168	76	110	9,419
Total purchase price	**2,523**	**3,343**	**5,667**	**906**	**850**	**13,289**

B. Business combinations during the year 2021-22:

(i) Workforce Delta Limited (WFD)

On July 27, 2021, the Company through its wholly owned subsidiary Cyient Australia Pty Limited entered into a Share Purchase Agreement (SPA) to acquire 100% of the issued capital of Workforce Delta Pty Limited ('WFD') for an upfront cash consideration of ₹ 210 and earn out payments based on future performance. WFD became a subsidiary of Cyient Australia Pty Limited effective August 5, 2021 on satisfactory completion of the closing conditions under the SPA and has been consolidated with effect from that date.

The fair value of the purchase consideration of ₹ 418 comprise of an upfront consideration of ₹ 210, contingent consideration of upto ₹ 165 payable subject to the satisfaction of certain conditions and working capital adjustment of ₹ 43. 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 16% and probabilities of achievement of financial targets.

The fair value of net assets acquired on the acquisition date amounted to ₹ 146. The excess of purchase consideration over the fair value of the net assets acquired has been attributed towards goodwill. The goodwill amounting to ₹ 272 is attributable to the workforce and high profitability of the acquired business. Goodwill arising on the acquisition is not deductible for tax purposes. The intangible assets are amortised over a period of 3-5 years as per management's estimate of its useful life, over which economic benefits are expected to be realised. Refer table below for summary of net assets acquired.

From the date of acquisition, WFD has contributed revenues amounting to ₹ 286 (2021-22: ₹ 222)and profit amounting to ₹ 96 (2021-22: ₹ 31) to the Group's performance.

Summary of net assets acquired:

Particulars	**WFD**
Intangibles assets including under development	123
Trade receivables	18
Cash and cash equivalents	75
Trade payables	(3)
Other assets/(liabilities)	(43)
Income taxes assets/(liabilities)	(24)
Net assets	**146**
Goodwill	272
Total purchase price	**418**

34. Financial instruments

34.1Capital 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 as well as the level of dividends on its equity shares. The Group is predominantly equity financed which is evident from the capital structure. Further the Group has always been positive on its net cash position with cash and bank balances along with other treasury investments.

Gearing ratio:

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings*	9,336	3,264
Cash and bank balances	(7,194)	(12,666)
Other treasury investments (bonds, mutual funds and commercial paper)	(3,578)	(3,023)
Net debt	-	-
Total equity	**34,635**	**31,134**
Net debt to equity ratio	**-**	**-**

* Include current, non-current and current maturities of non-current borrowings (refer note 15)

34.2 Financial instruments by category

Particulars	Carrying value	
	As at March 31, 2023	As at March 31, 2022
Financial assets:		
Amortised cost		
Trade receivables	11,271	7,333
Cash and cash equivalents	6,215	12,157
Other bank balances	979	509
Other financial assets	4,696	3,488
Investment in tax free and perpetual bonds (quoted)*	2,288	2,319
Investment in commericial paper (quoted)**	295	-
Fair value through other comprehensive income		
Investments in other equity instruments (unquoted)	926	926
Derivative instruments designated in a hedging relationship	80	245
Fair value through profit and loss		
Investments in mutual funds (quoted)	995	704
Investment in compulsorily convertible preference shares (CCPS)	8	10
Investment in preferred instruments of other entities	387	338
Investment in Partnership fund	282	151

Particulars	Carrying value	
	As at March 31, 2023	As at March 31, 2022
Total financial assets	**28,422**	**28,180**
Financial liabilities:		
Amortised cost		
Borrowings***	9,336	3,264
Trade payables	7,142	5,322
Other financial liabilities	87	136
Lease liabilities	2,842	2,470
Fair value through other comprehensive income		
Derivative instruments designated in a hedging relationship	192	49
Fair value through profit and loss		
Liability towards acquisition of business	3,029	585
Total financial liabilities	**22,628**	**11,826**

* Fair value of investment in tax free and perpetual bond is ₹ 2,145 (March 31, 2022 : ₹ 2,276)

** Fair value of investment in commercial paper is ₹ 295 (March 31, 2022 : ₹ Nil)

*** Include current, non-current and current maturities of non-current borrowings (refer note 15)

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

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 a forced or a liquidation sale.

Investments in other equity, debt and preferred instruments (quoted and unquoted) are measured at fair value through initial designation in accordance with Ind AS 109.

Derivative assets/ (liabilities) are mandatorily measured at fair value.

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

34.3 Fair value hierarchy

Valuation technique and key inputs

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

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

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2023:

Particulars	Date of valuation	As at March 31, 2023	Fair value measurement at the end of year using		
			Level 1	Level 2	Level 3
Assets					
Investments in other equity instruments (unquoted) *	March 31, 2023	926	-	-	926
Investment in preferred instruments of other entities (unquoted)*	March 31, 2023	387	-	-	387
Investment in compulsorily convertible preference shares (unquoted)*	March 31, 2023	8	-	-	8
Investment in Partnership fund (unquoted) *	March 31, 2023	282	-	-	282
Investment in tax free and perpetual bonds (quoted)	March 31, 2023	2,145	-	2,145	-
Investment in commericial paper (quoted)	March 31, 2023	295	-	295	-
Investment in mutual funds (quoted)	March 31, 2023	995	995	-	-
Derivative instruments designated in a hedging relationship**	March 31, 2023	80	-	80	-
Liabilities					
Derivative instruments designated in a hedging relationship**	March 31, 2023	192	-	192	-
Liability towards acquisition of business*	March 31, 2023	3,029	-	-	3,029

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2022:

Particulars	Date of valuation	As at March 31, 2022	Fair value measurement at the end of year using		
			Level 1	Level 2	Level 3
Assets					
Investments in other equity instruments (unquoted) *	March 31, 2022	926	-	-	926
Investment in preferred instruments of other entities (unquoted)*	March 31, 2022	338	-	-	338
Investment in compulsorily convertible preference shares (unquoted)*	March 31, 2022	10	-	-	10
Investment in Partnership fund (unquoted) *	March 31, 2022	151	-	-	151
Investment in tax free and perpetual bonds (quoted)	March 31, 2022	2,276	-	2,276	-
Investment in mutual funds (quoted)	March 31, 2022	704	704	-	-
Derivative instruments designated in a hedging relationship**	March 31, 2022	245	-	245	-
Liabilities					
Derivative instruments designated in a hedging relationship**	March 31, 2022	49	-	49	-
Liability towards acquisition of business*	March 31, 2022	585	-	-	585

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

The following methods and assumptions were used to estimate the fair values:

* The fair values of the unquoted equity, debt and preferred instruments, liability towards acquisition of business and gross obligation liability to acquire non-controlling interests 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, preferred and debt investments.

** The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts and interest rate swaps are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, etc. As at March 31, 2023, the mark-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had insignificant impact on the hedge effectiveness assessment for derivatives designated in hedge relationships.

Fair value measurements using significant unobservable inputs (level 3)

The following table presents changes in level 3 items for the year ended March 31, 2023 and March 31, 2022:

Particulars	Investment in other equity, debt and preferred instruments (unquoted)	Liability towards acquisition of business and contingent consideration
As at March 31, 2021	**344**	**355**
Acquisitions	1,056	165
Gain/loss recognised in consolidated statement of profit and loss	17	103
Foreign currency translation adjustments	8	7
Payments during the year	-	(45)
As at March 31, 2022	**1,425**	**585**
Acquisitions	82	2,436
Gain/loss recognised in consolidated statement of profit and loss	58	188
Foreign currency translation adjustments	38	176
Payments during the year	-	(356)
As at March 31, 2023	**1,603**	**3,029**

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 As at March 31, 2023	Fair value As at March 31, 2022	Significant unobservable inputs	Valuation process	Sensitivity of the inputs to fair value
Investment in other equity, debt and preferred instruments (unquoted)	1,603	1,425	Earnings growth rate	Earnings growth factor for unquoted equity, debt and preferred investments are estimated based on the market information of similar type of companies and also considering the economic environment impact.	Any increase in earnings growth rate would increase the fair value.
			Discount rate	Discount rates are determined using a capital asset pricing model to calculate a pre-tax rate that reflects current market assessments of the time value of money and risk specific to that asset.	Any increase in the discount rate would result in decrease in fair value.
Liability towards acquisition of business and contingent consideration	3,029	585	Expected cash outflows	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.	Any increase in expected cash flows would increase the fair value.
			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.	Any increase in the discount rate would result in decrease in fair value.

34.4 Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and other price risks. 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 uses derivative financial instruments to mitigate foreign exchange related risk exposures. The Group's exposure to credit risk is influenced mainly by the individual characteristic of each customer and the concentration of risk from the top few customers. The liquidity risk is measured by the Group's inability to meet its financial obligations as they become due.

Foreign exchange risk

The Group operates internationally and a major portion of the business is dominated in foreign exchange predominantly US Dollar, Pound Sterling, Australian Dollar and Euro currencies. Consequently the Company is exposed to foreign exchange risk through its services and purchases / import of services from overseas suppliers in various foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. 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 affected as the rupee appreciates/ depreciates against these currencies.

The Company monitors and manages its financial risks by analyzing its foreign exchange exposures. The Company, in accordance with its Board approved risk management policies and procedures, enters into foreign exchange forward contracts to manage its exposure in foreign exchange rates.

The Company has applied the hedge accounting principles set out in Ind AS 109 in respect of such derivative contracts, designated in a hedging relationship, used to hedge its risks associated with foreign currency fluctuations relating to certain highly probable forecast transactions. Accordingly, in respect of all such outstanding contracts as at March 31, 2023 that were designated as effective hedges of highly probable forecast transactions, (loss)/ gain aggregating ₹ (81) (net of taxes) (March 31, 2022: ₹ 128 (net of taxes) have been recognised under the cash flow hedge reserve.

Derivative financial instruments:

Outstanding forward exchange contracts as on March 31, 2023:

Currency	No. of contracts	Amount in contract currency	Amount in ₹	Buy/Sell	Cross currency
AUD	26	27,990,000	1,596	Sell	INR
CAD	21	18,050,000	1,135	Sell	INR
EUR	42	31,070,000	2,738	Sell	INR
GBP	14	7,720,000	772	Sell	INR
USD	90	86,000,000	7,130	Sell	INR
INR	3	49,810,000	50	Buy	EUR

Outstanding forward exchange contracts as on March 31, 2022:

Currency	No. of contracts	Amount in contract currency	Amount in ₹	Buy/Sell	Cross currency
AUD	35	28,000,000	1,605	Sell	INR
CAD	27	18,000,000	1,115	Sell	INR
EUR	40	30,000,000	2,743	Sell	INR
GBP	13	7,200,000	767	Sell	INR
USD	74	75,200,000	5,858	Sell	INR

All outstanding forward exchange contracts as at March 31, 2023 and March 31, 2022 have balance maturity period of less than one year.

Sensitivity analysis:

In respect of the Company's forward contracts, a 5% increase/decrease in the respective exchange rates of each of the currencies underlying such contracts would have resulted in:

* an approximately ₹ (666)/ 666 (decrease)/increase in the Company's other comprehensive income as at March 31, 2023.
* an approximately ₹ (577)/ 577 (decrease)/increase in the Company's other comprehensive income as at March 31, 2022.

Unhedged foreign currency exposure

The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the volatility of the Group's net financial assets (which includes cash and cash equivalents, trade receivables, other financial assets, trade payables, other financial liabilities), which are denominated in various foreign currencies (viz. USD, EUR, GBP, AUD, SGD, CAD, YEN etc.).

Sensitivity analysis:

For the year ended March 31, 2023 and March 31, 2022 , every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by ₹ 256 / (₹ 256) and ₹ 148 / (₹ 148) respectively.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of an exposure 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:

For the year ended March 31, 2023 and March 31, 2022 , every 1% increase / decrease of the floating rate of interest would impact profit before tax by (₹ 77) / ₹ 77 and (₹ 18) / ₹ 18 respectively.

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 and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. 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 expected credit losses and impairment that represents its estimate of incurred losses in respect of trade receivables and unbilled revenue.

In addition, the Company is exposed, to credit risk in relation to financial guarantees given to subsidiary's banks. The Company's exposure in this respect is limited to the maximum amount the Company could have to pay if the guarantee is called on.

Trade and other 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 receivable and unbilled revenue) from top customer and top five customers:

(in %)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Receivable from top customer	6.5	6.8
Receivable from top 5 customers	24.3	27.2

Investments:

The Group limits its exposure to credit risk by generally investing in liquid securities and only with counterparties that have a good credit rating. The Group does not expect any losses from non-performance by these counter-parties, and does not have any significant concentration of exposures to specific industry sectors or specific country risks.

Liquidity risk

The Group principal sources of liquidity are cash and bank balances and investment in mutual funds and cash generated from operations. The Group believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The Group has unutilised credit limits from the banks of ₹ 5,800 and ₹ 6,097, as of March 31, 2023 and March 31, 2022 respectively.

As of March 31, 2023, the Company had working capital of ₹ 11,682, including cash and bank balances of ₹ 7,194.
As of March 31, 2022, the Company had working capital of ₹ 16,349, including cash and bank balances of ₹ 12,666.

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

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Trade payables	7,142	-	-	-
Other financial liabilities (current and non-current)	2,038	1,270	-	-
Total	**9,180**	**1,270**	**-**	**-**

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

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years
Trade payables	5,259	63	-	-
Other financial liabilities (current and non-current)	425	193	152	-
Total	**5,684**	**256**	**152**	**-**

The Group's obligation towards payment of borrowings has been included in note 15.

Other price risks

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

35. Contingent liabilities and commitments

Particulars	As at March 31, 2023	As at March 31, 2022
(A) Contingent liabilities:		
Claims against the Company not acknowledged as debt (refer note (a) to (g) below)	519	553
	519	**553**
(B) Commitments:		
Contracts remaining to be executed on capital account and not provided for (net of capital advances)*	507	174
Total	**1,077**	**727**

* Includes uncalled capital pertaining to investments ₹ 287

Notes:

(a) The Company disputed various demands raised by income tax authorities for the assessment years 2017-18 and 2018-19 (March 31, 2022: 2002-03, 2003-04, 2013-14, 2014-15, 2016-17, 2017-18 & 2018-19) which are pending at various stages of appeals. The aggregate amount of disputed tax not provided for is ₹ 6 (March 31, 2022 - ₹ 40). The Company is confident that these appeals will be decided in its favour.

(b) The Company disputed various demands raised by the sales tax authorities for the financial years 2004-05 to 2009-10 and 2015-16 to 2017-18 (till June 2017) (March 31, 2022: 2004-05 to 2009-10 and 2015-16 to 2017-18 (till June 2017)). The Company filed appeals, which are pending with the appropriate authorities. The aggregate amount of disputed tax not provided for is ₹ 21 (March 31, 2022 : ₹ 21). The Company is confident that these appeals will be decided in its favour. The above does not include show cause notices received by the Company.

(c) The Company disputed various demands raised by the service tax authorities for the financial years 2013-14 to 2017-18 (till June 2017) (March 31, 2022: 2013-14 to 2017-18 (till June 2017)). The Company filed appeals, which are pending with the appropriate authorities. The aggregate amount of disputed tax not provided for is ₹ 371 (March 31, 2022: ₹ 371). The Company is confident that these appeals will be decided in its favour. The above does not include show cause notices received by the Company.

(d) The Company is contesting certain pending service tax refunds amounting to ₹ 29 (March 31, 2022 : ₹ 29) at various appellate authorities. The Company is confident that these appeals will be decided in its favour.

(e) During the financial year 2015-16, the Government of India notified an amendment to the Payment of Bonus Act, 1961 whereby the applicable slabs as well as coverage limit was enhanced. The said amendment was made effective April 1, 2014. The Company is contesting the retrospective applicability of the amendment for the financial year 2014-15 in the High Court of Judicature at Hyderabad for the states of Telangana and Andhra Pradesh. The aggregate amount of liability pertaining to the financial year 2014-15, not provided for, is ₹ 92 (March 31, 2022: ₹ 92).

(f) One of the former employee of the Company filed a legal suit to recover amount from a party in his personal capacity on behalf of Certon Software Inc., (merged with Cyient Inc. on November 1, 2018). The Company has taken proactive steps to mitigate any potential risks that may arise out of this action. Pending legal resolution of the dispute, no provision has been recognised in the consolidated financial statements.

(g) During the year ended March 31, 2022, a consolidated civil class action antitrust lawsuit was filed in a United States District Court, against several companies that included one of the Company's subsidiaries. This suit arose after an indictment against several individuals that also included an employee of the Company's subsidiary. It has been alleged in both matters that the defendants agreed to restrict the employment of individuals.

The Cyient Inc, subsidiary of Cyient Limited has incurred legal costs of ₹ 467 ($ 5.8 Mn) in the defence of these lawsuits for the year ended March 31, 2023. This has been recognised as an 'exceptional item' in consolidated financial statements.

Based on the information available to date, we do not believe that the aforesaid matter will have any material adverse effect on the Company's operations, financial condition, or liquidity.

(C) The Company has certain outstanding export obligations/commitments as at March 31, 2023 and March 31, 2022. Further, the Company has certain commitments to bankers relating to receivable factoring arrangements entered with them in respect of receivables from few customers. These factoring arrangements are without recourse to the Company and in the normal course of business. The Company is confident of meeting these commitments arising from such arrangements.

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

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	89	53
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

The disclosures in respect of the amounts payable to such enterprises as at March 31, 2023 and March 31, 2022 has been made in the financial statements based on information received and available with the Group. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The Group has not received any claim for interest from any supplier as at the balance sheet date.

37. Dividends distribution made and proposed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2022 : ₹ 14 per share (March 31, 2021 : ₹ 17 per share)	1,544	1,871
Interim dividend for the year ended on March 31, 2023 : ₹ 10 per share (March 31, 2022 : ₹ 10 per share)	1,105	1,102
Total#*	**2,649**	**2,973**
Proposed dividend on equity shares:		
Final dividend for the year ended on March 31, 2023 : ₹ 16 per share (March 31, 2022: ₹ 14 per share)	1,769	1,544
	1,769	**1,544**

Includes unclaimed dividend (net) ₹ 4 (2021-22: ₹5)

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2023. The dividend declared/paid and proposed is in accordance with Section 123 of the Companies Act, 2013.

38. Disclosure of additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(A) As at and for the year ended March 31, 2023

Sl No.	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 net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Parent Company								
	Cyient Limited	78.03%	27,029	68.97%	3,548	(42.86%)	(258)	57.26%	3,290
	Subsidiaries								
	Indian								
1	Cyient Insights Private Limited	(0.32%)	(110)	(0.60%)	(31)	0.17%	1	(0.52%)	(30)
2	Cyient DLM Limited	5.71%	1,979	6.16%	317	0.33%	2	5.55%	319
3	Cyient Solutions and Systems Private Limited	(0.84%)	(292)	(0.02%)	(1)	-	-	(0.02%)	(1)
4	Citec Engineering India Private Limited	2.64%	915	1.96%	101	0.50%	3	1.81%	104
	Foreign								
1	Cyient Inc.	11.53%	3,993	5.87%	302	43.85%	264	9.85%	566
2	Cyient Europe Limited	17.10%	5,923	12.17%	626	70.27%	423	18.26%	1,049
3	Cyient GmbH	5.10%	1,766	0.91%	47	13.62%	82	2.25%	129
4	Cyient KK	1.00%	347	0.35%	18	(0.33%)	(2)	0.28%	16
5	Cyient Australia Pty Limited	2.15%	743	1.59%	82	(2.99%)	(18)	1.11%	64
6	Cyient Singapore Private Limited	2.58%	892	3.15%	162	1.50%	9	2.98%	171
7	Cyient Israel Private Limited	0.12%	41	0.06%	3	(0.33%)	(2)	0.02%	1
	Adjustments on account of consolidation	(24.71%)	(8,559)	(0.57%)	(30)	16.27%	98	1.17%	68
	Non-controlling interests in:								
	Cyient Solutions and Systems Private Limited (refer note 14)	(0.09%)	(32)	-	-	-	-	-	-
	Joint venture								
	Indian								
	Infotech HAL Limited	-	-	-	-	-	-	-	-
	Total	**100%**	**34,635**	**100%**	**5,144**	**100%**	**602**	**100%**	**5,746**

38. Disclosure of additional information as required by Paragraph 2 of the General Instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(B) As at and for the year ended March 31, 2022

Sl No.	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 net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
	Parent Company								
	Cyient Limited	83.47%	25,987	108.97%	5,691	(175.60%)	(34)	107.91%	5,657
	Subsidiaries								
	Indian								
1	Cyient Insights Private Limited	(0.26%)	(80)	(0.53%)	(28)	-	-	(0.53%)	(28)
2	Cyient DLM Private Limited	2.48%	771	7.62%	398	(17.22%)	(3)	7.53%	395
3	Cyient Solutions and Systems Private Limited	(0.94%)	(291)	(0.04%)	(2)	-	-	(0.04%)	(2)
	Foreign								
1	Cyient Inc.	11.02%	3,430	10.45%	546	5.15%	1	10.43%	547
2	Cyient Europe Limited	2.89%	901	2.14%	112	-	-	2.14%	112
3	Cyient GmbH	5.26%	1,637	0.95%	50	-	-	0.95%	50
4	Cyient KK	1.06%	330	0.30%	16	-	-	0.30%	16
5	Cyient Australia Pty Limited	2.18%	680	3.44%	180	-	-	3.43%	180
6	Cyient Singapore Private Limited	(0.08%)	(25)	(0.36%)	(19)	-	-	(0.36%)	(19)
7	Cyient Israel Private Limited	0.13%	41	-	(4)	-	-	-	(4)
	Adjustments on account of consolidation	(7.09%)	(2,209)	(32.88%)	(1,717)	287.68%	56	(31.69%)	(1,661)
	Non-controlling interests in:								
	Cyient Solutions and Systems Private Limited (refer note 14)	(0.11%)	(32)	-	-	-	-	-	-
	Joint venture								
	Indian								
	Infotech HAL Limited	-	-	-	-	-	-	-	-
	Total	**100%**	**31,134**	**100%**	**5,223**	**100%**	**19**	**100%**	**5,242**

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

40. Exceptional item

The Company's US subsidiary has incurred legal costs of ₹ 467 ($ 5.8 Mn) on the antitrust lawsuit for the year ended March 31, 2023 which has been recongnised as an 'exceptional item' (refer note 35(A)(g).

41. Other statutory information

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

(ii) The Group does not have any transaction with companies struck off.

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

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

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

(vi) Other than disclosed below, the Group has not advanced or loaned or invested funds to any other person or entity, 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:

Name of the intermediary to which the funds are advanced or loaned or invested	Nature of transaction	Date on which funds are advanced or loaned or invested	Amount of funds advanced or loaned or invested	Parties to which these funds are further advanced or loaned or invested	Date on which funds are further advanced or loaned or invested	Amount of fund further advanced or loaned or invested
Cyient Europe Limited	Investment in equity shares	December 1, 2022	3,972	Shareholders of Sentiec Oyj	August 25, 2022*	5,667
	Investment in equity shares			Open Spiral, SGPS S.A	June 30, 2022*	1,983
Cyient Singapore Private Limited	Investment in equity shares	November 30, 2022	746	Rainer John Ptasznik Jeremy James Brown	June 4, 2022*	1,380
Cyient Insights Private Limited	Loan given	September 1, 2022	89	KreativeSarg Technology Solutions LLP	September 1, 2022	90
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	Investment in equity shares	September 2, 2022	889	Cyient Limited	September 14, 2022	892

* Funds were first invested by the intermediaries by utilising bridge loan facilities which were repaid using the funds invested in the intermediaries.

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money Laundering Act, 2002 (15 of 2003).

Complete details of intermediaries

Name	Registered address	Government identification	Relationship with the Company
Cyient Europe Limited	First Floor Block A, Apex Plaza, Forbury Road, Reading, England RG1 1AX United Kingdom.	Company No: 02743776	Subsidiary
Cyient Singapore Private Limited	61, Seletar Aerospace views, Singapore 797560.	GST: 201512291G	Subsidiary
Cyient Insights Private Limited	Tower 2 4B, Plot no. 2, Infotech IT Park, Nanakramguda, Gachibowli, Hyderabad, Telangana, India 500032.	CIN: U72200TG2013PTC087527	Subsidiary
Cyient DLM Limited (Formerly Cyient DLM Private Limited)	3rd floor, Plot No. 11, Software Layout Units, Infocity, Hyderabad, Telangana, India - 500081.	CIN: U31909TG1993PTC141346	Subsidiary

(vii) The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) 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

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

(viii) 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.

42. Previous year figures have been regrouped / reclassified, where necessary, to confirm to the current year classification. Current year figures may not be strictly comparable with comparative figures due to the acquisitions in the year ended March 31, 2023 and March 31, 2022.

As per our report of even date

For **S.R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Vikas Pansari
Partner
Membership No.: 093649

Place : Hyderabad
Date : April 20, 2023

For and on behalf of the Board of Directors
Cyient Limited

M.M. Murugappan
Non-Executive Chairman
(DIN - 00170478)

Krishna Bodanapu
Executive Vice Chairman
and Managing Director
(DIN - 00605187)

Ajay Aggarwal
Chief Financial Officer
(DIN - 02565242)

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place : Hyderabad
Date : April 20, 2023

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014-AOC 1)

Part "A": Subsidiaries

Name of the subsidiary	Cyient Inc.	Cyient Europe Limited	Cyient GmbH	Cyient KK	Cyient Australia Pty Limited	Cyient Singapore Private Limited	Cyient Insights Private Limited	Cyient DLM Limited	Cyient Solutions and Systems Private Limited	Cyient Israel India Limited	Citec India Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	April to March	April to March	April to March	April to March	April to March	April to March	April to March	April to March	April to March	April to March	April to March
Reporting currency	USD	GBP	EUR	JPY	AUD	SGD	INR	INR	INR	ILS	INR
Exchange rate as on the last date of the relevant financial year in the case of foreign Subsidiaries	82.0983	101.7336	89.5791	0.6158	55.1341	61.8240	1	1	1	22.8485	1
Equity share capital	993	335	25	39	-	984	20	529	1	32	2
Other equity	3,000	5,588	1,741	308	743	(92)	(130)	1,450	(293)	9	913
Total assets	9,473	20,916	3,424	593	3,387	3,290	174	11,047	34	124	1,247
Total liabilities	5,480	14,993	1,658	246	2,644	2,398	284	9,068	326	83	332
Investments	498	169	-	-	34	-	-	895	-	-	
Turnover	21,736	11,599	1,807	950	4,216	1,046	66	8,320	-	18	851
Profit/(Loss) before taxation	437	768	82	28	147	189	(31)	432	(1)	3	165
Provision for taxation	135	142	35	10	65	27	-	115	-	-	64
Profit/(Loss) after taxation	302	626	47	18	82	162	(31)	317	(1)	3	101
Proposed dividend	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	100%	100%	100%	51%	100%	100%

Notes:
i) Citec Engineering India Private Limited has been consolidated with the Group from September 1, 2022.
ii) Celfinet Germany - Telecommunications Consulting Services GmbH incorporated on July 7, 2022 is yet to start operations.
iii) All amounts mentioned above are in the ? millions.

Part "B": Associates and Joint Ventures

Name of Joint Venture		Infotech HAL Limited, India
1.	Latest audited Balance Sheet Date	March 31, 2022
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	i. Number	i. 2,000,000
	ii. Amount of Investment in Associates/Joint Venture (refer note below)	ii. -
	iii. Extend of Holding %	iii. 50%
3.	Description of how there is significant influence	There is significant influence to the extent of shareholding
4.	Reason why the associate/joint venture is not Consolidated	NA
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	Nil **
6.	Profit/Loss for the year	
	i. Considered in Consolidation**	i) -
	ii. Not Considered in Consolidation	ii) -

Notes: i. Infotech HAL Limited is accounted as a joint venture in the consolidated financial statements of Cyient Limited.

ii. ₹ Nil share of profit or loss has been recognized on consolidation from Infotech HAL Limited in the year ended March 31, 2023

iii. Names of joint ventures which are yet to commence operations – None.

10 Year Historical Perspective - Standalone

₹ Mn

	I GAAP		IND AS							
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
For the year										
Total Revenue	**12,769**	**13,969**	**13,591**	**13,736**	**14,397**	**16,149**	**15,231**	**13,799**	**17,505**	**22,279**
EBITDA	3,967	4,053	3,637	3,617	5,671	5,932	4,792	4,742	6,760	5,322
Finance cost	4	5	3	6	6	11	148	146	104	166
Depreciation, amortisation and impairment**	649	618	684	540	508	509	1,301	1,076	967	1,135
Provision for income tax	763	707	615	601	1,285	1,179	743	755	1,162	1,099
Deferred tax	3	12	(72)	(100)	(43)	(174)	120	(16)	(43)	(24)
Profit before exceptional item	2,549	2,711	2,407	2,570	3,915	4,407	2,480	2,781	5,691	3,548
Exceptional item	-	-	72	201	(103)	-	-	-	-	-
Profit after tax	2,549	2,711	2,335	2,369	4,018	4,407	2,480	2,781	5,691	3,548
Dividend	**559**	**899**	**787**	**1,307**	**1,463**	**1,667**	**1,649**	**1,871**	**2,646**	**2,875**
Dividend	586	559	899	787	1,307	1,463	1,667	1,649	1,871	2,646
As at the end of the year										
Share capital*	560	562	562	563	563	552	550	550	552	553
Reserves and surplus	13,298	15,244	16,213	18,259	20,051	21,813	20,433	23,422	25,442	26,476
Share application money pending allotment	1	-	1	-	-	-	-	7	(7)	-
Net Worth	**13,859**	**15,806**	**16,776**	**18,822**	**20,614**	**22,365**	**20,983**	**23,979**	**25,987**	**27,029**
Loan funds	-	-	-	-	-	-	-	-	-	-
Gross block - PPE & Other intangible assets	7,226	7,806	8,013	8,251	8,581	9,028	9,735	9,943	10,379	11,247
Capital investment	416	580	207	238	330	447	707	208	436	868
Right of use assets	-	-	-	-	-	-	1,667	1,830	2,555	3,757
Net Current assets	8,524	7,589	8,420	10,510	12,282	13,044	10,449	14,151	13,575	8,837
Debt - equity ratio	-	-	-	-	-	-	-	-	-	-
Per share data										
Basic earnings per share (Rs.) (EPS)	22.81	24.17	20.77	21.05	35.69	39.07	22.56	25.29	52.03	32.44
Dividend Per Share (Rs.) (DPS)	5.0	8.0	7.0	10.5	13.0	15	15	17	24	26
Dividend (%)	100.0%	160.0%	140.0%	210.0%	260.0%	300%	300%	340%	480%	520%
Dividend Pay-out (%)	21.9%	33.2%	33.7%	55.2%	36.4%	37.8%	66.5%	67.3%	46.5%	81.0%
Book Value (Rs.)	123.8	140.7	149.1	167.2	183.1	202.45	189.94	217.99	235.56	244.44
Face Value (Rs.)	5	5	5	5	5	5	5	5	5	5

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015, with effect from the "transition date" of April 01, 2015. Financial statements for the year ended and as at March 31, 2016, already reported under the Previous GAAP, have been restated to conform to Ind AS.

* The Company bought back an aggregate of 3,123,963 equity shares , utilizing a total of ₹ 1,999 (excluding transaction costs of Buyback), which represents 99.99% of the maximum Buyback size between February 01, 2019 to April 11, 2019.

** Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' which sets out the principles for recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Financial Analysis - Standalone

Balance Sheet Summary for Last Five Years

₹ Mn and percentage

	IND AS									
	As at March 31, 2023	%	As at March 31, 2022	%	As at March 31, 2021	%	As at March 31, 2020	%	As at March 31, 2019	%
ASSETS										
Non-current assets										
Property, plant and equipment	2,453	7%	2,561	8%	2,636	9%	2,852	10.7%	2,460	9.5%
Right of use assets	1,405	4%	1,064	3%	909	3%	1,221	4.6%	-	-
Capital work-in-progress	2	0%	70	0%	36	0%	14	0.1%	287	1.1%
Goodwill	110	0%	-	0%	-	0%	-	0.0%	-	0.0%
Other Intangible assets	775	2%	148	0%	178	1%	282	1.1%	204	0.8%
Intangible assets under development	-	0%	-	0%	734	2%	613	2.3%	468	1.8%
Financial assets										
(a) Investments	13,376	39%	8,047	25%	5,008	16%	5,107	19.1%	5,101	19.8%
(b) Loans	1,196	4%	1,111	3%	802	3%	1,002	3.7%	688	2.7%
(c) Other financial assets	177	1%	179	1%	182	1%	-	-	-	0.0%
Deferred tax assets (net)	339	1%	203	1%	204	1%	274	1.0%	194	0.8%
Income tax assets (net)	238	1%	763	2%	771	3%	807	3.0%	320	1.2%
Other non-current assets	153	0%	207	1%	125	0.4%	210	0.7%	462	1.8%
Total non-current assets	**20,224**	**59.5%**	**14,353**	**45.0%**	**11,585**	**38.1%**	**12,382**	**46.3%**	**10,184**	**39.5%**
Current assets										
Financial assets										
(a) Investments	1,718	5.1%	866	2.7%	-	-	-	-	278	1.1%
(b) Trade receivables	7,075	20.8%	4,589	14.4%	4,297	14.1%	5,658	21.2%	5,079	19.7%
(c) Cash and cash equivalents	1,152	3.4%	8,748	27.5%	11,541	38.0%	5,836	21.8%	6,998	27.1%
(d) Other bank balances	1	0.0%	1	0.0%	2	0.01%	1	0.0%	129	0.5%
(e) Loans	543	1.6%	540	1.7%	671	2.2%	436	1.6%	320	1.2%
(f) Other financial assets	2,146	6.3%	1,744	5.5%	1,470	4.8%	1,566	5.9%	1,805	7.0%
Other current assets	1,120	3.3%	1,021	3.2%	823	2.7%	848	3.2%	1,008	3.9%
Total current assets	**13,755**	**40.5%**	**17,509**	**55.0%**	**18,804**	**61.9%**	**14,345**	**53.7%**	**15,617**	**60.5%**
Total assets	**33,979**	**100%**	**31,862**	**100%**	**30,389**	**100.0%**	**26,727**	**100%**	**25,801**	**100%**

	IND AS									
	As at March 31, 2023	%	**As at March 31, 2022**	%	**As at March 31, 2021**	%	**As at March 31, 2020**	%	**As at March 31, 2019**	%
EQUITY AND LIABILITIES										
Equity										
Equity share capital	553	1.6%	552	1.7%	550	1.8%	550	2.0%	552	2.1%
Other equity	26,476	77.9%	25,435	79.8%	23,429	77.1%	20,433	76.5%	21,813	84.5%
Total equity	**27,029**	**79.5%**	**25,987**	**81.6%**	**23,979**	**78.9%**	**20,983**	**78.5%**	**22,365**	**86.7%**
LIABILITIES										
Non-current liabilities										
Provisions	1,004	3.0%	1,052	3.3%	956	3.1%	834	3.1%	863	3.3%
Financial liabilities		0.0%		0.0%		0.0%				
(a) Lease liabilities	1,026	3.0%	798	2.5%	769	2.5%	1,014	3.8%	-	-
(b) Trade payables	-	0.0%	63	0.2%	-	0.0%	-	0.0%	-	-
(c) Other financial liabilities	2	0.0%	28	0.1%	32	0.1%				
Total non-current liabilities	**2,032**	**6.0%**	**1,941**	**6.1%**	**1,757**	**5.8%**	**1,848**	**6.9%**	**863**	**3.3%**
Current liabilities										
Financial Liabilities										
(a) Trade payables	3,122	9.2%	2,598	8.2%	2,752	9.1%	2,584	9.7%	1,963	7.6%
(b) Lease liabilities	337	1.0%	358	1.1%	272	0.9%	347	1.3%	-	-
(c) Other financial liabilities	253	0.7%	136	0.4%	103	0.3%	331	1.2%	137	0.5%
Income tax liabilities (net)	134	0.4%	114	0.4%	97	0.3%	134	0.5%	48	0.2%
Provisions	409	1.2%	210	0.7%	200	0.7%	163	0.6%	97	0.4%
Other current liabilities	663	2.0%	518	1.6%	1,229	4.0%	337	1.3%	328	1.3%
Total current liabilities	**4,918**	**14.5%**	**3,934**	**12.3%**	**4,653**	**15.3%**	**3,896**	**14.6%**	**2,573**	**10.0%**
Total liabilities	**6,950**	**20.5%**	**5,875**	**18.4%**	**6,410**	**21.1%**	**5,744**	**21.5%**	**3,436**	**13.3%**
Total equity and liabilities	**33,979**	**100%**	**31,862**	**100%**	**30,389**	**100.0%**	**26,727**	**100.0%**	**25,801**	**100.0%**

Financial Analysis - Standalone

Statement of Profit and Loss Summary for Last Five Years

₹ Mn and percentage

Particulars	IND AS									
	2022-23	%	2021-22	%	2020-21	%	2019-20	%	2018-19	%
INCOME										
Revenue from operations	22,279	96.4%	17,505	86.4%	13,799	92.0%	15,231	92.3%	16,149	90.9%
Other income	822	3.6%	2,753	13.6%	1,198	8.0%	1,267	7.7%	1,621	9.1%
Total Income	**23,101**	**100.0%**	**20,258**	**100.0%**	**14,997**	**100.0%**	**16,498**	**100.0%**	**17,770**	**100.0%**
EXPENSES										
Employee benefits expense	11,964	51.8%	8,954	44.2%	7,235	48.2%	7,672	46.5%	7,557	42.5%
Operating, administration and other expense	5,213	22.6%	3,423	16.9%	3,020	20.1%	4,034	24.5%	4,281	24.1%
Finance costs	166	0.7%	104	0.5%	146	1.0%	148	0.9%	11	0.06%
Depreciation, amortisation and impairment	1,135	4.9%	967	4.8%	1,076	7.2%	1,301	7.9%	509	2.9%
Total expenses	**18,478**	**80.0%**	**13,448**	**66.4%**	**11,477**	**76.5%**	**13,155**	**79.7%**	**12,358**	**69.5%**
Profit before exceptional items and tax	**4,623**	**20.0%**	**6,810**	**33.6%**	**3,520**	**23.5%**	**3,343**	**20.3%**	**5,412**	**30.5%**
Exceptional item	-		-		-		-	-	-	-
Profit before tax							**3,343**	**20.3%**	**5,412**	**30.5%**
Provision for income tax	1099	4.8%	1162	5.7%	755	5.0%	743	4.5%	1,179	6.6%
Deferred tax	(24)	-0.1%	-43	-0.2%	(16)	-0.1%	120	0.7%	(174)	-1.0%
Profit after tax	**3,548**	**15.4%**	**5,691**	**28.1%**	**2,781**	**18.5%**	**2,480**	**15.0%**	**4,407**	**24.8%**
Total other comprehensive income, net of tax	**(258)**	**-1.1%**	**-34**	**-0.2%**	**120**	**0.8%**	**(328)**	**-2.0%**	**257**	**1.4%**
Total comprehensive income for the year	**3,290**	**14.2%**	**5,657**	**27.9%**	**2,901**	**19.3%**	**2,152**	**13.0%**	**4,664**	**26.2%**

Financial Analysis - Consolidated
Balance Sheet Summary for Last Five Years

₹ Mn and percentage

Particulars	IND AS									
	As at March 31, 2023	%	As at March 31, 2022	%	As at March 31, 2021	%	As at March 31, 2020	%	As at March 31, 2019	%
ASSETS										
Non-current assets										
Property, plant and equipment	4,481	6.8%	4,540	9.5%	4,870	10.8%	4,205	10.1%	3,530	9.1%
Right of use assets	2,770	4.2%	2,247	4.7%	2,311	5.1%	2,704	6.5%	-	0.0%
Capital work-in-progress	27	0.0%	134	0.3%	113	0.3%	800	1.9%	300	0.8%
Goodwill	16,363	25.0%	6,185	12.9%	5,830	13.0%	5,374	12.9%	5,257	13.5%
Other intangible assets	4,632	7.1%	477	1.0%	598	1.3%	767	1.8%	993	2.6%
Intangible assets under development	418	0.6%	-	0.0%	763	1.7%	659	1.6%	740	1.9%
Financial assets		0.0%		0.0%		0.0%				
(a) Investments	3,463	5.3%	3,582	7.5%	344	0.8%	414	1.0%	270	0.7%
(b) Loans	-	0.0%	-	0.5%	266	0.6%	299	0.7%	308	0.8%
(c) Other financial assets	249	0.4%	257	0.0%	-	0.0%	10	0.0%	8	0.0%
Deferred tax assets (net)	482	0.7%	248	0.5%	319	0.7%	396	0.9%	294	0.8%
Income tax assets (net)	321	0.5%	876	1.8%	804	1.8%	878	2.1%	716	1.8%
Other non-current assets	362	0.6%	355	0.7%	192	0.4%	373	0.9%	626	1.6%
Total Non -current assets	**33,568**	**51.3%**	**18,901**	**42.1%**	**16,410**	**36.5%**	**16,879**	**40.4%**	**13,042**	**33.5%**
Current Assets										
Inventories	4,358	6.7%	2,790	5.8%	1,586	3.5%	2,267	5.4%	1,833	4.7%
Financial assets										
(a) Investments	1,718	2.6%	866	-	-	-	-	-	278	0.7%
(b) Trade receivables	11,271	17.2%	7,333	15.3%	8,026	17.9%	7,262	17.4%	8,137	20.9%
(c) Cash and cash equivalents	6,215	9.5%	12,157	25.4%	14,408	32.1%	8,995	21.5%	9,096	23.4%
(d) Other bank balances	979	1.5%	509	1.1%	242	0.5%	523	1.3%	609	1.6%
(e) Other financial assets	4,527	6.9%	3,476	7.3%	2,838	6.3%	4,411	10.6%	4,223	10.9%
Other current assets	2,845	4.3%	1,841	3.8%	1,418	3.2%	1,460	3.5%	1,674	4.3%
Total current assets	**31,913**	**48.7%**	**28,972**	**60.5%**	**28,518**	**63.5%**	**24,918**	**59.6%**	**25,850**	**66.5%**
Total assets	**65,481**	**100.0%**	**47,873**	**100.0%**	**44,928**	**100.0%**	**41,797**	**100%**	**38,892**	**100%**

Particulars	IND AS									
	As at March 31, 2023	%	As at March 31, 2022	%	As at March 31, 2021	%	As at March 31, 2020	%	As at March 31, 2019	%
EQUITY AND LIABILITIES										
Equity										
Equity share capital	553	0.8%	552	1.2%	550	1.2%	550	1.3%	552	1.4%
Other equity	34,114	52.1%	30,614	63.9%	29,023	64.6%	25,059	60.0%	25,089	64.5%
Equity attributable to owners of the Company	**34,667**	**52.9%**	**31,166**	**65.1%**	**29,573**	**65.8%**	**25,609**	**61.3%**	**25,641**	**65.9%**
Non-controlling interests	(32)	0.0%	(32)	-0.1%	(32)	-0.1%	(32)	-0.1%	(19)	-0.05%
Total equity	**34,635**	**52.9%**	**31,134**	**65.0%**	**29,541**	**65.8%**	**25,577**	**61.2%**	**25,622**	**65.9%**
Non-current liabilities										
Financial liabilities										
(a) Borrowings	4,939	7.5%	23	0.0%	453	1.0%	859	2.1%	1,116	2.9%
(b) Lease liabilities	1,960	3.0%	1,795	3.7%	1,958	4.4%	2,293	5.5%	-	-
(c) Other financial liabilities	1,270	1.9%	345	0.7%	231	0.5%	380	0.9%	697	1.8%
Provisions	1,616	2.5%	1,347	2.8%	1,288	2.9%	1,151	2.7%	1,137	2.9%
Deferred tax liabilities (net)	830	1.3%	345	0.7%	182	0.4%	378	0.9%	405	1.0%
Income tax liabilities (net)	-	0.0%	-	0.0%	-	0.0%	-	0.0%	20	0.1%
Other non-current liabilities	-	0.0%	261	0.5%	166	0.4%	24	0.1%	-	0.00%
Total non-current liabilities	**10,615**	**16.2%**	**4,116**	**8.6%**	**4,278**	**9.5%**	**5,085**	**12.2%**	**3,375**	**8.7%**
Current liabilities										
Financial liabilities										
(a) Borrowings	4,397	6.7%	3,241	6.8%	2,731	6.1%	2,879	6.9%	2,137	5.5%
(b) Trade payables	7,142	10.9%	5,259	11.0%	4,532	10.1%	3,729	8.9%	3,700	9.5%
(c) Lease liabilities	882	1.3%	738	1.5%	632	1.4%	672	1.6%		
(d) Other financial liabilities	2,038	3.1%	425	0.9%	302	0.7%	1,016	2.4%	874	2.2%
Income tax liabilities (net)	570	0.9%	350	0.7%	296	0.7%	328	0.8%	424	1.1%
Provisions	1,137	1.7%	414	0.9%	384	0.9%	377	0.9%	289	0.7%
Other current liabilities	4,065	6.2%	2,196	4.6%	2,232	5.0%	2,134	5.1%	2,471	6.4%
Total current liabilities	**20,231**	**30.9%**	**12,623**	**26.4%**	**11,109**	**24.7%**	**11,135**	**26.6%**	**9,895**	**25.4%**
Total liabilities	**30,846**	**47.1%**	**16,739**	**35.0%**	**15,387**	**34.2%**	**16,220**	**38.8%**	**13,270**	**34.1%**
Total equity and liabilities	**65,481**	**100.0%**	**47,873**	**100%**	**44,928**	**100%**	**41,797**	**100.0%**	**38,892**	**100.0%**

Financial Analysis - Consolidated

Statement of Profit and Loss Summary for Last Five Years

₹ Mn and percentage

Particulars	IND AS									
	2022-23	%	2021-22	%	2020-21	%	2019-20	%	2018-19	%
INCOME										
Revenue from operations	60,159	98.7%	45,344	97.6%	41,324	96.7%	44,274	96.5%	46,175	97.2%
Other income	814	1.3%	1,121	2.4%	1,399	3.3%	1,583	3.5%	1,340	2.8%
Total Income	**60,973**	**100.0%**	**46,465**	**100.0%**	**42,723**	**100.0%**	**45,857**	**100.0%**	**47,515**	**100.0%**
EXPENSES										
Employee benefits expense	30,260	49.6%	22,665	48.8%	21,611	50.6%	24,776	54.0%	25,469	53.6%
Cost of materials consumed	6,839	11.2%	5,881	12.7%	5,165	12.1%	4,066	8.9%	3,936	8.3%
Purchases of stock-in-trade	-	-	-	-	-	-	-	0.0%	108	0.2%
Changes in inventories of finished goods, stock-in-trade and work in progress	125	0.2%	(175)	-0.4%	98	0.2%	(144)	-0.3%	141	0.3%
Operating, administration and other expenses	13,371	21.9%	8,795	18.9%	8,426	19.7%	9,683	21.1%	10,193	21.5%
Finance costs	1,000.00	1.6%	393	0.8%	433	1.0%	486	1.1%	326	0.7%
Depreciation, amortisation and impairment expense	2,566	4.2%	1,922	4.1%	2,219	5.2%	2,282	5.0%	1,114	2.3%
Total expenses	**54,161**	**88.8%**	**39,481**	**85.0%**	**37,952**	**88.8%**	**41,149**	**89.7%**	**41,287**	**86.9%**
Profit before exceptional item, share of (loss)/profit from joint venture and tax	**6,812**	**11.2%**	**6,984**	**15.0%**	**4,771**	**11.2%**	**4,708**	**10.3%**	**6,228**	**13.1%**
Exceptional item	-		-		-		-	-	35	0.1%
Profit before share of (loss)/profit from joint venture and tax	**6,812**	**11.2%**	**6,984**	**15.0%**	**4,771**	**11.2%**	**4,708**	**10.3%**	**6,193**	**13.0%**
Provision for income tax	2,016	3.3%	1,692	3.6%	1,351	3.2%	1,181	2.6%	1,512	3.2%
Deferred tax	(348)	-0.6%	69	0.1%	(218)	-0.5%	89	0.2%	(85)	-0.2%
Profit before share of (loss)/profit from joint venture	**5,144**	**8.4%**	**5,223**	**11.2%**	**3,638**	**8.5%**	**3,438**	**7.5%**	**4,766**	**10.0%**
Share of (loss)/profit in associate company and joint venture	-	-	-	-	-	-	(26)	-0.1%	5	0.0%
Non-controlling interest	-	-	-	-	-	-	13	0.0%	14	0.0%
Profit for the year	**5,144**	**8.4%**	**5,223**	**11.2%**	**3,638**	**8.5%**	**3,425**	**7.5%**	**4,785**	**10.1%**
Total other comprehensive income, net of tax	**602**	**1.0%**	**19**	**0.0%**	**231**	**0.5%**	**133**	**0.3%**	**329**	**0.7%**
Total comprehensive income for the year	**5,746**	**9.42%**	**5,242**	**11.28%**	**3,869**	**9.06%**	**3,558**	**7.8%**	**5,114**	**10.8%**

Ratio Analysis - Standalone

Ratio analysis for the year ended March 31	IND AS				
	2023	2022	2021	2020	2019
Ratio - Financial Performance					
Revenue from Operations / Total revenue (%)	96.4%	86.4%	92.0%	92.3%	90.9%
Other Income / Total revenue (%) (note 3)	3.6%	13.6%	8.0%	7.7%	9.1%
Employee cost / Total revenue (%)	51.8%	44.2%	48.2%	46.5%	42.5%
Administration expenses / Total revenue (%)	22.6%	16.9%	20.1%	24.5%	24.1%
Operating expenses / Total revenue (%) (note 2)	74.4%	61.1%	68.4%	71.0%	66.6%
Depreciation / Total revenue (%)	4.9%	4.8%	7.2%	7.9%	2.9%
Finance charges / Total revenue (%)	0.7%	0.5%	1.0%	0.9%	0.06%
Tax / Total revenue (%)	4.7%	5.5%	4.9%	5.2%	5.7%
Tax / PBT (%)	23.3%	16.4%	21.0%	25.8%	18.6%
EBIDTA / Total revenue (%)	23.9%	38.6%	34.4%	31.5%	36.7%
Net Profit (PAT) / Total revenue (%)	15.4%	28.1%	18.5%	15.0%	24.8%
Net Profit (PAT) / Average net worth (%)	13.4%	22.8%	12.4%	11.4%	20.5%
ROCE (EBIT / Average capital employed) (%) (note 1)	18.1%	27.7%	16.3%	16.1%	25.2%
Ratios- Balance sheet					
Debt-equity ratio	-	-	-	-	-
Debtors turnover (Days)	143	119	114	136	115
Current ratio	2.80	4.45	4.04	3.62	6.07
Cash & cash equivalents / Total assets (%)	3.4%	27.5%	38.0%	21.8%	27.1%
Cash & cash equivalents / Total revenue (%)	5.2%	50.0%	83.6%	38.3%	43.3%
Depreciation & Amortisation / Average gross block (%)	8.1%	7.8%	8.3%	9.2%	5.8%
Total Revenue / Average net fixed assets (note 4)	5.23	4.67	3.42	3.57	6.20
Total Revenue / Average total assets	0.70	0.65	0.53	0.58	0.65
Ratios - Growth					
Revenue from Operations (%)	27.3%	26.9%	-9.4%	-5.7%	12.2%
Total Income (%)	14.0%	35.1%	-9.1%	-7.2%	8.9%
Operating expenses (%)	38.8%	20.7%	-12.4%	-1.1%	11.2%
EBIDTA (%)	-21.3%	12.2%	-1.0%	-19.2%	4.6%
Net Profit (%)	-37.7%	104.6%	12.1%	-43.7%	9.7%
Per Share Data					
Basic earnings per share (Rs.)	32.44	52.03	25.29	22.56	39.07
Cash Earnings per share (Rs.)	42.35	60.35	35.06	34.38	44.50
Book value (Rs.)	244.44	235.57	217.93	190.80	202.45
Price / Earning, end of year	30.68	17.83	25.60	10.18	16.62
Price / Cash Earning, end of year	23.50	15.37	18.47	6.68	14.59
Price / Book value, end of year	4.07	3.94	2.97	1.20	3.21
Share price as on March 31 (National Stock Exchange)	995.25	927.75	647.45	229.65	649.45
No. of Share Outstanding as on March 31, (in Millions)	110.58	110.32	110.03	109.97	110.47
Dividend Per Share (Rs.)	26	24	17	15	15
Dividend (%)	520%	480%	340%	300%	300%

1. Capital employed is defined as total equity excluding long term and short term borrowings.
2. Operating expenses includes employee cost and administration expenses.
3. Total revenue excludes other income.
4. Net fixed assets excludes capital work-in-progress and intangible assets under development.

Ratio Analysis - Consolidated

Ratio analysis for the year ended March 31	IND AS				
	2023	2022	2021	2020	2019
Ratio - Financial Performance					
Other Income / Total Revenue (%) (note 2)	1.3%	2.4%	3.3%	3.5%	2.8%
Employee cost / Total Revenue (%)	49.6%	48.8%	50.6%	54.0%	53.6%
Operating & Administration expenses / Total Revenue (%)	21.2%	18.9%	19.7%	21.1%	21.5%
Depreciation & Amortization / Total Revenue (%)	4.2%	4.1%	5.2%	5.0%	2.3%
Finance Charges / Total Revenue (%)	1.6%	0.8%	1.0%	1.1%	0.7%
Tax expense / PBT (%)	24.5%	25.2%	23.7%	27.1%	23.0%
EBIDTA / Total Revenue (%)	15.9%	18.1%	14.8%	13.5%	14.0%
Net Profit / Total Revenue (%)	8.4%	11.2%	8.5%	7.5%	10.1%
Net Profit / Average Net Worth (%)	15.6%	17.2%	13.2%	13.4%	19.5%
ROCE (EBIT / Average capital employed) (%) (note 1)	23.8%	24.3%	18.9%	20.3%	26.6%
Ratios - Balance sheet					
Debt-equity ratio	0.35	0.18	0.19	0.16	0.15
Debtors turnover (Days)	78	78	84	95	88
Current ratio	1.58	2.30	2.57	2.21	2.61
Cash & Cash Equivalents / Total Assets (%)	9.5%	25.4%	32.1%	21.5%	23.4%
Cash & Cash Equivalents / Total Revenue (%)	10.2%	26.2%	33.7%	19.6%	19.1%
Depreciation & Amortization / Average gross block (%)	9.84%	9.26%	11.64%	14.52%	8.75%
Revenue / Average Net Fixed Assets (note 3)	2.89	3.35	3.10	3.40	5.20
Revenue / Average Total Assets	1.06	0.98	0.95	1.10	1.30
Ratios - Growth*					
Operating Revenue (%)	32.7%	9.7%	-6.7%	-4.1%	17.9%
Operating Expenses (%) (note 4)	34.9%	5.3%	-8.0%	-3.7%	17.8%
EBIDTA (%)	22%	35.4%	9.0%	-8.5%	17.3%
Net Profit (%)	-1.5%	43.6%	6.2%	-28.4%	18.0%
Per Share Data					
Basic earnings per share (Rs.)	47.03	47.75	33.08	31.14	42.43
Cash earnings per share (Rs.)	69.73	64.77	53.23	51.90	53.40
Book value (Rs.)	313.23	282.22	268.48	232.58	231.93
Price / Earning, end of year	21.16	19.43	19.57	7.37	15.31
Price / Cash earning, end of year	14.27	14.32	12.16	4.43	12.16
Price / Book value, end of year	3.18	3.29	2.41	0.99	2.80
Share price as on March 31 (National Stock Exchange)	995.25	927.75	647.45	229.65	649.45
No. of Share Outstanding as on March 31, (in Millions)	110.58	110.32	110.03	109.97	110.47
Dividend Per Share (Rs.)	26	24	17	15	15
Dividend (%)	520%	480%	340%	300%	300%

1. Capital employed is defined as total equity excluding long term and short term borrowings.
2. Total revenue excludes other income.
3. Net fixed assets excludes capital work-in-progress and intangible assets under development.
4. Operating expenses includes employees cost, administration expenses, cost of materials consumed and changes in inventories.
5. Total debt in debt equity ratio represents total borrowings, lease liabilities and sale and lease back liability
6. Decrease in closing balance of cash and bank balances is due to the utilization of cash for acquisitions.

Significant Milestones in the History of the Company

1991	**August**	Infotech Enterprises was incorporated as a private limited company
1995	**August**	The company received its first ISO 9002 certifi cation from BVQi London for its conversion services
1997	**March**	Re-organized as a public limited company; IPO of Equity shares at ₹ 20 per share and listed in all major stock exchanges in India
	April	Acquisition of SRG Infotech, a 16-year-old local software company providing software services in Oracle and Visual basic client server environments. The acquisition brought into the company the assets, customers, technologies, employees and over 500 person years of expertise
	October	Partner in Development with IBM for developing Enterprise wide Information System. Infotech Enterprises diversifies into Business software development by adding 50 developers, creating an independent profit centre
1998	**December**	December Infotech Enterprises signs a break-through contract to provide GIS conversion, Consulting and Mapping services worth US$ 5.5 million to Analytical Surveys, Inc. (ASI)
1999	**January**	Infotech Enterprises enters into an agreement with Navionics Italy the world leader in seamless marine electronic charts for digitization and Conversion services
	June	Infotech and ASI sign a long term contract for ASI to source US$ 33 million in conversion and software services from Infotech Enterprises
	July	Infotech Enterprises establishes a wholly owned subsidiary Infotech Software Solutions Inc. in the United states of America in the state of California. The Corporation is primarily engaged in the business of supplying computer software and related services
	August	Infotech Enterprises announces acquisition of Europe based GIS software solution company- Dataview Solutions Limited. The company acquired Dataview with an upfront cash payment of US $ 1.80 million and issue of stock of Infotech for US $1.80 million over the next two years
	September	Infotech Enterprises acquires Cartographic Sciences Pvt. Mumbai- India from Analytical Surveys Inc.
	September	Infotech Enterprises receives an ISO 9001 for its software development services
	September	Infotech Enterprises earned the coveted Fast Track Award from Smallworld Pte. Ltd. U.K. for completion of a prestigious GIS project at Bharti Telenet Limited in a record time of five months
	November	Infotech Enterprises signed a shareholder agreement with Walden Nikko and GE Capital for issue of equity/optionally convertible debentures aggregating to 11,50,000 equity shares of ₹ 10 each at a price of ₹ 350 each
2000	**January**	Inauguration of the state-of-the-art software development centre spread across 130,000 sq.ft. area in Infocity - Hyderabad. The state-of-the-art development centre built at an approximate cost of ₹ 12 crore and can accommodate 4,000 software engineers
	April	Merger of Cartographic Sciences with the company
	May	Infotech Enterprises enters into a Master Services Agreement with Pratt & Whitney, a division of United Technologies Corporation, a Fortune 100 company
	October	Infotech Enterprises announces the acquisition of a German company, Advanced Graphics Software GmbH (AGS). AGS is nine-year-old mechanical engineering software and services company specializing in 3D CAD/CAM
	November	Infotech Enterprises wins a multimillion dollar GIS project from the Dutch multi-national group, FUGRO
2001	**April**	Infotech Europe acquires European GIS distributor Map Centric - a leading independent GIS distributor in Europe
	May	Infotech Enterprises bags a contract worth US $ 7 million to provide Photogrammetry service to Triathlon, a leading full fl edged geomatics company in Canada
	May	Infotech Enterprises ranks 5th among Top Ten Exporters from Andhra Pradesh for the Year 2000-2001
	June	Infotech Enterprises acquires 10-acres of land to set up a software development campus at Manikonda, Hyderabad.
	July	Infotech Enterprises achieves the ISO 9001:2000 from BVQi and joins the list of top few companies in India and the first company in the GIS sector

2001	**August**	Infotech Enterprises attains the coveted SEI CMM LEVEL 4 certifi cation for its software development centre at Infocity, Hyderabad
	November	Infotech Enterprises receives ISO 9001:2000 for Software and Engineering Services lines of business by BVQi London
	December	Infotech Enterprises announces the opening of the state-of-the-art Engineering services facility in Bangalore, India
2002	**February**	Infotech Enterprises Announces strategic business relationship with Pratt & Whitney Division of UTC. Pratt & Whitney to participate with up to ~18% equity stake in Infotech, demonstrating long term partnering intent and endorsing Infotech Business competence
	April	Infotech Enterprises achieves SEI CMM Level 5 for its Software Development & Services Division
	April	Infotech Enterprises' board recommends issue of Bonus Shares at 1:1 ratio
	August	Infotech Enterprises bags a major GIS contract from KPN Telecom, the largest telecommunications company in the Netherlands, to provide spatial data management services.
	September	Company bags the Federation of Andhra Pradesh Chambers of Commerce & Industry (FAPCCI) Award for Best Information Technology (IT) Company in the state of Andhra Pradesh (2001-2002)
2003	**April**	Infotech Enterprises attains the best process improvement model-"The Level 5 of the CMMi Version 1.1 for the SW/SE/SS disciplines"
	September	Infotech Enterprises announces the inauguration of a new development center in Puerto Rico to provide engineering design services
	September	Infotech Enterprises signs long term outsourcing contact with Bombardier Transportation to provide Engineering Services in India
2004	**January**	Infotech Enterprises acquires VARGIS - a GIS Company in the US
	July	Change in Business Model. Verticalization brought into place
	September	Infotech Enterprises divests 51% of its stake in Infotech Aerospace Services Inc. in favour of United Technologies Corporation
	September	Infotech Enterprises conferred with BS 7799 standards
2005	**March**	Infotech Enterprises acquires Tele Atlas India Pvt. Ltd. Tele Atlas (Netherlands) joins as a strategic partner with preferential allotment of shares
	March	Infotech Enterprises opens branch office in Singapore
	April	Infotech Enterprises opens branch office in Melbourne, Australia
	May	Inaugurated Geospatial production facility at Frostburg, Maryland, USA
	July	Infotech Enterprises opens branch office in Dubai
	September	Wins a landmark GIS contract from KPN Telecom and also signs a 5-year major Engineering Design Agreement with Alstom Transport
	October	Completed 5 years of relationship with Pratt & Whitney
2006	**March**	Signs a major GIS contract with GE for Swisscom
	December	Infotech Enterprises opens branch office at Canada
2007	**June**	Acquires 74% stake in Geospatial Integra and renamed the company as Infotech Geospatial (India) Limited
	July	Preferential allotment of shares to GA Global Investments Limited & Carrier International Mauritius Limited
	August	Set up Infotech HAL Limited, a Joint Venture Company with HAL, a Navaratna PSU under the Ministry of Defence, at Bangalore
2008	**October**	Acquired TTM (India) Private Limited and TTM Inc. made foray into Hitech Vertical
	December	Established wholly owned subsidiary in Japan
2009	**December**	Infotech Enterprises opens branch office in Malaysia
2010	**January**	Infotech Enterprises signs a long term engineering services contract with Hamilton Sundstrand
	January	Acquired Daxcon Engineering Inc., USA (Step down subsidiary)
	August	Acquired Wellsco Inc., USA (Step down subsidiary)

2011	**May**	Awarded 'Supplier of the year' by Boeing
	November	IGIL becomes a wholly owned subsidiary
2012	**October**	Set up branch in South Korea
	October	Won Golden Peacock Award for excellence in Corporate Governance
2013	**January**	Inaugurated New Development Centre in SEZ at Kakinada
	April	Opened office in Silicon Valley
	September	Set up branch in Taiwan
	November	Set up branch in South Africa
2014	**March**	Acquired Softential Inc.,
	March	Commenced process for name change and re-branding
	April	Mr. Krishna Bodanapu appointed Managing Director & CEO
	May	Re-branding completed, new logo launched and Company's name changed to Cyient
	August	Acquired 51% stake in Invati Insights Pvt. Ltd., Hyderabad
	October	Set up a subsidiary in Australia
	December	Won the 14th ICSI National Award for Excellence in Corporate Governance
2015	**January**	Acquired 74% stake in Rangsons Electronics Pvt. Ltd., Mysore
	April	Mr. B.V.R. Mohan Reddy elected Chairman of National Association of Software Services Companies (NASSCOM)
	July	Acquired Pratt & Whitney Global Services Engineering Asia, Singapore
	August	Divested entire stake in Infotech Enterprises Information Technology Services Private Limited, a wholly owned subsidiary Launched National Digital Literacy Mission Centre
	September	R&D Unit recognised by Department of Scientific and Industrial Research, Ministry of Science and Technology, Government of India
	October	Set up step down subsidiary in Czech republic
2016	**February**	Established state of the art development centre in Warangal, Telangana
	March	'Lifetime Achievement Award' conferred on Mr. B.V.R. Mohan Reddy by Hyderabad Management Association
		Set up a subsidiary in China
	May	Awarded 2015 Supplier of the Year by Boeing
	June	Inaugurated Global Design Center in Bengaluru for SMEC
	July	Set up subsidiary in Israel
	August	Marked its 25th Anniversary by enabling large scale inclusive 'Digital Literacy' Mission
	October	Mr. B.V.R. Mohan Reddy appointed as the Honorary Consul of the Federal Republic of Germany
	November	Cyient Europe Limited acquired 100% stake in Blom Aerofilms Limited, UK
	December	Zinnov Zones 2016 Rates Cyient in the Leadership Zone in Four Industry Verticals
2017	**January**	Secured Prestigious Pratt & Whitney 2016 Supplier Innovation and Productivity Savings Awards
	February	Cyient Inc. acquired 100% stake in Certon Software Inc, a Florida based company
	March	Mr. B.V.R. Mohan Reddy awarded the Padma Shri Award, 2017 for distinguished and exceptional achievement in Trade & Industry
		New facility set up at Pune, Maharashtra
	April	Incorporated Cyient Solutions and Systems Private Limited
	September	Acquired B&F Design Inc. through US subsidiary
	November	Recognised as one of 'India's most innovative organisations' by CII
	December	Divested company's stake in Infotech Aerospace Services Inc., Puerto Rico
	December	Voluntarily obtained a rating of CGR 2+ from ICRA for corporate governance practices

2018	**February**	Won Pratt & Whitney awards for supplier innovation and productivity savings
	March	Adopted a new set of Articles of Association
	April	Non-resident shareholding in the company limited to 49%
		Acquisition of AnSem NV, Belgium through Cyient Europe Limited
	May	Cyient Insights becomes wholly owned subsidiary
	October	Incorporated Cyient Urban Micro Skill Centre Foundation, a section 8 company
2019	**January**	Cyient DLM becomes wholly owned subsidiary
	February	Company commences first ever buyback of its shares
	March	Dissolved Cyient Insight LLC, USA, a step down subsidiary of the company
	April	Completion of buyback of company shares
	July	New Technology Precision Machining Co., Inc was merged with Cyient Defense Services Inc.
2020	**April**	Commissioned new factory for DLM business in Hyderabad
	August	Acquired Integrated Global Partners Pty Ltd., Australia
2021	**February**	Launched "Design for Circularity" Consulting and Engineering Practice
2021	**April**	Appointment of Mr. M.M. Murugappan as Non-Executive Chairman
	July	Launched gender neutral global parental leave policy
	October	Launched global management consulting practice
	December	Acquired 15% stake in Innovation Communication System Limited
2022	**January**	Constituted ESG Committee of the Board including CSR within its ambit
	April	Acquisition of Grit Consulting
	May	BVR Mohan Reddy inducted into Geospatial Hall ofFame
	June	Acquisition of Celfinet
	July	Cyient Foundation and IIT Hyderabad team up tonurture India's entrepreneurial talent through BVRMohan Reddy School of Innovation andEntrepreneurship
	August	Acquisition of Sentiec Oyj/Citec Engineering India Private Limited
2023	**January**	Draft Red Herring Prospectus for Cyient DLM filed

Shareholders' Handbook

When was the company founded?

The company was incorporated as Infotech Enterprises Private Limited - a Private Limited company on August 28th, 1991 under the Companies Act, 1956. The Company was converted into a Public Limited company vide resolution dated 21 April 1995. In May 2014 the company changed its name to Cyient Limited.

What is the company's area of operations?

Cyient is an acknowledged leader in geospatial services, engineering design services, design-led manufacturing, networks and operations, data transformation, and analytics. We collaborate with our clients to help them achieve more and together shape a better future. We call it Designing Tomorrow Together.

Our industry focus includes Aerospace &Defense, rail transportation, off-highway & industrial, power generation, mining, oil & gas, communications, utilities, infrastructure, geospatial and Navigation, semiconductor and medical technology & Healthcare. We align closely with the business needs, goals, culture, and core values of our clients. This reflects in the deep, long-standing relationships we have developed and sustained with some of the leading names in these industries.

Our stock is publicly traded, and we have a sound track record of growth and profitability. We are committed to developing a sustainable society and actively promote education and inclusive growth initiatives in communities around us.

Who are the founder members of the company?

The founder members of the company are: Mr. B.V.R. Mohan Reddy, Mrs. B. Sucharitha, and Mr. K. Rajan Babu.

When did the Company have its Initial Public Offer (IPO) and at what price?

The company made its maiden public offer in March 1997 at a price of ₹ 10 each for cash at a premium of ₹ 10 per share. The issue was lead managed by Industrial Development Bank of India (IDBI), Madras. The issue was oversubscribed by 1.56 times.

What is the Vision Statement of the company?

Designing Tomorrow Together. This is our vision and the basis of our brand promise. Three simple words that describe our unique approach of working with you to improve your business and the lives of your customers.

What are the values of the company?

In our relationships with our clients, stakeholders, and associates, we are guided by our Values FIRST - Fairness, Integrity, Respect, Sincerity and Transparency.

What is the Quality Policy of the company?

"At Cyient, we are committed to delight our Clients by consistently providing sustainable solutions, complying with the applicable requirements and continually improving the processes to improve human lives. Cyient focuses on exceeding our Clients' expectations and failure prevention.

We at Cyient understand and are committed to live up to our brand promise of "Designing Tomorrow Together".

We at Cyient communicate the Quality Policy within the Organization as well as to interested Parties.".

What are the Quality Objectives of the company?

Aspire to achieve best-in-class levels of Client, Quality and Delivery performance metrics for the industries we serve as per the respective roadmaps

Improve or sustain stakeholder's engagement scores

Focus on building skills and capabilities to keep abreast with the demands of the changing business

Where is the company located?

The company is headquartered in Hyderabad, India and has a global presence across 47 locations. Full details of the locations are published elsewhere in this Annual Report.

What is the address of the company's registered office?

The registered office of the company is located at
4th Floor, 'A' Wing
Plot No. 11, Software Units Layout,
Infocity, Madhapur, Hyderabad - 500 081, Telangana

What is the company's financial year?

The Company follows a financial year that begins on April 1 and ends on March 31.

Who are the company's auditors and consultants?

Auditors: S.R. Batliboi & Associates LLP
Secretarial Auditors: S. Chidambaram
Internal Auditors: KPMG
Tax advisor: G.P. Associates

Legal Counsel

Cyril Amarchand Mangaldas
Fox Mandal & Associates
CRS Associates

What is the history of Bonus issue of Shares at the Company?

Year	1994-95	1995-96	1996-97	2002-03	2006-07	2010-11
Bonus issue ratio	7 : 5	1 : 1	1 : 1	1 : 1	1 : 2	1 : 1

What is the Dividend History of the Company for last five years?

Year	2019		2020		2021	2022		2023	
Dividend	Interim	Final	1st Interim	2nd Interim	Final	Interim	Final	Interim	Final
%	120	180	120	180	340	200	280	200	320

What is the number of shareholders in the company in the last five years?

Year ended 31 March	2019	2020	2021	2022	2023
No. of Shareholders	34,223	44,011	57,316	116,297	121,541

What is the market capitalisation of the company for the last five years?

Year ended 31 March	2019	2020	2021	2022	2023
Market Capitalisation (₹ Million)	71,851*	25,216	71,238	102,346	110,050

* The company undertook a buy back of its shares.

Is nomination facility available to the shareholders?

Yes. Nomination facility is available to the Shareholders. Shareholders are advised to make use of the nomination facility. For further details, investors may contact the R&T Agents of the Company.

How does a shareholder go about transferring his shares/having related correspondence?

To transfer shares in physical form and general correspondence regarding shares, shareholders may write to the Company's

Registrars/the Company -

KFin Technologies Limited

Unit: Cyient Limited
Karvy Selenium Tower B, Plot 31-32,
Financial District, Gachibowli ,Nanakramguda, Hyderabad - 500 032.
Tel : +91-40-6716 1562
Email : mohsin.mohd@kfintech.com; einward.ris@kfintech.com
Website : www.kfintech.com

Transfer of shares in electronic form are effected through your depository participant. Please note that the Securities and Exchange Board of India has issued directives that trading in the scrip of the Company would be in compulsory demat form by all investors w.e.f. August 28, 2000.

In which stock exchanges are the company's shares listed and what are the codes?

The company's equity shares are listed in India on the National Stock Exchange (NSE: CYIENT) and the BSE Limited (BSE: 532175).

What is the company's ISIN code?

Cyient's ISIN code is INE136B01020

How many shares are outstanding?

As of 31 March 2023, the company had 110,575,006 shares outstanding.

What is the record date and payment date of the interim/final dividend?

You can find the record date/payment date for the last announced dividend in the Announcements section of the Investor page on our website. These details are also notified to the stock exchanges on the same day of the announcement of the dividend and available on the BSE and NSE websites.

When is the AGM held?

The Annual General Meeting (AGM) is typically held in mid-July. The formal announcement will be published on the Investors page of our website, closer to the event. If you are a shareholder, you will receive a formal notice of the meeting, containing details of the date, time and venue, alongside the Annual Report.

How does a person buy the company's shares?

The company's shares can be purchased in the open market in India through either a stock broker or any financial institution that provides brokerage services at the BSE or NSE.

How can a shareholder access information about the company?

Information about the company is available on its website. Further, all information that is material in nature is notified to stock exchanges and appropriate advertisements are also issued in the newspapers.

Does the company accept fixed deposits from the public?

The Company does not accept fixed deposits.

How does a shareholder record a change in the address?

For physical holdings, please send a letter, duly signed by the first holder, stating the new address and folio numbers of the shares you own to our R & T agents. An acknowledgement will be sent to your new address confirming the up-dation of the change in our records.

In the case of dematerialized holdings, please write to your Depository Participant (DP) intimating them of the change and ask for a confirmation that their records reflect the new address.

If dividend cheque is lost/was never received/has expired, how to get a fresh cheque re-issued?

Please write to our R&T Agent, with details of folio numbers (in the case of physical holdings) or the DP ID and Client ID in the case of dematerialized holdings. After verification, they will issue a fresh instrument.

To avoid this problem in the future, you can use the ECS facility in which the dividend amount is automatically credited to the bank account of your choice. To avail of this facility, give your request to our R&T agent in writing.

Also, you might consider dematerializing your holdings through a Depository Participant. This would not only eliminate the issues of storage and risk of loss of paper certificates but also ensure automatic crediting of dividends to your bank account.

How does a shareholder re-claim the shares and/or unclaimed dividend transferred to IEPF?

Such shareholders may make an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in online and send a physical copy of the same duly signed to the R&T Agent along with requisite documents enumerated in the Form No. IEPF-5.

No claims shall lie against the company in respect of the dividend/shares so transferred to the IEPF.

GLOBAL PRESENCE

Global Headquarters

Cyient Ltd.
Plot No. 11
Software Units Layout
Infocity, Madhapur
Hyderabad - 500081
Telangana, India
Tel: +91 40 6764 1000

Asia Pacific

Australia

Cyient Australia Pty Ltd.
Level 8, 350 Collins Street
Melbourne, Victoria 3000
Tel: +61 3 8605 4815

Cyient Australia Pty Ltd.
8, Freight Drive
Ravenhall
Melbourne, Victoria 3023

Cyient Australia Pty Ltd.
Lvl 4, 81 Flushcombe Rd
Blacktown NSW 2148, Sydney
Tel: +61 2 8887 8600

Cyient Australia Pty Ltd.
34, Toohey Road
Wetherill Park, NSW 2164
Sydney

Cyient Ltd.
45 Ventnor Avenue
West Perth, WA 6005
Tel: +61 8 9389 4410

New Zealand

Cyient Ltd.
PO Box 97999, Manukau 2241
Level 2, 652 Great South Road,
Manukau, Level 2, 65 Upper
Queen Street, Auckland
Tel: +64 9 277 8278

South Korea

Cyient Ltd.
21 F, Seoul Finance Center
136, Sejong-daero, Jung-gu
Seoul 04520
Tel: + 82 2 3782 4936

Taiwan

Cyient Ltd.
No. 262, Zhuangjing 6th Street
Zhubei City, Hsinchu County 30264
Tel: +886 3 668 5522

Japan

Cyient KK
Sho-Building 6F
3-14-5, Nihonbashi
Chuo-Ku, Tokyo 103-0027
Tel: +81 3 3527 9825

Malaysia

Cyient Ltd.
Level 28
The Gardens South Tower
Mid Valley City
Lingkaran Syed Putra
Kuala Lumpur 59200
Tel: +60 3 2298 7321

Singapore

Cyient Ltd.
1 North Bridge Road
#19-04/05
High Street Center
Singapore 179 094
Tel: +65 6 337 2472

Cyient Singapore Pte Ltd.
61, Seletar Aerospace View
Singapore 797560

India

Cyient Ltd.
Cyient IT Park
Plot No- 110A & 110 B
Phase 1, Electronics City
Hosur Road
Bangalore - 560100
Tel: +91 80 2852 2341

Cyient Ltd.
Plot No. 2, IT Park
Nanakramguda
Gachibowli
Hyderabad - 500032
Telangana
Tel: +91 40 6748 9100

Cyient Ltd.
Lanco Hills SEZ
Manikonda
Hyderabad 500089
Telangana
Tel: +91 40 6748 9100

Cyient Ltd.
NSL SEZ
Block No. 1
Plot No. 6, Survey No. 1
IT/TES SEZ, IDA Uppal
Hyderabad – 500039
Telangana
Tel: +91 40 6704 3434

Cyient Ltd.
Plot No: 1, 2, 3, 4 & 5A
IT SEZ, Sarpavaram
Kakinada - 533005
Andhra Pradesh
Tel: +91 884 232 6700

Cyient Ltd.
Survey No: 410
Plot No: 14, SEZ Unit
Hill No: 3
Madhurawada(V)

Rushikonda, Vizag - 530045
Andhra Pradesh
Tel: +91 891 669 3100

Cyient Ltd.
Plot No. 1
IT Incubation center,
TSIIC, Industrial estate
Madikonda (SEZ),
Kazipet (M)
Warangal-506142
Telangana
Tel: +91 870 336 0900

Cyient DLM Pvt. Ltd.
Plot No. 347 - D1 & D2
KIADB
Electronics City
Hebbal Indl. Area
Mysore - 570 016
Karnataka
Tel: +91 821 428 0000

Cyient Ltd.
602, 6th Floor
79/1-Zero One Building
Mundhwa Road, Pingle Wasti
Pune - 411036
Maharashtra
Tel: +91 20 3005 8000

Cyient Ltd.
B-11, Sector 63
Noida - 201307
Uttar Pradesh
Tel: +91 120 669 1000

Cyient Ltd.
Plot No. 7, NSEZ, Phase-2
Noida - 201305
Uttar Pradesh

Europe, Middle East, and Africa

Belgium

AnSem NV
Researchpark Haasrode 1113
Esperantolaan 9
3001 Heverlee, Leuven
Tel: +32 16 38 65 00

England

Cyient Europe Ltd.
Apex, Forbury Road,
Reading RG1 1AX,
United Kingdom

Cyient Europe Ltd.
The Astrolabe
Cheddar Business Park
Wedmore Road
Cheddar, Somerset
BS27 3EB
Tel: +44 (0) 1934 311 000

Cyient Europe Ltd.
Office 3.9 Litchurch Plaza
Litchurch Lane, Derby,
DE24 8AA, United Kingdom

Switzerland

Cyient Schweiz GmbH
c/o Walder Wyss AG
Christoffelgasse, 6
3011, Bern

The Netherlands

Cyient BV Minervum 7491
4817 ZP Breda Oost, Breda
Tel: +31 76 572 2966

AnSem BV
Hengelosestraat 565 7521
AG Enschede
Netherlands
Tel: +31 53 203 2500

Germany

Cyient GmbH
Industriestrasse 23
Stuttgart 70565
Tel: +49 711 414402 0

Cyient GmbH
Düsseldorfer Landstr. 401
47259 Duisburg

Cyient GmbH
Sofradec 153 boulevard
Haussmann 75008 PARIS

Prague, Czech Republic

Cyient s.r.o
Classic 7 Business Park
Jankovcova 1603 / 47a
170 00 Prague 7
Czech Republic
Tel: +420 277 008 200

South Africa

Cyient
255 Anna Wilson Street
Kilnerpark, Pretoria – 0186

UAE

Cyient Ltd.
Dubai Airport Free Zone
Authority (DAFZA)
P.O. Box 54713, Dubai
Tel: +971 50 686 7045

Israel

Cyient Israel India Ltd.
David Ben-Gurion 1, Bnei Brak
Tel: +972 54 811 0200

North America

United States of America
Cyient Inc.
275 East Hillcrest Dr
Thousand Oaks
CA 91360

Cyient Inc.
800 West Cummings Park
Suite 6250, Woburn
MA 01801

Cyient Inc.
6115 Coca Cola Blvd.
Columbus, GA 31909

Allen (One Bethany East)
900 W Bethany Drive
Suite 245 & 250
Allen, TX

Cyient Inc.
Peoria Heights Executive Plaza
4541 N. Prospect Rd, Suite 200
Peoria Heights
IL 61616

Cyient Inc.
2206 Eastland Drive
Bloomington, IL 61704
Tel: +1 309 664 6991

Cyient Inc.
4949 Harrison Ave Suite 115
Rockford, IL 61108

Cyient Inc.
5340 Fryling Rd
Erie
PA 16506

Cyient Inc.
3rd, 4th & 5th Floor
99 East River Drive
East Hartford, CT 06108
Tel: +1 860 528 5430

Cyient Inc.
175, Addison Road
Windsor, CT 06095

Cyient Inc.
3rd Floor
386, Main Street
Middletown, Middlesex
CT 06457

Cyient Inc.
120 Production Ct
New Britain CT 06051

Cyient Inc.
1401 Nolan Ryan
Expressway
Arlington, TX 76011
Tel: +1 817 268 9501

Cyient Inc.
14703 Park of Commerce Blvd
Jupiter, FL 33478
Tel: +1 860 310 3758

Cyient Defense Services Inc.
15300 Park of Commerce Blvd
Jupiter, FL 33478
Tel: +1 860 310 3758

Certon Software Inc.
Suite D 1396
South Babcock Street
Melbourne, FL 32901

Cyient Inc.
218 South Thomas Street
Suite 204-209 Spanish Village III
Tupelo MS 38801

Canada
Cyient Canada Inc.
273 Lakeshore
Suite F
Montreal, QC

Cyient Canada Inc.
600 Alden Rd
Suite 304
Markham, ON

Others

Celfinet Brazil
Celfinet (Brasil) Consultoria em Telecomunicações Ltda Calçada das Margaridas, 163 Sala 02 Cond. Centro Comercial Alphaville, Barueri - SP

Celfinet Consultoria em TelecoS.A. (Portugal)
Rua João Chagas, 53, 2° Esq. 1495 - 764 Cruz Quebrada – Dafundo
LISBOA – Portugal

Celfinet-Espana Telecommunications SL Spain
Calle Caléndula, 93 Edificio E – Miniparc III 28109 El Soto de La Morajela Madri – Spain

Celfinet-Metemesonip
Rua João Chagas, 53 2 Esq. 1495-764 Cruz Quebrada - Dafundo
LISBOA - Portugal

Celfinet-Mozambique
CONSULTORIA EM TELECOMUNICAÇÕES, LIMITADA Mao Tse Tung Avenue, no. 549, Maputo City – Mozambique

Citec Engineering India
Unit No. 401, 4th Floor, Building No. 1, Mind Space, Ttc Industrial Area, Juinagar Navi Mumbai Thane Maharashtra 400706

Citec Group Oy Ab
Citec Group FINLAND, FRANCE, GERMANY, INDIA, NORWAY, SWEDEN
Head office: Citec Oy Ab P.O. Box 109 FIN-65101 Vaasa Finland

Citec_France
Citec Group France
Immeuble l'Européen - Bâtiment C
2, rue Joseph Monier
92500 Rueil Malmaison Paris, France

Citec_Germany
Citec Engineering & Information GmbH Schwarzwiesen 13 61440 Oberursel Germany

Citec_Norway_
Citec Norway AS Strandveien 37 1366 Lysaker Norway

Citec_SAS_France
Citec Group France
Immeuble l'Européen - Bâtiment C
2, rue Joseph Monier 92500 Rueil Malmaison Paris, France

Citec_Sweden
Citec AB
Gustaf Anders Gata 15 653 40 Karlstad Sweden

Cyient Solutions and Systems Private Limited
Plot No.2 IT Park, Nanakramguda, Gachibowli, Hyderabad TG- 500 032

Cyient Urban Micro Skill Center Foundation
Papireddy Colony, Chanda Nagar, Serilingampalle (M)
Telangana - 500050

CYIENT AB
C/O: Cyient GmbH Industriestr. 23, 705 65 Stuttgart Deutschland

Cyient Associate Stock Option Scheme 2021 Trust
4th Floor, Plot No. 11 Software units Layout, Infocity Madhapur, Hyderabad TG- 500 081

Cyient Foundation
Plot No. 11, Software Units Layout, Infocity, Madhapur, Hyderabad TG-500 081

Cyient Inc
3rd, 4th & 5th Floor 99 East River Drive East Hartford, CT 06108

Cyient Insight
Plot No. 2, IT Park, Nanakramguda, Gachibowli, Hyderabad – 500032, Telangana.

Cyient Israel India limited
David Ben-Gurion 1, Bnei Brak

Cyient SRO
Pekarska 621/7, 15500 Praha 5-Jinonice, Ceska republika
GRIT Pte Limited Singapore
10 Seletar Aerospace Heights, Singapore 797546

IG Partners South Africa
Mackridge Associates Inc. 5th Street, Linden, Johannesburg, South Africa

IGP Australia
350 Collins Street, Melbourne (3000)

IGP Chile
Integrated Global Partners SpA, Chile, AV El Bosque Central 92, Piso 8, Las Condes 7550248, Santiago, Chile

IGP Sinagpore
10 Seletar Aerospace Heights, Singapore 797546

Infotech ESOP Trust
Plot no 42,Nagarjuna Hills, Punjagutta, Hyderabad 500082

Infotech HAL
5th Floor, Infotech IT Park Phase 1, 110A & 110 B, Electronics City , Hosur Main Road, Bangalore KA 560100

Celfinet UK Telecommunications
12 New Fetter Lane, EC4A 1JP , London – United Kingdom

Sentiec Oyj FInland
PL 109 65101 Vaasa, Finland

Workforce Delta Australia
L8, 350 Collins Street, Melbourne, 3000

cyient.com

Global Headquarters
Cyient Limited, Plot No. 11, Software Units Layout,
Infocity, Madhapur, Hyderabad - 500 081, India | T: +91 40 6764 1000