

Cyient Limited

Balance Sheet as at March 31, 2019

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

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	3	2,460	2,252
Capital work-in-progress		287	213
Intangible assets	4	204	292
Intangible assets under development	4	468	251
Financial assets			
(a) Investments	5	5,101	4,639
(b) Loans	6	491	127
(c) Other financial assets	7	197	193
Deferred tax assets (net)	16 (d)	194	167
Income tax assets (net)	16 (f)	320	392
Other non-current assets	8	462	507
Total non-current assets		10,184	9,033
Current assets			
Financial assets			
(a) Investments	5	278	1,130
(b) Trade receivables	9	5,079	4,151
(c) Cash and cash equivalents	10A	6,998	7,200
(d) Other bank balances	10B	129	66
(e) Loans	6	320	267
(f) Other financial assets	7	1,805	1,628
Other current assets	8	1,008	536
Total current assets		15,617	14,978
Total assets		25,801	24,011
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	11A	552	563
Other equity	11B	21,813	20,051
Total equity		22,365	20,614
LIABILITIES			
Non-current liabilities			
Provisions	12	863	701
Total non-current liabilities		863	701
Current liabilities			
Financial liabilities			
(a) Trade payables	13		
(i) total outstanding dues of micro enterprises and small enterprises		1	1
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,962	1,932
(b) Other financial liabilities	14	137	173
Income tax liabilities (net)	16 (f)	48	44
Provisions	12	97	71
Other current liabilities	15	328	475
Total current liabilities		2,573	2,696
Total liabilities		3,436	3,397
Total equity and liabilities		25,801	24,011
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements			
In terms of our report attached			
For Deloitte Haskins & Sells Chartered Accountants		For and on behalf of the Board of Directors	
C. Manish Muralidhar Partner		B.V.R. Mohan Reddy Executive Chairman (DIN - 00058215)	Krishna Bodanapu Managing Director and CEO (DIN - 05301037)
		Ajay Aggarwal President & Chief Financial Officer	Sudheendra Putty Company Secretary (M.No. - F5689)
Place: Hyderabad Date: April 25, 2019		Place: Hyderabad Date: April 25, 2019	

Cyient Limited

Statement of Profit and Loss for the year ended March 31, 2019

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

Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
INCOME			
Revenue from operations	17A	16,149	14,397
Other income	17B	1,621	1,923
Total income		17,770	16,320
EXPENSES			
Employee benefits expense	18	7,546	6,758
Finance costs		11	6
Depreciation and amortisation expense	19	509	508
Other expenses	20	4,292	3,891
Total expenses		12,358	11,163
Profit before exceptional item and tax		5,412	5,157
Exceptional item	25	-	(103)
Profit before tax		5,412	5,260
Tax expense			
Current tax	16 (a)	1,179	1,285
Deferred tax		(174)	(43)
Total tax expense		1,005	1,242
Profit for the year		4,407	4,018
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	(65)	(1)
(ii) Equity instruments through other comprehensive income		2	-
(iii) Income tax relating to items that will not be reclassified to statement of profit and loss	16 (b)	16	-
(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	468	(545)
(ii) Income tax on items that may be reclassified to statement of profit and loss	16 (b)	(164)	189
Total other comprehensive income		257	(357)
Total comprehensive income for the year		4,664	3,661
Earnings per equity share (par value of ₹ 5 each)			
Basic (₹)	23	39.07	35.69
Diluted (₹)		39.01	35.54
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements			

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

C. Manish Muralidhar
Partner

Place: Hyderabad
Date: April 25, 2019

For and on behalf of the Board of Directors

B.V.R. Mohan Reddy
Executive Chairman
(DIN - 00058215)

Krishna Bodanapu
Managing Director and CEO
(DIN - 05301037)

Ajay Aggarwal
President &
Chief Financial Officer

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place: Hyderabad
Date: April 25, 2019

Cyient Limited

Statement of changes in equity for the year ended March 31, 2019

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

a. Equity share capital

Particulars	Note	Amount
Balance as at March 31, 2017		563
Issue of shares during the year*	11A	-
Balance as at March 31, 2018		563
Issue of shares during the year		2
Shares bought back and extinguished during the year	11A	(10)
Shares bought back and pending extinguishment		(3)
Balance as at March 31, 2019		552

*On issue of shares (under the Company's associate stock option plan) during the previous year, the company had received ₹ 0.15 rounded off.

b. Other equity

Particulars	Note	Surplus				Items of other comprehensive income		Total other equity	
		Capital Redemption Reserve	Securities premium	General reserve	Stock option reserve	Retained earnings	Cash flow hedge reserve		Equity instruments through OCI
Balance as at March 31, 2017		-	3,850	5,289	206	8,588	326	-	18,259
Profit for the year		-	-	-	-	4,018	-	-	4,018
Other comprehensive income		-	-	-	-	(1)	(356)	-	(357)
Total comprehensive income for the year		-	-	-	-	4,017	(356)	-	3,661
Issue of shares under the Company's associate stock option plan	11B	-	13	-	-	-	-	-	13
Stock option expense for the year	11B	-	-	-	15	-	-	-	15
Dividends paid (including dividend distribution tax)	30	-	-	-	-	(1,897)	-	-	(1,897)
Balance as at March 31, 2018		-	3,863	5,289	221	10,708	(30)	-	20,051
Profit for the year		-	-	-	-	4,407	-	-	4,407
Other Comprehensive Income		-	-	-	-	(49)	304	2	257
Total comprehensive income for the year		-	-	-	-	4,358	304	2	4,664
Issue of shares under the Company's associate stock option plan	11B	-	199	-	(179)	-	-	-	20
Stock option expense for the year	11B	-	-	-	29	-	-	-	29
Dividends paid (including dividend distribution tax)	30	-	-	-	-	(1,269)	-	-	(1,269)
Buyback of equity shares		-	(1,655)	-	-	-	-	-	(1,655)
Transaction costs towards Buyback of equity shares	11A	-	(27)	-	-	-	-	-	(27)
Amount transferred to capital redemption reserve upon Buyback	11A	13	-	(13)	-	-	-	-	-
Balance as at March 31, 2019		13	2,380	5,276	71	13,797	274	2	21,813

Accompanying notes form an integral part of the financial statements

In terms of our report attached

For **Deloitte Haskins & Sells**
Chartered Accountants

For and on behalf of the Board of Directors

C. Manish Muralidhar
Partner

B.V.R. Mohan Reddy
Executive Chairman
(DIN - 00058215)

Krishna Bodanapu
Managing Director and CEO
(DIN - 05301037)

Ajay Aggarwal
President &
Chief Financial Officer

Sudheendhra Putty
Company Secretary
(M.No. - F5689)

Place: Hyderabad
Date: April 25, 2019

Place: Hyderabad
Date: April 25, 2019

Cyient Limited

Cash Flow Statement for the year ended March 31, 2019

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

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit after tax	4,407		4,018	
<u>Adjustments for:</u>				
Tax expense	1,005		1,242	
Depreciation and amortisation expense	509		508	
Loss on sale of property, plant and equipment, (net)	3		-	
Gain on disposal of associate, (net)	-		(103)	
Finance costs	11		6	
Stock option expense	16		27	
Interest income	(564)		(518)	
Dividend from associate	-		(589)	
Dividend from subsidiary	(457)		-	
Dividend from mutual funds	(53)		(44)	
Rental income from operating leases	(17)		(31)	
Liabilities no longer required written back	(41)		(58)	
Provision for doubtful debts, (net)	52		15	
Exchange difference on translation of foreign currency cash and cash equivalents	(296)		(298)	
Unrealised forex loss/(gain)	1		(63)	
Operating profit before working capital changes		4,576		4,112
<u>Changes in working capital:</u>				
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(1,006)		(1,156)	
Other financial assets	180		(131)	
Other assets	(446)		362	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	82		629	
Other current liabilities	(150)		(187)	
Other financial liabilities	25		-	
Provisions	123		56	
Cash generated from operations		3,384		3,685
Net income taxes paid		(1,103)		(1,286)
Net cash flow from operating activities (A)		2,281		2,399
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment towards purchase of property, plant and equipment and intangible assets (refer note(ii) below)	(959)		(864)	
Proceeds from sale of property, plant and equipment	53		-	
Payments to acquire financial assets				
- Investment in compulsorily convertible preference shares / equity instruments	-		(10)	
- Mutual funds	(5,035)		(3,345)	
Proceeds from sale of financial assets - mutual funds	5,887		3,140	
Net cash outflow on infusion of capital in subsidiaries	(460)		(35)	
Net cash inflow on disposal of associate	-		114	
Loans given to subsidiaries	(418)		(136)	
Interest received	570		393	
Dividend received				
- Subsidiaries	457		-	
- Associate	-		589	
- Mutual funds	53		44	
Rental income from operating leases	17		31	
Movement in other bank balances	(63)		(43)	
Net cash from/(used in) investing activities (B)		102		(122)

Cyient Limited

Cash Flow Statement for the year ended March 31, 2019

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

Particulars	For the Year ended March 31, 2019		For the Year ended March 31, 2018	
C. CASH FLOW FROM FINANCING ACTIVITIES				
Payment towards buyback including transaction cost	(1,631)		-	
Proceeds from issue of equity shares	22		9	
Interest paid	(11)		(6)	
Dividends paid	(1,122)		(1,573)	
Dividend distribution tax	(139)		(321)	
Net cash used in financing activities (C)		(2,881)		(1,891)
Net increase in Cash and cash equivalents (A+B+C)		(498)		386
Cash and cash equivalents at the beginning of the year		7,200		6,516
Exchange differences on translation of foreign currency cash and cash equivalents		296		298
Cash and cash equivalents at the end of the year (refer note (i) below)		6,998		7,200
Notes:				
(i) Cash and cash equivalents comprises of (refer note 10A):				
Balances with banks				
in current accounts		510		817
in deposit accounts		4,177		4,264
Deposits with financial institutions		2,241		1,955
Remittances in transit		70		164
		6,998		7,200
(ii) Payments to acquire property, plant & equipment and intangible assets include payments for items in capital work-in-progress, intangible assets under development and capital advances for purchase of the same. Adjustments for increase / decrease in financial liabilities relating to the acquisition of these assets has been made to the extent identified.				
Accompanying notes form an integral part of the financial statements				
In terms of our report attached				
For Deloitte Haskins & Sells Chartered Accountants		For and on behalf of the Board of Directors		
C. Manish Muralidhar Partner		B.V.R. Mohan Reddy Executive Chairman (DIN - 00058215)	Krishna Bodanapu Managing Director and CEO (DIN - 05301037)	
		Ajay Aggarwal President & Chief Financial Officer	Sudheendhra Putty Company Secretary (M.No. - F5689)	
Place: Hyderabad Date : April 25, 2019		Place: Hyderabad Date : April 25, 2019		

Cyient Limited

Notes forming part of the financial statements

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

3. Property, plant and equipment

Particulars	As at	
	March 31, 2019	March 31, 2018
Carrying amounts of:		
Freehold land	16	16
Leasehold land (refer note (b) below)	-	-
Buildings	1,277	1,339
Leasehold improvements	-	-
Computers	185	137
Plant and equipment	435	333
Office equipment	145	107
Furniture and fixtures	221	152
Electrical installations	158	140
Vehicles	23	28
Total	2,460	2,252

Notes:

a. Movement in the carrying amounts of property, plant and equipment is as below:

Particulars	Freehold land [refer note (b) below]	Leasehold land [refer note (c) below]	Buildings [refer note (d) below]	Leasehold improvements	Computers	Plant and equipment	Office equipment	Furniture and fixtures	Electrical installations	Vehicles	Total
I. Cost											
Balance as at March 31, 2017	16	9	1,959	4	1,402	900	275	458	441	35	5,499
Additions	-	-	5	-	71	79	57	29	31	6	278
Disposals	-	-	-	-	(3)	-	-	-	-	-	(3)
Balance as at March 31, 2018	16	9	1,964	4	1,470	979	332	487	472	41	5,774
Additions	-	-	59	-	130	169	82	117	47	-	604
Disposals	-	-	(80)	-	(23)	(70)	(10)	(30)	(26)	-	(239)
Balance as at March 31, 2019	16	9	1,943	4	1,577	1,078	404	574	493	41	6,139
II. Accumulated depreciation											
Balance as at March 31, 2017	-	9	556	4	1,242	580	192	298	296	9	3,186
Depreciation for the year	-	-	69	-	94	66	33	37	36	4	339
Disposals	-	-	-	-	(3)	-	-	-	-	-	(3)
Balance as at March 31, 2018	-	9	625	4	1,333	646	225	335	332	13	3,522
Depreciation for the year	-	-	71	-	82	64	41	48	29	5	340
Disposals	-	-	(30)	-	(23)	(67)	(7)	(30)	(26)	-	(183)
Balance as at March 31, 2019	-	9	666	4	1,392	643	259	353	335	18	3,679
III. Carrying Amounts (I - II)											
Balance as at March 31, 2018	16	-	1,339	-	137	333	107	152	140	28	2,252
Balance as at March 31, 2019	16	-	1,277	-	185	435	145	221	158	23	2,460

b. Includes ₹ 4 (March 31, 2018 - ₹ 4) in respect of which land allocation letters have been received, pending completion of legal formalities relating to conveyance.

c. Includes ₹ 9 (March 31, 2018 - ₹ 9) in respect of which land allocation letters have been received, pending completion of legal formalities relating to conveyance.

d. Includes ₹ 716 (March 31, 2018 - ₹ 794) relating to building constructed on leasehold land.

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

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

4. Intangible assets

Particulars	As at	
	March 31, 2019	March 31, 2018
Computer software	204	292
Other intangible assets	-	-
Total Intangible assets	204	292
Intangible assets under development [refer note (a) below]	468	251

Notes:

a. During the year 2016-17, the Company entered into an agreement with a third party, wherein it was granted technology license to develop, test and commercially utilise the benefits from such testing and development activity. Accordingly, the initial amount and subsequent development costs aggregating to ₹ 468 (March 31, 2018 - ₹ 251) have been classified under 'Intangible asset under development'.

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

Particulars	Computer Software	Other Intangible assets	Total
I. Cost:			
Balance as at March 31, 2017	2,442	147	2,589
Additions	218	-	218
Balance as at March 31, 2018	2,660	147	2,807
Additions	81	-	81
Balance as at March 31, 2019	2,741	147	2,888
II. Accumulated amortisation:			
Balance as at March 31, 2017	2,199	147	2,346
Amortisation for the year	169	-	169
Balance as at March 31, 2018	2,368	147	2,515
Amortisation for the year	169	-	169
Balance as at March 31, 2019	2,537	147	2,684
Carrying Amounts (I - II):			
Balance as at March 31, 2018	292	-	292
Balance as at March 31, 2019	204	-	204

Cyient Limited

Notes forming part of the financial statements

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

5. Investments

Particulars	As at	
	March 31, 2019	March 31, 2018
A. Non-current (unquoted) (refer note 1 below)		
Investment carried at cost:		
(i) Equity instruments of subsidiary companies	5,051	4,591
(ii) Equity instruments of joint venture company	20	20
	5,071	4,611
Investment carried at fair value through other comprehensive income:		
Equity instruments of other entities (unquoted)	20	18
Investment carried at fair value through profit and loss:		
Compulsorily convertible preference shares of other entities	10	10
Total Non-current investments	5,101	4,639
B. Current (quoted) (refer note 2 below)		
Investment carried at fair value through profit and loss		
Investments in mutual funds	278	1,130
Total Current investments	278	1,130

Note 1: Details of investments - Non-current (unquoted)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity instruments of subsidiary companies:				
Cyient Inc., USA	500,500	993	500,500	993
Cyient Europe Limited, UK	185,000,000	304	185,000,000	304
Cyient GmbH, Germany	12,000	71	12,000	71
Cyient KK, Japan (refer note 22A(i))	900	5	900	5
Cyient Singapore Private Limited, Singapore	3,599,977	238	3,599,977	238
Cyient Australia Pty Limited, Australia @ 1	1,000	-	1,000	-
Cyient Insights Private Limited, India (refer note 22A(ii))	1,999,478	122	1,019,734	87
Cyient DLM Private Limited, India (refer note 22A(iii))	1,367,000	3,286	1,011,580	2,861
Cyient Israel India Limited, Israel	1,817,100	32	1,817,100	32
Cyient Solutions and Systems Private Limited, India @ 2 (refer note 22A(vi))	10,200	-	19,990	-
Sub total		5,051		4,591
Equity instruments of joint venture company:				
Infotech HAL Limited, India	2,000,000	20	2,000,000	20
Equity instruments of other entities:				
Cardiac Design Labs Private Limited, India	6,036	20	6,036	18
Compulsorily convertible preference shares of other entities:				
Cardiac Design Labs Private Limited, India	3,048	10	3,048	10
Total		5,101		4,639

@1. Investment value is ₹ 0.05 (March 31, 2018: ₹ 0.05), rounded off.

@2. Investment value is ₹ 0.1 (March 31, 2018: ₹ 0.2), rounded off.

Note 2: Details of investments - Current (quoted)

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of units	Amount	Number of units	Amount
Investments in Mutual Funds *				
Reliance Liquid Fund - Treasury Plan - Daily Dividend Option Dividend	-	-	46,374	71
L&T Liquid fund - Regular Daily Dividend Reinvestment Plan	-	-	84,647	86
Aditya Birla Sun Life Floating Rate Fund Short Term Plan -Daily	-	-	706,029	71
Axis Liquid Fund - Daily Dividend	-	-	88,104	88
UTI-Liquid Cash Plan - Institutional -Daily Dividend Reinvestment	96,970	99	81,580	83
ICICI Prudential Money Market Fund - Daily Dividend	-	-	805,283	81
IDFC Cash fund - Daily dividend - (Regular Plan)	-	-	47,476	47
Kotak Floater Short Term - Daily Dividend (Regular Plan)	-	-	79,358	80
Kotak Liquid Regular Plan Daily Dividend	79,698	97	62,187	76
HDFC Liquid Fund - Regular Plan - Daily Dividend Reinvestment	-	-	79,075	81
DSP Black Rock Liquidity Fund - Regular Plan - Daily Dividend	-	-	66,016	66
SBI Premier Liquid Fund - Regular Plan - Daily dividend	-	-	75,899	76
DHFL Pramerica Insta Cash Plus Fund - Daily Dividend	-	-	500,664	50
Invesco India Liquid Fund - Daily Dividend	-	-	75,772	76
Tata Money Market Fund Regular Plan - Daily Dividend	-	-	97,624	98
Franklin India Liquid Fund - Super Institutional Plan	81,570	82	-	-
Total quoted investment		278		1,130

* The market value of quoted investment is equal to its carrying value.

Note 3: Carrying values:

Particulars	As at	
	March 31, 2019	March 31, 2018
Aggregate amount of unquoted investments	5,071	4,611
Aggregate amount of Investments carried at fair value through other comprehensive income	20	18
Aggregate amount of Investments (current and non-current) carried at fair value through profit and loss	288	1,140
Aggregate market value of quoted investments (current and non-current) carried at fair value through profit and	288	1,140

Cyient Limited

Notes forming part of the financial statements

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

6. Loans

Particulars	As at	
	March 31, 2019	March 31, 2018
Non-current:		
Loan to subsidiaries (refer note 22)	491	127
Total Non-current loans	491	127
Current:		
Loan to subsidiaries (refer note 22)	319	265
Loan to employees	1	2
Total Current loans	320	267
Total Loans	811	394

Note:

Classification of Loans:

(a) Loans considered good -Secured	-	-
(b) Loans considered good -Unsecured	811	394
(c) Loans which have significant increase in Credit Risk	-	-
(d) Loans -credit impaired	-	-

7. Other financial assets

Particulars	As at	
	March 31, 2019	March 31, 2018
Non-current:		
Security deposits		
Unsecured, considered good	197	193
Considered doubtful	16	16
Less : Allowance for doubtful deposits	(16)	(16)
Total Other non-current financial assets	197	193
Current:		
Derivative instruments designated in a hedging relationship	424	71
Unbilled revenue (refer note below)	1,027	1,018
Interest accrued on deposit accounts	233	254
Interest accrued on loan given to subsidiaries	36	21
Advance to subsidiary and joint venture	15	149
Other receivables (refer note below)	70	115
Total Other current financial assets	1,805	1,628
Total Other financial assets	2,002	1,821

Note:

Includes outstanding balances with related parties (refer note 22)

8. Other assets

Particulars	As at	
	March 31, 2019	March 31, 2018
Non-current:		
Capital advances	38	62
Prepaid expenses	76	113
Balance with government authorities (refer note 21)	348	332
Total Other non-current assets	462	507
Current:		
Prepaid expenses	275	281
Advances to suppliers and service providers	363	252
Other receivables (refer note 17B)	370	3
Total Other current assets	1,008	536
Total Other assets	1,470	1,043

Cyient Limited

Notes forming part of the financial statements

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

9. Trade receivables

Particulars	As at	
	March 31, 2019	March 31, 2018
Trade receivables considered good - Unsecured*	5,079	4,151
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	99	54
Expected credit loss allowance	(99)	(54)
Total	5,079	4,151

* Includes dues from related parties (refer note 22)

Note:

Expected credit loss (ECL):

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

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

Ageing	As at	
	March 31, 2019	March 31, 2018
Within the credit period	2,360	2,383
1-90 days past due	1,514	1,168
91-180 days past due	458	352
181-365 days past due	628	175
More than 365 days past due	218	127
Balance at the end of the year	5,178	4,205

Movement in the expected credit loss allowance	As at	
	March 31, 2019	March 31, 2018
Balance at beginning of the year	54	95
Provision for ECL	52	15
Reversal of provision on account of collection of bad debts	-	(13)
Reversal of provision for ECL	(7)	(43)
Balance at the end of the year	99	54

10. Cash and Bank Balances

10A. Cash and cash equivalents

Particulars	As at	
	March 31, 2019	March 31, 2018
Balances with banks		
in current accounts	510	817
in deposit accounts	4,177	4,264
Deposits with financial institutions	2,241	1,955
Remittances in transit	70	164
Total	6,998	7,200

10B. Other bank balances

Particulars	As at	
	March 31, 2019	March 31, 2018
Unpaid dividend/ASOP account	24	14
Balance in escrow account (refer note below)	50	-
Deposits held as margin money/security for bank guarantees	55	52
Total	129	66

Note: The Company has deposited an amount of ₹ 50 (March 2018: ₹ Nil) in escrow account (2.5% of the amount earmarked for Buyback) and furnished an irrevocable and unconditional bank guarantee of ₹ 500 (March 2018: ₹ Nil) (25% of the maximum Buyback size) towards security for the performance and compliance of its obligations under the Regulation 20 of Buyback regulations. (refer note 11A).

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

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

11A. Equity share capital

Particulars	As at	
	March 31, 2019	March 31, 2018
Authorised share capital: 280,000,000 equity shares of ₹ 5 each (March 31, 2018 : 278,000,000) (refer note below)	1,400	1,390
Issued and subscribed capital: 110,474,173 fully paid-up equity shares of ₹ 5 each (March 31, 2018 : 112,596,002)	552	563
Total	552	563

Notes:

Increase in the authorised share capital of the Company from 278,000,000 equity shares to 280,000,000 was given effect to by the Ministry of Corporate Affairs (MCA) during the financial year.

1. Reconciliation of the number of shares outstanding:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	Amount	Number of shares	Amount
Opening balance	112,596,002	563	112,566,340	563
Add: Issue of shares during the year*	448,689	2	29,662	-
Less: Shares bought back and extinguished during the year	(1,930,102)	(10)	-	-
Less: Shares bought back and pending extinguishment (refer note 4 below)	(640,416)	(3)	-	-
Balance	110,474,173	552	112,596,002	563

*On issue of shares (under the Company's associate stock option plan) during the previous year, the company had received ₹ 0.15 rounded off.

2. Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at March 31, 2019		As at March 31, 2018	
	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	11,256,634	10.13%	11,256,634	10.00%
Amansa Holdings Private Limited	7,435,341	6.69%	7,235,341	6.43%
Infocad Enterprises Private Limited	5,628,317	5.07%	-	-
Aditya Birla Sun Life Trustee Private Limited	3,626,204	3.26%	6,096,318	5.41%
Reliance Capital Trustee Company Limited	3,442,414	3.10%	5,851,927	5.20%

3. 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.

4. Buyback of Equity shares:

The Board of Directors, at its meeting held on February 01, 2019, approved Buyback of the Company's fully paid-up equity shares of face value of ₹ 5 each from the eligible equity shareholders of the Company other than promoters, promoter group and persons who are in control of the company, at a price not exceeding ₹ 700 per equity share (Maximum Buyback price), for an aggregate amount not exceeding ₹ 2,000 (Maximum Buyback size), payable in cash from the open market route through the stock exchange mechanism under the Companies Act, 2013 and Buyback Regulations. The Buyback shall not exceed ₹ 2,000 (Maximum Buyback size) excluding the transaction charges. The Maximum Buyback Size represents 9.79% of aggregate of the Company's paid up equity capital and free reserves based on the audited financial statements of the Company as at March 31, 2018, which is in compliance with the maximum permissible limit of 10% of the total paid up equity share capital and free reserves in accordance with Section 68(1) of Companies Act 2013.

As of March 31, 2019, the scheme of Buyback was open and the Company bought back 2,570,518 equity shares as resulting in total cash consideration of ₹ 1,695 (including ₹ 27 towards transaction costs of Buyback). Out of 2,570,518 equity shares bought back, the Company extinguished 1,930,102 shares as at March 31, 2019 and the remaining were extinguished in the month of April 2019 as per the records of the depositories. In line with the requirement of Companies Act, 2013, an amount of ₹ 1,682 have been utilised from the securities premium for the Buyback. Further, capital redemption reserve of ₹ 13, representing the nominal value of shares bought back, has been created in accordance with Section 69 of the Companies Act 2013.

The Buyback commenced on February 12, 2019 and closed on April 11, 2019. The Company bought back an aggregate of 3,123,963 equity shares, utilizing a total of ₹ 2,000 (excluding transaction costs of Buyback), which represents 99.99% of the maximum Buyback size.

Cyient Limited

Notes forming part of the financial statements

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

5. Details of shares allotted under Associate Stock Option Plans:

- (i) 162,120 (March 31, 2018: 162,120) equity shares of ₹ 5 each fully paid-up was allotted to Infotech ESOP trust pursuant to the Infotech Employee Stock Offer Scheme - 1999 (ESOP - 1999)
- (ii) 1,650,630 (March 31, 2018: 1,650,630) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2001 (ASOP - 2001)
- (iii) 2,123,507 (March 31, 2018: 2,123,507) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2002 (ASOP - 2002)
- (iv) 3,296,545 (March 31, 2018: 3,296,545) equity shares of ₹ 5 each fully paid-up was allotted to associates of the Company pursuant to the Associate Stock Option Plan - 2004 (ASOP - 2004)
- (v) 990,325 (March 31, 2018: 920,196) 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)

6. Details of shares reserved for issue:

- (i) Shares aggregating 297,746 and 383,625 as at March 31, 2019 and March 31, 2018 respectively, reserved for issue under ASOP 2008 scheme.
- (ii) Shares aggregating 396,320 and 146,200 as at March 31, 2019 and March 31, 2018 respectively, reserved for issue under ASOP 2015 scheme.

7. i. Associate Stock Option Plans

Infotech Employee Stock Offer Scheme 1999 (ESOP Plan):

In 1998-99, the Company set up the Infotech Employee Stock Offer Scheme (ESOP Plan) and allotted 80,900 equity shares of ₹10 each at a premium of ₹100 per share to the "Infotech ESOP Trust" ("Trust"). The Trust, on the recommendation of the Management and upon the receipt of full payment upfront transfers the equity shares in the name of selected employees. The Company modified the ESOP Plan and adjusted the number of options and exercise price on account of bonus issue and stock split cum bonus issue during 2002-03, 2006-07 and 2010-11 respectively. These equity shares are under lock-in period (i.e., the date of transfer of the shares from the Trust to the employee) and it differs from offer to offer. When the employee leaves the Company before the expiry of the lock-in-period the options allocated to such employee stands transferred to the Trust at a predetermined price. Hence, the lock-in-period has been considered as the vesting period. However, the Trust and the Company have a discretionary power to waive the restriction on selling such stock to the Trust.

As at March 31, 2019, 162,120 (March 31, 2018: 162,120) equity shares of ₹ 5 each have been allotted to the Infotech ESOP trust.

Associate Stock Option Plan – 2001 (ASOP 2001):

The Company instituted ASOP 2001 in April 2001 and earmarked 225,000 equity shares of ₹ 10 each for issue to the employees under ASOP. The Company modified ASOP 2001 and adjusted the number of options and exercise price on account of stock split cum bonus issue during 2006-07. Under ASOP 2001, 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.

As at March 31, 2019, 1,650,630 (March 31, 2018: 1,650,630) equity shares of ₹ 5 each have been allotted to the associates under ASOP 2001 plan and there are no outstanding options to be exercised by the employees.

Associate Stock Option Plan – 2002 (ASOP 2002):

The Company instituted ASOP 2002 in October 2002 and earmarked 575,000 equity shares of ₹ 10 each for issue to the employees under ASOP. The Company modified ASOP 2002 and adjusted the number of options and exercise price on account of stock split cum bonus issue during 2006-07. Under ASOP 2002, 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.

As at March 31, 2019, 2,123,507 (March 31, 2018: 2,123,507) equity shares of ₹ 5 each have been allotted to the associates under ASOP 2002 plan and there are no outstanding options to be exercised by the employees.

Associate Stock Option Plan – 2004 (ASOP 2004):

The Company instituted ASOP 2004 in October 2004 and earmarked 1,150,000 equity shares of ₹10 each for issue to the employees under ASOP. The Company modified ASOP 2004 and adjusted the number of options and exercise price on account of stock split cum bonus issue during 2006-07. Under ASOP 2004, 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.

As at March 31, 2019, 3,296,545 (March 31, 2018: 3,296,545) equity shares of ₹ 5 each have been allotted to the associates under ASOP 2004 plan and there are no outstanding options to be exercised by the employees.

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

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

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, 2019		For the year ended March 31, 2018	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	383,625	430	318,787	397
Granted	-	-	108,000	516
Forfeited	(15,750)	213	(13,500)	487
Exercised	(70,129)	287	(29,662)	303
Options outstanding at the end of year	297,746	482	383,625	430

Out of the total outstanding options, 147,000 (March 31, 2018: 181,000) options pertain to options granted to the associates of subsidiary companies.

As at March 31, 2019, 990,325 (March 31, 2018: 920,196) 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 297,746 (March 31, 2018: 383,625) are outstanding as at March 31, 2019.

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, 2019		For the year ended March 31, 2018	
	No. of Options	Weighted average exercise price	No. of Options	Weighted average exercise price
Options outstanding at the beginning of the year	146,200	583	-	-
Granted	264,000	693	146,200	583
Forfeited	(13,880)	609	-	-
Exercised	-	-	-	-
Options outstanding at the end of year	396,320	655	146,200	583

Out of the total outstanding options, 117,150 (March 31, 2018: 50,530) options pertain to options granted to the associates of subsidiary companies.

As at March 31, 2019, Nil (March 31, 2018: Nil) 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 396,320 (March 31, 2018: 146,200) are outstanding as at March 31, 2019.

ii. Restricted Stock Unit Scheme 2016 (RSU 2016):

The Company instituted the RSU 2016 scheme earmarking 650,000 equity shares of ₹ 5 each which provided for the grant of restricted stock units (RSUs) to eligible employees of the Company. The Board of Directors recommended the establishment of the plan on October 13, 2016 and the shareholders approved the recommendation of the Board of Directors on December 12, 2016 through a postal ballot. The RSUs vest over a period of one year from the date of grant. Under the scheme, eligible employees were given an option to choose the RSUs either in the form of equity shares or in cash.

On March 31, 2017, the Company made a grant of 637,476 restricted stock units to eligible employees out of which 423,892 RSUs were designated as equity settled and 213,584 RSUs were designated as cash settled. Accordingly, as at March 31, 2017 an amount of ₹ 174 has been presented under 'Stock option reserve' representing the equity settlement and ₹ 87 has been presented under 'Trade payables' representing expected cash settlement. Subsequent increase in the liability on account of fair valuation of cash settled RSUs resulted in a closing cash settlement of ₹ 116 as at March 31, 2018 and the same was accounted as employee benefit expense. An amount of ₹ 73 has been recharged to subsidiaries relating to options granted to associates employed by them. These RSU's fully vested as on March 31, 2018.

During the year, the Company has discharged the cash, as well as equity settled RSUs at an exercise price of ₹ 5 per share.

Cyient Limited

Notes forming part of the financial statements

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

Movement in Restricted Stock Units during the year:

RSU 2016

Particulars	For the year ended March 31, 2019		For the year ended March 31, 2018	
	No. of RSUs	Weighted average exercise price	No. of RSUs	Weighted average exercise price
RSUs outstanding at the beginning of the year	556,332	5	637,476	5
Granted	-	-	-	-
Forfeited	(8,512)	5	(81,144)	5
Exercised	(547,820)	5	-	-
RSUs outstanding at the end of year*	-	-	556,332	5

* includes Nil (March 31, 2018: 169,260) RSUs to be settled in cash. Of the total exercised RSU's, 169,260 RSUs have been settled in cash and balance have been settled in equity.

iii. Fair value of stock options granted during the year:

The weighted average fair value of the share options during the year is ₹ 166.48 - ₹ 194.03 (2017-18: ₹ 144.2 - ₹ 160.8). 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, 2019	March 31, 2018
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) RSU 2016		
Exercise price (₹)	-	5
Grant date share price (₹)	-	467.5
Dividend yield (%)	-	1.6
Expected volatility (%)	-	24.4
Risk-free interest (%)	-	6.3
Expected term (in years)	-	1
c) ASOP 2015		
Exercise price (₹)	583 - 741	583
Grant date share price (₹)	590.2 - 734.95	582.6
Dividend yield (%)	1.7 - 1.9	2.4
Expected volatility (%)	29.82 - 32.2	28.66 - 31.00
Risk-free interest (%)	6.9-7.9	7.4-7.52
Expected term (in years)	3 - 4	3 - 4

iv. Details of Share options exercised during the year:

Options series	Year	Number exercised	Exercise date*	Share price (₹) at exercise date
Associate Stock Option Plan – 2008 (ASOP 2008)	2018-19	70,129	May to December	617.95 - 806.4
Restricted Stock Unit Scheme - 2016 (RSU 2016)	2018-19	378,560	May to October	687.15 - 806.4
Associate Stock Option Plan – 2008 (ASOP 2008)	2017-18	29,662	June to February	509 - 630

* Allotment happened at various dates during that period

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

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

11B. Other equity

Other equity consist of the following:

Particulars	As at	
	March 31, 2019	March 31, 2018
(a) Capital redemption reserve (refer note 11A(4))		
(i) Opening balance		-
(ii) Appropriation from general reserve upon Buyback of equity shares (refer note 30)	13	-
	13	-
(b) Securities premium		
(i) Opening balance	3,863	3,850
(ii) Options exercised	179	4
(iii) Premium received on allotment of shares	20	9
(iv) Amount paid upon for Buyback	(1,655)	-
(v) Transaction costs relating to Buyback	(27)	-
	2,380	3,863
(c) General reserve		
(i) Opening balance	5,289	5,289
(ii) Transfer to capital redemption reserve upon Buyback of equity shares	(13)	-
	5,276	5,289
(d) Stock option reserve		
(i) Opening balance	221	206
(ii) Stock option expense	29	19
(iii) Options exercised	(179)	(4)
	71	221
(e) Cash flow hedge reserve		
(i) Opening balance	(30)	326
(ii) Effective portion of gain/(loss) on designated portion of hedging instruments (net of tax)	304	(356)
	274	(30)
(f) Retained earnings		
(i) Opening balance	10,708	8,588
(ii) Other comprehensive income arising out of remeasurement of defined benefit obligation (net of taxes)	(49)	(1)
(iii) Profit for the year	4,407	4,018
	15,066	12,605
Less: Appropriations		
(a) Dividend on equity shares (refer note 30)	1,130	1,576
(b) Dividend distribution tax	139	321
	13,797	10,708
(g) Equity instrument through other comprehensive income		
(i) Opening balance	-	-
(ii) Increase in fair value of equity instruments (net of tax) (refer note 5)	2	-
	2	-
Total	21,813	20,051

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) Stock option reserve

The stock option 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.

Cyient Limited

Notes forming part of the financial statements

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

(f) Retained earnings

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

(b) 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.

(g) 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.

Cyient Limited

Notes forming part of the financial statements

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

12. Provisions

Particulars	As at	
	March 31, 2019	March 31, 2018
Gratuity [refer note (i) below]	690	545
Compensated absences [refer note (ii) below]	267	224
Other provisions	3	3
Total	960	772
Non-current:		
Gratuity	673	544
Compensated absences	190	157
Total Non current provisions	863	701
Current:		
Gratuity	17	1
Compensated absences	77	67
Other provisions	3	3
Total current provisions	97	71
Total	960	772

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 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, 2019	As at March 31, 2018
Discount rate (%)	7.10%	7.40%
Salary increase rate (%)	6.00% - 8.00%	6.00% - 8.00%
Attrition (%)	17%	17%
Mortality table	IALM (2006-08) Ultimate	IALM (2006-08) 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, 2019	For the year ended March 31, 2018
Amounts recognised in consolidated statement of profit and loss in respect of these defined benefit plans		
Current service cost	92	83
Past service cost	-	17
Total service cost (A)	92	100
Interest expense on defined benefit obligation	46	38
Interest income on plan assets	(10)	(9)
Net interest cost (B)	36	29
Defined benefit cost recognised in statement of profit and loss (A) + (B)	128	129
Remeasurement effects recognised in other comprehensive income		
Actuarial loss / (gain) due to financial assumptions change in defined benefit Obligation	18	(16)
Actuarial loss due to experience on defined benefit obligation	45	17
Return on plan assets less/ (greater) than discount rate	2	-
Components of defined benefit costs recognised in other comprehensive income	65	1
Total gratuity cost	193	130

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

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

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, 2019	As at March 31, 2018
Present value of funded defined benefit obligation	813	679
Fair value of plan assets	(123)	(134)
Net liability arising from defined benefit obligation	690	545

Movement in the present value of the defined benefit obligation

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Projected benefit obligation at the beginning of the year	679	594
Current service cost	92	83
Past service cost	-	17
Interest cost	46	38
Actuarial loss on change in experience and financial assumptions	63	1
Payments	(67)	(54)
Defined benefit obligation at the end of the year	813	679

Change in Plan Assets

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Plan assets at the beginning of the year	134	130
Return on plan assets	10	9
Employer contribution	48	49
Payments	(67)	(54)
Actuarial loss on plan assets	(2)	-
Plan Assets at the end of the year	123	134

The estimates of future salary increases considered in the actuarial valuation take account of price inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. 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, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(36)	40	(30)	33
Future salary growth (1% movement)	39	(36)	29	(27)

Maturity profile of defined benefit obligation:

Particulars	As at	
	March 31, 2019	March 31, 2018
Within 1 year	140	119
1-2 year	128	107
2-3 year	115	100
3-4 year	107	89
4-5 year	97	83
5-10 year	327	276

The expected contribution to the plan for the year ended March 31, 2020 is ₹ 140.

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.

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

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

ii. Assumptions for compensated absences**a) Compensated absences – India:**

Actuarial assumptions for long-term compensated absences	As at March 31, 2019	As at March 31, 2018
Discount rate	7.10%	7.40%
Salary escalation	6.00% - 8.00%	6.00% - 8.00%
Attrition	17.00%	17.00%

b) Compensated absences – Overseas branches:

Actuarial assumptions for long-term compensated absences	As at March 31, 2019	As at March 31, 2018
Discount rate	2.00% - 4.00%	1.45% - 4.20%
Expected return on plan assets	NA	NA
Salary escalation	2.00%	2.00%
Attrition	5.00%	5.00%

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

The estimates of future salary increases considered in the actuarial valuation take account of price inflation, seniority, promotion and other relevant factors such as demand and supply in the employment market. 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.

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

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

13. Trade payables

Particulars	As at	
	March 31, 2019	March 31, 2018
Total outstanding dues of micro enterprises and small enterprises (refer note 29)	1	1
Total outstanding dues of creditors other than micro enterprises and small enterprises*	1,962	1,932
Total	1,963	1,933

* Includes amount payable to its related parties (refer note 22)

14. Other financial liabilities

Particulars	As at	
	March 31, 2019	March 31, 2018
Current:		
Unpaid dividends	22	14
Capital creditors	34	41
Derivative instruments designated in a hedging relationship	3	118
Payable towards Buyback of shares	53	-
Others	25	-
Total	137	173

15. Other current liabilities

Particulars	As at	
	March 31, 2019	March 31, 2018
Unearned revenue	62	49
Advance from customers*	-	233
Statutory remittances	218	193
Others	48	-
Total	328	475

* Includes amount from related parties (refer note 22)

Cyient Limited

Notes forming part of the financial statements

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

16. Income taxes

a. Income tax expense recognized in the statement of profit and loss

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Current tax:		
In respect of the current year	1,179	1,285
	1,179	1,285
Deferred taxes benefit:		
In respect of the current year	(72)	(43)
MAT Credit	(102)	-
	(174)	(43)
	1,005	1,242

b. Income tax expense/(benefit) recognised directly in other comprehensive income

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Income tax expense/(benefit) recognized directly in OCI consists of:		
Tax effect on effective portion of change in fair value of cash flow hedges	(164)	189
Tax effect on actuarial loss on defined benefit obligations	16	-
Total	(148)	189
Bifurcation of the income tax recognized in other comprehensive income into:		
Items that will not be reclassified to statement of profit and loss	16	-
Items that will be reclassified to statement of profit and loss	(164)	189
Total	(148)	189

c. Reconciliation of effective tax rate

The following is the reconciliation of the Company's effective tax rates for the years ended March 31, 2019 and 2018:

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Profit before tax	5,412	5,260
Enacted rate in India	34.94%	34.61%
Computed expected tax expense	1,891	1,820
Tax effect of adjustments to reconcile expected tax expense:		
Exemptions / deductions for tax purposes / tax holidays	(819)	(478)
Expenses that are not deductible in determining taxable profit	1	20
Capital gain on sale of investment and dividend from subsidiary/associate taxed at lower rate	(68)	(118)
Others	-	(2)
Total income tax expense	1,005	1,242
Effective tax rate	18.57%	23.61%

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, 2019	March 31, 2018
Deferred tax assets	447	294
Deferred tax liabilities	(253)	(127)
	194	167

e. Movement in deferred tax assets and liabilities:

2018-19	Opening Balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Other adjustments	Closing balance
Deferred tax (liabilities)/assets in relation to :					
Cash flow hedges	17	-	(164)	-	(147)
Property, plant and equipment and Intangible assets	(127)	18	-	-	(109)
Provision for employee benefits	256	38	16	-	310
Provision for doubtful debts	20	16	-	-	36
MAT credit entitlement	-	102	-	-	102
Others	1	-	-	1	2
Net deferred tax assets/(liabilities)	167	174	(148)	1	194

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

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

2017-18	Opening Balance	Recognised in the statement of profit and loss	Recognised in other comprehensive income	Other adjustments	Closing balance
Deferred tax (liabilities)/assets in relation to :					
Cash flow hedges	(172)	-	189	-	17
Property, plant and equipment and Intangible assets	(153)	26	-	-	(127)
Provision for employee benefits	224	32	-	-	256
Provision for doubtful debts	35	(15)	-	-	20
MAT credit entitlement	91	-	-	(91)	-
Others	1	-	-	-	1
Net deferred tax assets/(liabilities)	26	43	189	(91)	167

f. Current tax assets and liabilities

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

Particulars	As at	
	March 31, 2019	March 31, 2018
Current tax assets [net of provisions ₹ 4,282 (March 31, 2018 - ₹ 3,833)]	320	392
Current tax liabilities [net of advance tax ₹ 3,044 (March 31, 2018 - ₹ 2,341)]	48	44

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

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

17A. Revenue from contracts with customers

Effective April 1, 2018, the Company adopted Ind AS 115, Revenue from Contracts with Customers using the cumulative catch-up transition method applied to contracts that were not completed as at April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect of adoption of Ind AS 115 was not material.

Revenues for the year ended March 31, 2019 and March 31, 2018 are as follows:

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Revenue from services	16,149	14,397
Total revenue from operations	16,149	14,397

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

1. Disaggregated revenue information

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

Segment	For the year ended	
	March 31, 2019	March 31, 2018
Revenues by contract type		
Fixed-price	4,235	3,700
Time and material	11,850	10,563
Maintenance	64	134
Total	16,149	14,397
Revenues by Geography		
North America	7,589	6,430
Europe	5,490	5,359
APAC (including India)	3,070	2,608
Total	16,149	14,397

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.

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.

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

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

Maintenance

Revenue from fixed-price maintenance contracts are recognised pro-rata over the term of the maintenance arrangements

2. Trade receivables and contract balances

Particulars	As at March 31, 2019	As at March 31, 2018
Trade receivables	5,079	4,151
Unbilled revenue	1,027	1,018
Unearned revenue	62	49

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)

Movement in unbilled revenue:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	1,018	863
Add: Revenue recognised during the year	4,625	5,636
Less: Invoiced during the year	(4,616)	(5,467)
Less: Impairment / (reversal) during the year	-	(14)
Closing balance	1,027	1,018

Movement in Unearned revenue:

Particulars	As at March 31, 2019	As at March 31, 2018
Opening balance	49	17
Less: Revenue recognised during the year	(403)	(376)
Add: Invoiced during the year but not recognized as revenue	416	408
Closing balance	62	49

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.

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

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

17B. Other income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest income on financial assets carried at amortised cost:		
Deposits with banks and financial institutions	487	402
Interest on loan to subsidiaries	62	30
Other interest income	15	86
	564	518
Dividend income		
Dividend from associate (refer note 25)	-	589
Dividend from subsidiary (refer note (i) below)	457	-
Dividend from mutual funds	52	42
	509	631
Other non-operating income		
Operating lease rental income	17	31
Liabilities no longer required, written back	41	58
Export incentives (refer note (ii) below)	516	-
Miscellaneous income	61	44
	635	133
Other gains and losses		
Foreign exchange gain (net)	92	84
Exchange (loss)/gain on foreign currency forward contracts (net)	(180)	555
Gain on fair valuation of financial assets & liabilities	1	2
	(87)	641
Total	1,621	1,923

Notes:

(i) During the year, Cyient Australia Pty Limited repatriated ₹ 457 as dividend to the Company.

(ii) Government grant accruing to the Company aggregating ₹ 516 under schemes defined by the government of India, is recognised as other income upon satisfying the conditions specified in the applicable scheme. Of the above, the Company has monetized ₹ 146 and the balance amount of ₹ 370 is classified as 'other receivables' under other current assets.

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

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

18. Employee benefits expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries and wages	6,577	5,895
Contribution to provident and other funds (refer note (i) below)	481	452
Social security and other benefits to overseas employees (refer note (ii) below)	16	17
Stock option expense (refer note 11A)	16	27
Staff welfare expenses	514	400
Less: Capitalised	(58)	(33)
Total	7,546	6,758

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 period they are incurred. Total expense recognised during the year aggregated ₹ 328 (2017-18 - ₹ 300).

Gratuity (funded):

Amount recognised in Statement of Profit and Loss in respect of gratuity - ₹ 128 (2017-18 - ₹ 129). [refer note 12 (i)].

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 administered by Life Insurance Corporation of India. The Company's monthly contributions are charged to the statement of profit and loss in the period they are incurred. Total expense recognised during the year aggregated ₹ 25 (2017-18 - ₹ 23).

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 period they are incurred. Total expense recognised during the year aggregated ₹ 16 (2017-18 - ₹ 17).

19. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation of property, plant and equipment	340	339
Amortisation of intangible assets	169	169
Total	509	508

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

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

20. Other expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Rent including lease rentals [refer note (i) below]	548	403
Rates and taxes	50	36
Insurance	17	10
Travelling and conveyance	628	665
Sub-contracting charges	512	481
Communication	121	134
Printing and stationery	17	19
Power and fuel	208	200
Marketing and advertising expenses	43	55
Repairs and maintenance		
- Buildings	10	19
- Machinery	868	753
- Others	82	74
Non - executive directors commission	13	11
Legal and professional charges	427	337
Expenditure for corporate social responsibility [refer note (ii) below]	74	73
Provision for doubtful debts (net) [refer note (iii) below]	52	15
Auditors' remuneration [refer note (iv) below]	22	21
Recruitment expenses	36	43
Training and development	75	49
Software charges	156	135
Electoral bonds [refer note (v) below]	40	-
Miscellaneous expenses	293	358
Total	4,292	3,891

Notes:**i. Leases****Obligations on long term, non-cancellable operating leases:**

The future minimum lease commitments under non-cancellable operating leases are as follows:

Particulars	As at	
	March 31, 2019	March 31, 2018
Not later than one year	365	343
Later than one year but not later than five years	363	450
Later than five years	27	-
Total	755	793

ii. 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 22). As per Section 135 of the Companies Act, 2013, CSR committee formed by the Company. 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' - ₹ 74 (2017-18 - ₹ 73).

iii. Bad debts written off

Bad debts written off during the year ended March 31, 2019 was ₹ 7 (2017-18- ₹43) and reversal of provision for doubtful debts was ₹ 7 (2017-18- ₹ 43).

iv. Auditors' remuneration (net of applicable taxes) comprises of:

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
(a) For audit	8	8
(b) For other services	5	3
(c) For services rendered by affiliates of statutory auditors	8	9
(d) For reimbursement of expenses	1	1
Total Auditors' remuneration	22	21

v. During the year, the Company has purchased and issued electoral bonds for an amount of ₹ 40 (2017-18- ₹ Nil) in accordance with 'The Electoral Bond Scheme, 2018', notified by the Central Government vide Gazette Notification No. 20 dated January 2, 2018.

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

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

21. Contingent liabilities and commitments

Particulars	As at	
	March 31, 2019	March 31, 2018
(A) Contingent liabilities:		
Claims against the Company not acknowledged as debt (refer note (i) to (vi) below)	456	490
Guarantees (refer note (vii) below)	10,157	8,964
	10,613	9,454
(B) Commitments:		
Contracts remaining to be executed on capital account and not provided for (net of capital advances)	297	297
Financial support to a subsidiary company	552	569
	849	866
Total	11,462	10,320

Notes:

(i) The Company disputed various demands raised by income tax authorities for the assessment years 1997-98, 1999-00 to 2002-03, 2004-05 to 2005-06, 2009-10, 2011-12 and 2013-14 to 2015-16 (March 31, 2018: 1997-98, 1999-00 to 2002-03, 2004-05 to 2005-06, 2009-10, 2011-12 and 2013-14 to 2015-16) which are pending at various stages of appeals. The aggregate amount of disputed tax not provided for is ₹ 158 (March 31, 2018 - ₹ 138). 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, 2012-13 and 2015-16 (March 31, 2018 - 2004-05 to 2009-10, 2012-13 and 2015-16). The Company filed appeals, which are pending with the appropriate authorities. The aggregate amount of disputed tax not provided for is ₹ 20 (March 31, 2018 - ₹ 20). 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 2015-16 (March 31, 2018 - 2006-07 to 2015-16). The Company filed appeals, which are pending with the appropriate authorities. The aggregate amount of disputed tax not provided for is ₹ 141 (March 31, 2018 - ₹ 141). 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 ₹ 45 (March 31, 2018 : ₹ 73) at various appellate authorities. The Company is confident that these appeals will be decided in its favour.

(v) During the year 2014-15, the Company received an order from the Provident Fund authorities regarding provident fund (PF) payments on certain allowances given by the Company to its employees for the years 2010-11 to 2012-13. Against this, the Company made a provision along with interest on the same, during the current year.

Consequent to the above order, the Company is in the process of evaluating the implication, if any, for the periods subsequent to the above order. Currently the amount is indeterminable.

(vi) 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, 2018 - ₹ 92).

(vii) Corporate guarantee given to subsidiary's bankers to obtain line of credit ₹ 10,157 (March 31, 2018 – ₹ 8,964).

(C) The Company has certain outstanding export obligations/commitments as at March 31, 2019 and March 31, 2018. 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

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

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

22. 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, 2019	March 31, 2018
Cyient Europe Limited	UK	100%	100%
Cyient Inc.	USA	100%	100%
Cyient GmbH	Germany	100%	100%
Cyient KK [refer note (i) below]	Japan	14%	100%
Cyient Insights Private Limited [refer note (ii) below]	India	100%	51%
Cyient Australia Pty Limited	Australia	100%	100%
Cyient DLM Private Limited [refer note (iii) below]	India	100%	74%
Cyient Singapore Private Limited	Singapore	100%	100%
Cyient Israel India Limited [refer note (iv) below]	Israel	100%	100%
Cyient Engineering (Beijing) Limited [refer note (v) below]	China	-	-
Cyient Solutions and Systems Private Limited [refer note (vi) below]	India	51%	100%
Cyient Urban Micro Skill Centre Foundation [refer note (vii) below]	India	-	-

(i) During the year, Cyient KK, Japan increased its paid-up capital from ₹ 5 to ₹ 39. The additional capital was infused by Cyient Australia Pty Limited. Consequently, Cyient Australia Pty Limited holds 86% of shareholding in Cyient KK, Japan and Cyient Limited holds the remaining 14% shareholding.

(ii) During the year, the Company acquired the remaining 49% shareholding of 979,744 equity shares of ₹ 10 each in Cyient Insights Private Limited for a consideration of ₹ 35. Consequently, Cyient Insights Private Limited and its wholly owned subsidiary Cyient Insights LLC became wholly owned subsidiaries of the Company.

(iii) During the year, the Company acquired the remaining 26% shareholding of 355,420 equity shares of ₹ 10 each in Cyient DLM Private Limited for a consideration of ₹ 425, in accordance with the investment agreement dated January 02, 2015 and amendments thereon. Consequently, Cyient DLM Private Limited became wholly owned subsidiary of the Company.

(iv) On July 18, 2016, the Company incorporated a wholly owned subsidiary, Cyient Israel India Limited, in Israel. During the previous year, the subsidiary had commenced its commercial operations.

(v) On March 25, 2016, the Company incorporated a wholly owned subsidiary, Cyient Engineering (Beijing) Limited, in China. There is no investment in the subsidiary till March 31, 2019 and the subsidiary is yet to commence commercial operations.

(vi) During the previous year, the Company subscribed to 49% share capital in Cyient Solutions and Systems Private Limited ("CSSPL"). The Company acquired 51% share capital in March 2018, increasing the shareholding to 100%. On April 11, 2018, CSSPL entered into a share purchase agreement with Bluebird Aero Systems Limited ("Bluebird"), wherein Bluebird acquired 49% shareholding in CSSPL.

(vii) During the year, the Company incorporated a wholly owned Company under section 8 of Companies Act, 2013, Cyient Urban Micro Skill Centre Foundation, to further the CSR activities of the Company.

Name of the Joint Venture	Country of incorporation	Extent of holding (%) as at	
		March 31, 2019	March 31, 2018
Infotech HAL Limited	India	50%	50%

Subsidiaries of Cyient Inc.:

Name of Subsidiaries	Country of incorporation	Extent of holding (%) as at	
		March 31, 2019	March 31, 2018
Cyient Canada Inc.	Canada	100%	100%
Cyient Defense Services Inc.	USA	100%	100%
Certon Software Inc. *	USA	-	100%
Certon Instruments Inc. *	USA	-	100%
B&F Design Inc.**	USA	100%	100%
New Technology Precision Machining Co., Inc.***	USA	100%	-

* Cyient Inc., acquired 100% stake of Certon Software Inc., USA (and its wholly owned subsidiary Certon Instruments Inc., USA) on February 8, 2017. Effective November 01, 2018, Certon Software Inc. has been merged with its holding company, Cyient Inc.. Certon Instruments Inc., a wholly owned subsidiary of Certon Software Inc., was dissolved during the year, prior to the said merger.

** Cyient Inc., acquired 100% stake of B&F Design Inc., USA on January 24, 2018.

*** Cyient Inc., acquired 100% stake of New Technology Precision Machining Co., Inc., USA on April 4, 2018.

Subsidiaries of Cyient Europe Limited:

Name of Subsidiaries	Country of incorporation	Extent of holding (%) as at	
		March 31, 2019	March 31, 2018
Cyient Benelux BV	Netherlands	100%	100%
Cyient Schweiz GmbH	Switzerland	100%	100%
Cyient SRO	Czech Republic	100%	100%
AnSem NV*	Belgium	100%	-
AnSem BV*	Netherlands	100%	-
Blom Aerofilms Limited **	UK	-	-

*Cyient Europe Limited, acquired 100% of equity shares of AnSem NV, Belgium (and its wholly owned subsidiary AnSem B.V., Netherlands) on April 26, 2018.

** Cyient Europe Limited, UK, acquired 100% stake of Blom Aerofilms Limited, UK, on November 30, 2016. Effective from April 01, 2017, Blom Aerofilms Limited was merged in to Cyient Europe Limited.

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

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

Subsidiary of Cyient GmbH:

Name of the Subsidiary	Country of incorporation	Extent of holding (%) as at	
		March 31, 2019	March 31, 2018
Cyient AB	Sweden	100%	100%

Subsidiary of Cyient Insights Private Limited:

Name of the Subsidiary	Country of incorporation	Extent of holding (%) as at	
		March 31, 2019	March 31, 2018
Cyient Insights LLC *	USA	-	51%

* Cyient Insights LLC, has been dissolved on February 15, 2019.

Subsidiary of Cyient DLM Private Limited:

Name of the Subsidiary	Country of incorporation	Extent of holding (%) as at	
		March 31, 2019	March 31, 2018
Techno Tools Precision Engineering Private Limited #	India	-	-

Effective April 01, 2017, Techno Tools Precision Engineering Private Limited was merged with its holding company, Cyient DLM Private Limited, pursuant to the order dated April 02, 2018 from National Company Law Tribunal.

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

Key Managerial Personnel (KMP):

Name	Designation
B.V.R Mohan Reddy	Executive Chairman
Krishna Bodanapu	Managing Director & CEO
Ajay Aggarwal	President & Chief Financial Officer
K. Ramachandran	Independent Director
Som Mittal	Independent Director
Andrea Bierce	Independent Director
John Paul Paterson	Independent Director
Vinai Kumar Thummalapally	Independent Director
Vikas Sehgal	Independent Director
M.M. Murugappan	Non-Executive & Non-independent Director
Alain De Taeye	Non-Executive & Non-independent Director

Relative of Executive Chairman and Managing Director & CEO

B. Ashok Reddy	President – Corporate Affairs & Infrastructure
----------------	--

(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, 2019	March 31, 2018
Revenue from operations	Cyient Inc.	4,132	3,501
	Certon Software Inc.	-	35
	Cyient Europe Limited	1,016	1,057
	Cyient Benelux BV	491	369
	Cyient Schweiz GmbH	152	93
	Cyient S.R.O.	32	32
	Cyient GmbH	958	900
	Cyient AB	148	138
	Cyient Canada Inc.	212	149
	Cyient KK	376	235
	Infotech HAL Limited	-	1
	Cyient Australia Pty Limited	1,182	995
	Cyient Singapore Private Limited	44	98
	Cyient Israel Limited	9	-
Sub-contracting charges	Cyient Inc.	216	215
	Cyient Europe Limited	1	2
	Cyient Benelux BV	4	13
	Cyient S.R.O.	3	-
	Cyient GmbH	-	3
	Cyient AB	1	2
	Cyient Canada Inc.	2	4
	Cyient Insights Private Limited	35	83
Cyient DLM Private Limited	24	9	

Cyient Limited

Notes forming part of the financial statements

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

Nature of the transaction	Party name	For the year ended	
		March 31, 2019	March 31, 2018
Reimbursement of Expenses (net)	Cyient Inc.	63	52
	Certon Software Inc.	-	(1)
	Cyient Europe Limited	(61)	(52)
	Cyient Benelux BV	5	1
	Cyient S.R.O.	(14)	(18)
	Cyient GmbH	(25)	(41)
	Cyient AB	(2)	8
	Cyient Canada Inc.	(9)	(9)
	Cyient KK	(5)	-
	Cyient Singapore Private Limited	-	(38)
	Cyient Insights Private Limited	(1)	1
	Cyient DLM Private Limited	(43)	(32)
	Cyient Australia Pty Limited	(2)	(131)
	Cyient Solutions and Systems Private Limited	(19)	-
Software purchases	Cyient Inc.	50	55
Corporate guarantee given to subsidiary's bankers	Cyient DLM Private Limited	850	1,760
	Cyient Inc.	381	430
	Cyient Defense Services Inc.	-	215
	Cyient GmbH	-	368
	Cyient Europe Limited	1,283	358
	Cyient Australia Pty Limited	213	-
	Cyient Solutions and Systems Private Limited	3	50
Corporate guarantee given to subsidiary's bankers liquidated	Cyient Inc.	1,110	326
	Cyient GmbH	-	368
	Cyient Europe Limited	-	183
	Cyient DLM Private Limited	540	-
Other income on corporate guarantee given to subsidiary's bankers	Cyient Australia Pty Limited	2	1
	Cyient Europe Limited	11	3
	Cyient GmbH	2	2
	Cyient Inc.	9	11
	Cyient S.R.O.	1	1
	Cyient Singapore Private Limited	2	2
Investments in subsidiaries	Cyient Israel Limited	-	32
	Cyient DLM Private Limited #	425	3
	Cyient Insights Private Limited	35	-
	Cyient Solutions and Systems Private Limited	-	0.2
Disposal of investment in associate	Infotech Aerospace Services Inc. [refer note 25]	-	(11)
Advances given / (recovered)	Cyient KK	-	(110)
	Infotech HAL Limited	3	4
	Cyient Solutions and Systems Private Limited	(137)	137
Loans given	Cyient Insights Private Limited	16	11
	Cyient DLM Private Limited	120	385
	Cyient Solutions and Systems Private Limited	282	-

Cyient Limited

Notes forming part of the financial statements

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

Nature of the transaction	Party name	For the year ended	
		March 31, 2019	March 31, 2018
Loans recovered	Cyient DLM Private Limited	-	270
Interest on loans given	Cyient Insights Private Limited	13	10
	Cyient DLM Private Limited	26	20
	Cyient Solutions and Systems Private Limited	23	-
Rental income	Infotech HAL Limited	1	1
	Cyient Insights Private Limited	3	3
	Cyient Solutions and Systems Private Limited	0.2	-
Dividend from associate	Infotech Aerospace Services Inc.	-	589
Dividend from subsidiary	Cyient Australia Pty Limited	457	-
CSR expenditure	Cyient Foundation	74	68

During the previous year, ₹ 3 paid to the promoters of Cyient DLM Private Limited, by way of an indemnity claim, defined by the share purchase agreement.

Compensation to Key Managerial Personnel is as follows:

Nature of the transaction	Party name	For the year ended	
		March 31, 2019	March 31, 2018
Short-term benefits	Executive Chairman, Managing Director & CEO and Executive Officers ^{#1}	227	207
Dividend paid during the year	Executive Chairman and Managing Director & CEO	52	73
Commission and other benefits	Non-Executive and Independent Directors	13	11

#1 Executive officers includes Ajay Aggarwal (President & Chief Financial Officer) and B. Ashok Reddy (Relative of Executive Chairman, Managing Director & CEO).

(b) Balances at the year-end:

Nature of the balance	Party name	As at	
		March 31, 2019	March 31, 2018
Trade receivables	Cyient Inc.	1,517	1,279
	Certon Software Inc.	-	37
	Cyient Europe Limited	945	418
	Cyient Benelux BV	99	119
	Cyient Schweiz GmbH	-	12
	Cyient S.R.O.	121	92
	Cyient GmbH	12	36
	Cyient AB	26	12
	Cyient Canada Inc.	89	143
	Cyient KK	131	131
	Infotech HAL Limited	24	26
	Cyient Australia Pty Limited	483	196
	Cyient Insights Private Limited	14	9
	Cyient DLM Private Limited	114	71
	Cyient Singapore Private Limited	33	40
	Cyient Israel Limited	9	-
Cyient Solutions and Systems Private Limited	19	-	
Unbilled revenue	Cyient Inc.	241	176
	Cyient Canada Inc.	4	17
	Cyient Europe Limited	84	122
	Cyient S.R.O.	4	11
	Cyient Benelux BV	25	48
	Cyient GmbH	69	177
	Cyient Schweiz GmbH	6	1
	Cyient AB	13	40
	Cyient KK	4	2
	Cyient Australia Pty Limited	116	102
	Cyient Singapore Private Limited	37	54
Advance from subsidiaries	Cyient Australia Pty Limited	-	125
	Cyient GmbH	-	85

Cyient Limited

Notes forming part of the financial statements

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

Nature of the balance	Party name	As at	
		March 31, 2019	March 31, 2018
Trade payables	Cyient Inc.	713	434
	Cyient Europe Limited	11	58
	Cyient Benelux BV	35	62
	Cyient AB	43	41
	Cyient Singapore Private Limited	33	20
	Cyient S.R.O.	4	1
	Cyient GmbH	82	80
	Cyient KK	38	193
	Cyient Insights Private Limited	8	6
	Cyient Canada Inc.	35	32
	Cyient Australia Pty Limited	90	65
Other receivables	Cyient Inc.	34	55
	Cyient Canada Inc.	1	2
	Cyient Europe Limited	6	7
	Cyient Benelux BV	1	2
	Cyient Defense Services Inc.	-	1
	Cyient KK	1	1
	Cyient Australia Pty Limited	9	12
	Cyient Singapore Private Limited	1	2
Corporate guarantee given to subsidiary's bankers	Cyient Inc.	1,447	2,113
	Cyient Defense Services Inc.	228	215
	Cyient Europe Limited	1,890	586
	Cyient S.R.O.	132	139
	Cyient GmbH	358	368
	Cyient DLM Private Limited	5,280	4,970
	Cyient Australia Pty Limited	381	158
	Cyient Singapore Private Limited	388	365
	Cyient Solutions and Systems Private Limited	53	50
Commitments	Cyient Europe Limited	552	569
Advances outstanding	Infotech HAL Limited	15	12
	Cyient Solutions and Systems Private Limited	-	137
Loans outstanding	Cyient Insights Private Limited	143	127
	Cyient DLM Private Limited	385	265
	Cyient Solutions and Systems Private Limited	282	-
Interest on loans outstanding	Cyient DLM Private Limited	36	21
Short-term benefits payable	Executive Chairman and Managing Director & CEO	138	129
Commission and other benefits payable	Non-Executive and Independent Directors	13	11

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

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

23. Earnings per share (refer note 11A(4))

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Profit after tax	4,407	4,018
Basic:		
Number of shares outstanding at the year end	110,474,173	112,596,002
Weighted average number of equity shares	112,789,308	112,578,461
Earnings per share (₹)	39.07	35.69
Diluted:		
Effect of potential equity shares on ASOPs & RSUs outstanding	167,866	477,065
Weighted average number of equity shares outstanding	112,957,174	113,055,526
Earnings per share (₹)	39.01	35.54

24. 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, 2019	March 31, 2018
Buildings - Freehold	31	32
Plant and Equipment - Freehold	4	3
Furniture and Fixtures	8	4
Electrical Installations	5	3
Computers	3	1
Office Equipment	10	-
Total Tangible Assets	61	43

Particulars	Buildings	Plant and Equipment	Furniture and Fixtures	Electrical Installations	Computers	Office Equipment	Total
Balance as at March 31, 2017	33	3	4	3	1	-	44
Additions	-	-	-	-	-	-	-
Depreciation*	(1)	-	-	-	-	-	(1)
Balance as at March 31, 2018	32	3	4	3	1	-	43
Additions	-	1	6	2	3	11	23
Depreciation*	(1)	-	(2)	-	(1)	(1)	(5)
Balance as at March 31, 2019	31	4	8	5	3	10	61

* Amounts are below million.

ii. Revenue Expenditure:

Revenue expenditure pertaining to research and development charged to the Statement of Profit and Loss aggregated to ₹ 276 (2017-18 ₹ 65).

25. Exceptional item:

During September 2017, the Company entered into a definitive agreement to divest its entire 49% shareholding in its associate company, Infotech Aerospace Services Inc., ("IASI") Puerto Rico for a consideration of ₹ 114 (USD 1,768,916). The closing conditions for the divestment were concluded on December 08, 2017. Upon divestment, the resultant gain of ₹ 103 is disclosed as 'exceptional item'. Further, the Company has also received ₹ 589 (USD 9,131,064) from IASI towards dividend, which is recognised under 'other income' in the financial statements.

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

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

26. Financial Instruments**26.1 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 investments in liquid and short term mutual funds.

26.2 Financial instruments by category:

Particulars	Carrying value as at	
	March 31, 2019	March 31, 2018
Financial assets:		
Amortised cost		
Loans	811	394
Trade receivables	5,079	4,151
Cash and cash equivalents	6,998	7,200
Other bank balance	129	66
Other financial assets	1,578	1,750
Fair value through other comprehensive income		
Investment in unquoted equity shares	20	18
Derivative instruments designated in a hedging relationship	424	71
Fair value through profit and loss		
Investments in mutual funds	278	1,130
Investment in unquoted Compulsorily convertible preference shares (CCPS)	10	10
Total financial assets	15,327	14,790
Financial liabilities:		
Amortised cost		
Trade payables	1,963	1,933
Other liabilities	134	55
Fair value through other comprehensive income		
Derivative instruments designated in a hedging relationship	3	118
Total financial liabilities	2,100	2,106

The management assessed that fair value of cash & cash equivalents and other bank balances, trade receivables, other financial assets, trade payables, borrowings 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.

26.3 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

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, 2019:

Particulars	Date of valuation	As at March 31, 2019	Fair value measurement at the end of year using		
			Level 1	Level 2	Level 3
Assets					
Investment in unquoted equity shares (refer note 5)*	March 31, 2019	20	-	-	20
Investment in unquoted CCPS (refer note 5)*	March 31, 2019	10	-	-	10
Investment in mutual funds (refer note 5)**	March 31, 2019	278	278	-	-
Derivative instruments designated in a hedging relationship (refer note 7)***	March 31, 2019	424	-	424	-
Liabilities					
Derivative instruments designated in a hedging relationship (refer note 14)***	March 31, 2019	3	-	3	-

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

Cyient Limited

Notes forming part of the financial statements

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

Quantitative disclosures of fair value measurement hierarchy for financial instruments as at March 31, 2018:

Particulars	Date of valuation	As at March 31, 2018	Fair value measurement at the end of year using		
			Level 1	Level 2	Level 3
Assets					
Investment in unquoted equity shares (refer note 5)*	March 31, 2018	18	-	-	18
Investment in unquoted CCPS (refer note 5)*	March 31, 2018	10	-	-	10
Investment in mutual fund (refer note 5)**	March 31, 2018	1,130	1,130	-	-
Derivative instruments designated in a hedging relationship (refer note 7)***	March 31, 2018	71	-	71	-
Liabilities					
Derivative instruments designated in a hedging relationship (refer note 14)***	March 31, 2018	118	-	118	-

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 fair value of the mutual funds are based on price quotations at reporting date.

*** 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, 2019 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, 2019 and March 31, 2018:

Particulars	Investment in unquoted equity	Investment in unquoted CCPS	Total
As at March 31, 2017	18	-	18
Acquisitions	-	10	10
Gains/(losses) recognised in profit or loss	-	-	-
Gains/(losses) recognised in other comprehensive income	-	-	-
As at March 31, 2018	18	10	28
Acquisitions	-	-	-
Gains/(losses) recognised in other comprehensive income	2	-	2
As at March 31, 2019	20	10	30

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, 2019	Fair value as at March 31, 2018	Significant unobservable inputs	Valuation process	Sensitivity of the inputs to fair value
Investment in unquoted equity shares and compulsorily convertible preference shares (CCPS)	30	28	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.

26.4 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.

Foreign exchange risk

The Company operates internationally and a major portion of the business is dominated in foreign currency predominantly US Dollar, Pound Sterling 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.

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

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

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, 2019 that were designated as effective hedges of highly probable forecast transactions, gain / (loss) aggregating ₹ 274 (net of tax ₹ 147) (March 31, 2018 - ₹ (30) (net of tax ₹ 17)) have been recognised under the cash flow hedge reserve.

Derivative financial instruments:

Outstanding forward exchange contracts as on March 31, 2019:

Currency	No. of contracts	mount in foreign currency	Amount in ₹	Buy/Sell	Cross currency
AUD	25	22,460,000	1,186	Sell	Rupees
CAD	15	12,100,000	674	Sell	Rupees
EUR	37	28,550,000	2,472	Sell	Rupees
GBP	14	8,415,000	815	Sell	Rupees
USD	68	64,300,000	4,683	Sell	Rupees

Outstanding forward exchange contracts as on March 31, 2018:

Currency	No. of contracts	mount in foreign currency	Amount in ₹	Buy/Sell	Cross currency
AUD	25	20,400,000	1,060	Sell	Rupees
CAD	18	9,070,000	478	Sell	Rupees
EUR	28	25,900,000	2,097	Sell	Rupees
GBP	19	8,740,000	796	Sell	Rupees
USD	39	61,000,000	4,099	Sell	Rupees

All outstanding forward exchange contracts as at March 31, 2019 and March 31, 2018 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 ₹ (453)/ 453 (decrease)/increase in the Company's other comprehensive income as at March 31, 2019.

* an approximately ₹ (414)/ 414 (decrease)/increase in the Company's other comprehensive income as at March 31, 2018.

Foreign currency exposure unhedged

The following table analyses foreign currency risk from financial instruments as of March 31, 2019 (in ₹):

Particulars	US Dollars	EURO	United Kingdom Pound Sterling	Other currencies*	Total
Cash and cash equivalents	115	17	6	132	270
Trade receivables	2,115	242	927	1,004	4,288
Other financial assets	811	219	103	248	1,381
Trade payables	(795)	(154)	(19)	(217)	(1,185)
Other financial liabilities	(23)	-	-	-	(23)
Net assets/(liabilities)	2,223	324	1,017	1,167	4,731

* Others include currencies such as Singapore \$, Australian \$, Canadian \$, Japanese Yen, Malaysian Ringgit, etc

The following table analyses foreign currency risk from financial instruments as of March 31, 2018 (in ₹):

Particulars	US Dollars	EURO	United Kingdom Pound Sterling	Other currencies*	Total
Cash and cash equivalents	483	25	15	160	683
Trade receivables	2,328	248	385	661	3,622
Other financial assets	229	273	161	231	894
Trade payables	(527)	(191)	(67)	(370)	(1,155)
Net assets/(liabilities)	2,513	355	494	682	4,044

* Others include currencies such as Singapore \$, Australian \$, Canadian \$, Japanese Yen, Malaysian Ringgit, etc

Sensitivity analysis:

For the year ended March 31, 2019 and March 31, 2018, every 5% increase / decrease of the respective foreign currencies compared to functional currency of the Company would impact profit before tax by ₹ 237 / (₹ 237) and ₹ 191 / (₹ 191) 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. 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 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 21 (A)(ii))

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

Particulars	Year ended (in %)	
	March 31, 2019	March 31, 2018
Receivables from top customer	7.14	7.3
Receivables from top five customers	24.76	21.4

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

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

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, 2019 and March 31, 2018, the Company had unutilized credit limits from banks of ₹ 1,114 & ₹ 1,050, respectively.

As of March 31, 2019, the Company had working capital of ₹ 13,044, including cash and bank balances of ₹ 7,127

As of March 31, 2018, the Company had working capital of ₹ 12,282, including cash and bank balances of ₹ 7,266

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2019:

Particulars	Less than 1 year	1-2 years	2 years and above
Trade payables	1,963	-	-
Other financial liabilities	137	-	-
Total	2,100	-	-

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2018:

Particulars	Less than 1 year	1-2 years	2 years and above
Trade payables	1,933	-	-
Other financial liabilities	173	-	-
Total	2,106	-	-

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.

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

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

27. 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.

28. 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:-

Particulars	Relationship	Nature	As at		Maximum amount outstanding at any time during the year ended	
			March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Cyient KK	Subsidiary	Advance	-	-	-	110
Infotech HAL Limited	Joint Venture	Advance	15	12	15	13
Cyient Insights Private Limited	Subsidiary	Loan	143	127	143	127
Cyient DLM Private Limited	Subsidiary	Loan	385	265	385	485
Cyient Solutions and Systems Private Limited	Subsidiary	Loan	282	-	282	-
Cyient Solutions and Systems Private Limited	Subsidiary	Advance	-	137	-	137
Total			825	541		

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

Particulars	As at	
	March 31, 2019	March 31, 2018
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1	1
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the statutory auditors.

30. Dividends distribution made and proposed

	March 31, 2019	March 31, 2018
Cash dividends on equity shares declared and paid:		
Final dividend for the year ended on March 31, 2018 : ₹ 4 per share (March 31, 2017 : ₹ 5 per share)	451	563
Dividend distribution tax ("DDT") on final dividend*	-	115
Interim dividend for the year ended on March 31, 2019 : ₹ 6 per share (March 31, 2018 : ₹ 9 per share)	679	1,013
DDT on Interim dividend	139	206
	1,269	1,897
Proposed dividends on equity shares:		
Final cash dividend for the year ended on March 31, 2019 : ₹ 9 per share (March 31, 2018: ₹ 4 per share)	990	450
DDT on final dividend*	203	93
	1,193	543

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including DDT thereon) as at March 31, 2019.

* During the year, the Company has received dividend of ₹ 457 from its wholly owned subsidiary, Cyient Australia Pty Limited. Final dividend for the year ended March 31, 2018 of ₹ 451 has been adjusted against the final dividend received from Cyient Australia Pty Limited. Accordingly, the DDT on final dividend is ₹ Nil.

The dividends declared by the Company are based on the profits available for distribution as reported in the financial statements of the Company. Accordingly, the retained earnings reported in these financial statements may not be fully distributable. As at March 31, 2019, income available for distribution were ₹ 13,797 (March 31, 2018 - ₹ 10,708).

31. These financial statements were approved by the Company's Board of Directors on April 25, 2019.

For and on behalf of the Board of Directors

B.V.R. Mohan Reddy
Executive Chairman
(DIN - 00058215)

Krishna Bodanapu
Managing Director and CEO
(DIN - 05301037)

Ajay Aggarwal
President &
Chief Financial Officer

Sudheendra Putty
Company Secretary
(M.No. - F5689)

Place: Hyderabad
Date: April 25, 2019