

**Independent Auditor's Report on the Quarterly and Year to Date Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
Cigniti Technologies Limited**

**Report on the Audit of the Consolidated Financial Results****Opinion**

We have audited the accompanying statement of consolidated financial results of Cigniti Technologies Limited ("Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

i. includes the results of the following entities:

**Holding Company**

Cigniti Technologies Limited

**Subsidiaries**

- a. Cigniti Technologies Inc., USA
- b. Gallop Solutions Private Limited, India
- c. Cigniti Technologies Canada Inc., Canada
- d. Cigniti Technologies (UK) Limited, UK
- e. Cigniti Technologies (Australia) Pty Ltd., Australia

ii. are presented in accordance with the requirements of the Listing Regulations in this regard; and

iii. gives a true and fair view in conformity with the applicable accounting standards, and other accounting principles generally accepted in India, of the consolidated net profit and other comprehensive income and other financial information of the Group for the quarter ended March 31, 2021 and consolidated net profit and other comprehensive loss and other financial information of the Group for the year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs), as specified under Section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Consolidated Financial Results**

The Statement has been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of the Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the applicable accounting standards prescribed under section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33



of the Listing Regulations. The respective boards of directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

In preparing the Statement, the respective boards of directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective boards of Director either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective boards of directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial results/financial information of the entities within the Group of which we are the independent auditors and whose financial information we have audited, to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated March 29, 2019 issued by the Securities Exchange Board of India under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

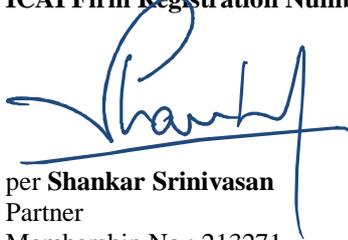
## **Other Matter**

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figures between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the end of the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

**ICAI Firm Registration Number: 101049W/E300004**



per **Shankar Srinivasan**

Partner

Membership No.: 213271

UDIN: 21213271AAAABG1464

Place: Hyderabad

Date: April 29, 2021



(Rs. In Lakhs)

**Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

Sl. No.	Particulars	Quarter ended		Year ended		
		March 31, 2021 (Refer note 3)	December 31, 2020	March 31, 2020 (Refer note 3)	March 31, 2021	March 31, 2020
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	Revenue from operations	23,302.31	22,390.19	23,304.35	89,652.69	87,197.21
	Other income (refer note 6)	(33.97)	76.79	465.49	359.95	1,577.89
	Finance income	164.72	360.29	198.94	985.32	585.06
	<b>Total income</b>	<b>23,433.06</b>	<b>22,827.27</b>	<b>23,968.78</b>	<b>90,997.96</b>	<b>89,360.16</b>
2	<b>Expenses</b>					
	Employee benefits expense	13,408.28	13,321.36	13,553.54	52,158.27	51,896.38
	Finance costs	117.64	122.87	199.95	559.19	799.64
	Depreciation and amortisation expense	310.31	311.65	297.88	1,226.92	1,147.81
	Other expenses	6,568.74	5,874.38	6,596.07	22,947.82	22,432.04
	<b>Total expenses</b>	<b>20,404.97</b>	<b>19,630.26</b>	<b>20,647.44</b>	<b>76,892.20</b>	<b>76,275.87</b>
3	<b>Profit before tax (1-2)</b>	<b>3,028.09</b>	<b>3,197.01</b>	<b>3,321.34</b>	<b>14,105.76</b>	<b>13,084.29</b>
4	<b>Tax expense</b>					
	Current tax	715.45	638.30	395.66	3,205.78	971.38
	Taxes for earlier years (refer note 7)	-	-	-	894.65	(47.08)
	Deferred tax credit	(154.35)	(75.90)	-	(529.17)	-
	<b>Total tax expense</b>	<b>561.10</b>	<b>562.40</b>	<b>395.66</b>	<b>3,571.26</b>	<b>924.30</b>
5	<b>Net profit for the period (3-4)</b>	<b>2,466.99</b>	<b>2,634.61</b>	<b>2,925.68</b>	<b>10,534.50</b>	<b>12,159.99</b>
6	<b>Items of other comprehensive income</b>					
	Other comprehensive income/(loss):					
	a) items that will be reclassified to profit or loss	27.98	(101.77)	48.40	(269.39)	(58.45)
	b) items that will not be reclassified to profit or loss (net of tax)	50.72	(51.26)	(55.88)	(40.43)	(161.26)
	<b>Total other comprehensive income/(loss)</b>	<b>78.70</b>	<b>(153.03)</b>	<b>(7.48)</b>	<b>(309.82)</b>	<b>(219.71)</b>
7	<b>Total comprehensive income for the period (5+6)</b>	<b>2,545.69</b>	<b>2,481.58</b>	<b>2,918.20</b>	<b>10,224.68</b>	<b>11,940.28</b>
8	<b>Paid-up equity share capital</b> (Face value of the share Rs. 10/- each)	2,802.00	2,789.50	2,784.63	2,802.00	2,784.63
9	<b>Other equity</b>				34,432.73	23,939.09
10	<b>Earnings per share (EPS) (of Rs.10/- each) (not annualised) (amount in Rs.)</b>					
	Basic EPS	8.82	9.45	10.52	37.77	43.87
	Diluted EPS	8.82	9.39	10.48	37.77	43.69

See accompanying notes to the consolidated financial results.

**Notes:**

- The above statement of audited consolidated financial results of Cigniti Technologies Limited ("the Company"), which have been prepared in accordance with the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by the Audit Committee and thereafter approved at the meeting of the Board of Directors of the Company held on April 29, 2021. The Statutory Auditors have expressed an unmodified audit opinion on the consolidated financial results.
- The consolidated financial results of the Group includes the results of the Company and results of the following wholly owned subsidiaries:

Name of the subsidiary
Gallop Solutions Private Limited, India
Cigniti Technologies Inc., USA
Cigniti Technologies (UK) Limited, UK
Cigniti Technologies (Australia) Pty Ltd, Australia
Cigniti Technologies Canada Inc., Canada
- The figures of the quarters ended March are the balancing figures between audited figures in respect of full financial year upto March and the unaudited published year to date figures upto December of each year, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
- Based on the internal reporting provided to the Chief Operating Decision Maker, the consolidated financial results relates to "Software testing services" as the only reportable primary segment of the Group.
- The Company has allotted 125,000 and 173,750 equity shares of Rs. 10/- each during the quarter and year ended March 31, 2021 respectively, pursuant to exercise of options under employee stock option schemes and got the same listed at BSE & NSE.

C. V. Anand



**CIGNITI TECHNOLOGIES LIMITED**  
 Suite 106,107, MGR Estates, Dwarakapuri Colony, Punjagutta, Hyderabad 500 082, Telangana, India  
 Ph: +91 (40) 30702255, Fax: +91 (40) 30702299  
 CIN: L72200TG1998PLC030081

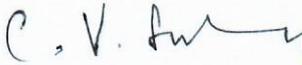
Notes continued:

6 Other income includes

Particulars	Quarter ended			Year ended	
	March 31, 2021 (Refer note 3)	December 31, 2020	March 31, 2020 (Refer note 3)	March 31, 2021	March 31, 2020
Net foreign exchange gain/(loss)	(99.86)	81.59	(169.51)	218.70	(82.62)

- 7 Taxes for earlier years represents provision made for demands (including consequential impacts) received during the year ended March 31, 2021 and pertaining to earlier years of Cigniti Technologies Inc., USA, wholly owned subsidiary of the Company.
- 8 The Board of Directors at their meeting held on April 29, 2021 declared final dividend of Rs. 2.50/- per share on face value of Rs. 10/- each, total aggregating to Rs.700.50 lakhs.
- 9 The Group has considered internal and external information upto the date of approval of these consolidated financial results in assessing the recoverability of assets including trade receivables, unbilled receivables, goodwill and investments, based on which it expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these consolidated financial results.
- 10 The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of Code, once its effective.
- 11 Consolidated audited statement of cash flows are attached in Annexure - 1B.
- 12 The above consolidated financial results are also available on the stock exchange websites [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on our website [www.cigniti.com](http://www.cigniti.com).
- 13 Previous period figures have been regrouped/reclassified wherever necessary to conform to the current period classification.

For Cigniti Technologies Limited



C.V. Subramanyam  
 Chairman and Managing Director



Place: Hyderabad  
 Date: April 29, 2021

**CIGNITI TECHNOLOGIES LIMITED**  
Suite 106,107, MGR Estates, Dwarakapuri Colony, Punjagutta, Hyderabad 500 082, Telangana, India  
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Annexure- 1A

**Statement of consolidated assets and liabilities**

(Rs. In Lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	Audited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,671.05	1,719.48
Intangible assets	-	-
Right-to-use asset	2,165.75	2,989.92
Goodwill	5,486.22	5,486.22
Deferred tax asset, net	529.17	-
Financial assets		
Loans	507.55	515.54
Other non-current financial assets	-	350.00
<b>Subtotal - Non-current assets</b>	<b>10,359.74</b>	<b>11,061.16</b>
<b>Current assets</b>		
Financial assets		
Investments	8,046.27	4,889.19
Loans	64.06	64.15
Trade receivables	15,771.84	16,441.01
Cash and cash equivalents	2,561.22	762.20
Bank balances other than cash and cash equivalents	10,230.40	7,950.37
Other current financial assets	4,659.04	4,899.94
Current tax assets, net	259.22	262.82
Other current assets	1,258.36	1,659.95
<b>Subtotal - Current assets</b>	<b>42,850.41</b>	<b>36,929.63</b>
<b>Total Assets</b>	<b>53,210.15</b>	<b>47,990.79</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,802.00	2,784.63
Other equity	34,432.73	23,939.09
<b>Subtotal - Equity</b>	<b>37,234.73</b>	<b>26,723.72</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
Lease obligations	2,048.56	2,953.48
Long term provisions	1,234.54	900.90
<b>Subtotal - Non-current liabilities</b>	<b>3,283.10</b>	<b>3,854.38</b>
<b>Current liabilities</b>		
Financial liabilities		
Short term borrowings	1,611.26	8,377.26
Trade payables		
i)total outstanding dues of micro enterprises and smallenterprises	-	-
ii)total outstanding dues of creditors other than microenterprises and small enterprises	6,265.88	6,014.39
Lease obligations	907.82	816.75
Other current financial liabilities	287.79	139.58
Short term provisions	255.81	285.13
Current tax liability, net	1,833.64	493.85
Other current liabilities	1,530.12	1,285.73
<b>Subtotal - Current liabilities</b>	<b>12,692.32</b>	<b>17,412.69</b>
<b>Total Equity and Liabilities</b>	<b>53,210.15</b>	<b>47,990.79</b>

*C. V. Anand*



Annexure- 1B

**Consolidated statement of cash flows**

(Rs. In Lakhs)

	Year ended	
	March 31, 2021	March 31, 2020
	Audited	Audited
<b>Cash flow from operating activities</b>		
Profit before tax	14,105.76	13,084.29
<b>Adjustment to reconcile profit before tax to net cash flows:</b>		
Depreciation and amortisation expense	1,226.92	1,147.81
Interest income on bank deposits	(536.53)	(439.47)
Income on fair valuation of mutual funds	(431.45)	(145.59)
Interest income on income tax refund	(17.34)	-
Interest expense, other borrowing cost and factoring charges	559.19	799.64
Unrealised foreign exchange loss/ (gain), net	7.78	(0.81)
Share based payment expense	156.84	305.55
Provision for / (recoveries of) doubtful trade receivables, net	21.02	(260.65)
Liabilities no longer required written back, net	(92.98)	(254.46)
Bad debts written off	38.12	5.19
<b>Operating profit before working capital changes</b>	<b>15,037.33</b>	<b>14,241.50</b>
<b>Movements in working capital</b>		
Increase in trade payables	344.47	600.20
Increase/ (decrease) in financial liabilities	133.26	(69.58)
Increase/ (decrease) in other liabilities	244.39	(39.19)
Increase/ (decrease) in provisions	263.89	(16.31)
Decrease/ (increase) in trade receivables	602.25	(3,815.74)
Decrease/ (increase) in financial asset	207.64	(1,446.95)
Decrease/ (increase) in other assets	401.59	(389.08)
Decrease/ (increase) in loans	8.08	(53.46)
<b>Cash generated from operations</b>	<b>17,242.90</b>	<b>9,011.39</b>
Income taxes paid (net of refunds)	(2,757.04)	(351.00)
<b>Net cash generated from operating activities</b>	<b>(A) 14,485.86</b>	<b>8,660.39</b>
<b>Cash flows used in investing activities</b>		
Purchase of property, plant and equipment	(318.47)	(701.65)
Investments in mutual funds and debentures	(10,535.98)	(4,743.60)
Redemption of mutual funds and debentures	7,810.35	-
Investment in bank deposits	(6,148.52)	(10,959.15)
Redemption of bank deposits	4,218.49	2,672.10
Interest received	587.13	114.87
<b>Net cash used in investing activities</b>	<b>(B) (4,387.00)</b>	<b>(13,617.43)</b>
<b>Cash flows used in financing activities</b>		
Proceeds from exercise of employee stock options	129.50	64.20
Payment towards lease obligation	(815.65)	(1,096.37)
Interest, other borrowing cost and factoring charges paid	(578.30)	(395.23)
Bill discounting with bank, net	(169.19)	169.19
<b>Net cash used in financing activities</b>	<b>(C) (1,433.64)</b>	<b>(1,258.21)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(A+B+C) 8,665.22</b>	<b>(6,215.25)</b>
Exchange differences on translation of foreign currency balances	(269.39)	(58.45)
Cash and cash equivalents at the beginning of the year	(7,445.87)	(1,172.17)
<b>Cash and cash equivalents at the end of the year</b>	<b>949.96</b>	<b>(7,445.87)</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks		
-On current accounts	2,561.15	716.27
-Remittance in transit	-	45.88
Cash on hand	0.07	0.05
Cash credit facility	(1,611.26)	(8,208.07)
<b>Total cash and cash equivalents</b>	<b>949.96</b>	<b>(7,445.87)</b>

*C. V. J.*



**Independent Auditor's Report on the Quarterly and Year to Date Audited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
**The Board of Directors of  
Cigniti Technologies Limited**

**Report on the Audit of the Standalone Financial Results****Opinion**

We have audited the accompanying statement of standalone financial results of Cigniti Technologies Limited (the "Company") for the quarter and year ended March 31, 2021 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net profit and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2021 and net profit and other comprehensive loss and other financial information of the Company for the year ended March 31, 2021.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Management's Responsibilities for the Standalone Financial Results**

The Statement has been prepared on the basis of the standalone annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the Statement, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

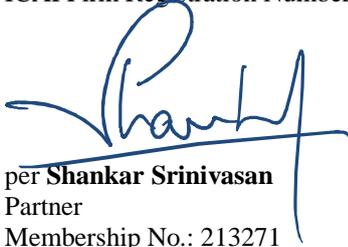
## **Other Matter**

The Statement includes the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2021 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004



per **Shankar Srinivasan**

Partner

Membership No.: 213271

UDIN: 21213271AAAABE6791

Place: Hyderabad

Date: April 29, 2021



(Rs. In Lakhs)

Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2021						
Sl. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021 (Refer note 2)	December 31, 2020	March 31, 2020 (Refer note 2)	March 31, 2021	March 31, 2020
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Income</b>					
	Revenue from operations	8,464.75	7,868.68	7,865.06	31,106.90	30,033.44
	Other income (refer note 5)	(57.07)	86.13	487.45	283.10	1,356.04
	Finance income	164.72	360.29	198.94	985.32	585.00
	<b>Total income</b>	<b>8,572.40</b>	<b>8,315.10</b>	<b>8,551.45</b>	<b>32,375.32</b>	<b>31,974.48</b>
2	<b>Expenses</b>					
	Employee benefits expense	5,802.70	5,643.99	5,175.30	21,349.89	19,255.22
	Finance costs	88.92	89.47	111.33	379.35	418.36
	Depreciation and amortisation expense	255.26	257.69	244.70	1,007.92	951.97
	Other expenses	1,047.22	876.84	1,319.85	3,673.12	4,860.02
	<b>Total expenses</b>	<b>7,194.10</b>	<b>6,867.99</b>	<b>6,851.18</b>	<b>26,410.28</b>	<b>25,485.57</b>
3	<b>Profit before tax (1-2)</b>	<b>1,378.30</b>	<b>1,447.11</b>	<b>1,700.27</b>	<b>5,965.04</b>	<b>6,488.91</b>
4	<b>Tax expense</b>					
	Current tax	239.81	245.76	121.05	1,050.19	523.44
	Deferred tax credit	(154.35)	(75.90)	-	(529.17)	-
	<b>Total tax expense</b>	<b>85.46</b>	<b>169.86</b>	<b>121.05</b>	<b>521.02</b>	<b>523.44</b>
5	<b>Net profit for the period (3-4)</b>	<b>1,292.84</b>	<b>1,277.25</b>	<b>1,579.22</b>	<b>5,444.02</b>	<b>5,965.47</b>
6	<b>Items of other comprehensive income</b>					
	Other comprehensive income/ (loss) - items that will not be reclassified to profit or loss (net of tax)	50.72	(51.26)	(55.88)	(40.43)	(161.26)
	<b>Total other comprehensive income/(loss)</b>	<b>50.72</b>	<b>(51.26)</b>	<b>(55.88)</b>	<b>(40.43)</b>	<b>(161.26)</b>
7	<b>Total comprehensive income for the period (5+6)</b>	<b>1,343.56</b>	<b>1,225.99</b>	<b>1,523.34</b>	<b>5,403.59</b>	<b>5,804.21</b>
8	<b>Paid-up equity share capital</b> (Face value of the share Rs. 10/- each)	2,802.00	2,789.50	2,784.63	2,802.00	2,784.63
9	<b>Other equity</b>				32,255.54	26,582.99
10	<b>Earnings per share (EPS) (of Rs.10/- each) (not annualised)</b> (amount in Rs.)					
	Basic EPS	4.62	4.58	5.68	19.52	21.52
	Diluted EPS	4.62	4.55	5.66	19.52	21.44

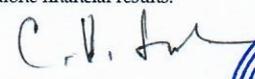
See accompanying notes to the standalone financial results.

**Notes:**

- The above statement of audited standalone financial results of Cigniti Technologies Limited ("the Company"), which have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder, other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India ("SEBI") were reviewed and recommended by the Audit Committee and thereafter approved at the meeting of the Board of Directors of the Company held on April 29, 2021. The Statutory Auditor have expressed an unmodified audit opinion on the standalone financial results.
- The figures of the quarters ended March are the balancing figures between audited figures in respect of full financial year upto March and the unaudited published year to date figures upto December of each year, being the date of the end of the third quarter of the respective financial years which were subjected to limited review.
- Based on the internal reporting provided to the Chief Operating Decision Maker, the standalone financial results relates to "Software testing services" as the only reportable primary segment of the Company.
- The Company has allotted 125,000 and 173,750 equity shares of Rs. 10/- each during the quarter and year ended March 31, 2021 respectively, pursuant to exercise of options under employee stock option schemes and got the same listed at BSE & NSE.
- Other income includes:

Particulars	Quarter ended			Year ended	
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
Net foreign exchange gain/(loss)	(57.07)	86.13	(76.93)	283.10	115.92

- The Board of Directors at their meeting held on April 29, 2021 declared final dividend of Rs. 2.50/- per share on face value of Rs. 10/- each, total aggregating to Rs.700.50 lakhs.
- The Company has considered internal and external information upto the date of approval of these standalone financial results in assessing the recoverability of assets including trade receivables, unbilled receivables and investments, based on which it expects to recover the carrying amount of these assets. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these standalone financial results.


**CIGNITI TECHNOLOGIES LIMITED**  
Suite 106,107, MGR Estates, Dwarakapuri Colony, Punjagutta, Hyderabad 500 082, Telangana, India  
Ph: +91 (40) 30702255, Fax: +91 (40) 30702299  
CIN: L72200TG1998PLC030081

Notes continued:

- 8 The code of Social Security, 2020 ('Code') relating to employee benefits during employment and post- employment received Presidential assent in September 2020 and its effective date is yet to be notified. The Company will assess and record the impact of Code, once its effective.
- 9 Standalone audited statement of cash flows are attached in Annexure - 2B.
- 10 The above standalone financial results are also available on the stock exchange websites [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and on the Company's website [www.cigniti.com](http://www.cigniti.com).
- 11 Previous period figures have been regrouped/reclassified wherever necessary to conform to the current period classification.

For Cigniti Technologies Ltd

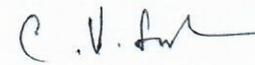

C.V. Subramanyam  
Chairman and Managing Director

Place: Hyderabad  
Date: April 29, 2021

**Statement of standalone assets and liabilities**

(Rs. In Lakhs)

Particulars	As at	As at
	March 31, 2021	March 31, 2020
	Audited	Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,553.22	1,569.59
Intangible assets	-	-
Right-to-use asset	2,001.61	2,678.90
Deferred tax asset, net	529.17	-
<b>Financial assets</b>		
Investments	6,941.31	6,941.31
Loans	507.55	515.54
Other non-current financial assets	-	350.00
<b>Subtotal - Non-current assets</b>	<b>11,532.86</b>	<b>12,055.34</b>
<b>Current assets</b>		
<b>Financial assets</b>		
Investments	8,046.27	4,889.19
Loans	0.84	0.84
Trade receivables	8,672.70	7,432.00
Cash and cash equivalents	1,513.85	365.17
Bank balances other than cash and cash equivalents	10,230.40	7,950.37
Other current financial assets	3,262.63	4,316.10
Current tax assets, net	255.16	258.68
Other current assets	1,028.51	1,471.69
<b>Subtotal - Current assets</b>	<b>33,010.36</b>	<b>26,684.04</b>
<b>Total Assets</b>	<b>44,543.22</b>	<b>38,739.38</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	2,802.00	2,784.63
Other equity	32,255.54	26,582.99
<b>Subtotal - Equity</b>	<b>35,057.54</b>	<b>29,367.62</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Lease obligations	2,027.36	2,771.50
Long term provisions	1,234.54	900.90
<b>Subtotal - Non-current liabilities</b>	<b>3,261.90</b>	<b>3,672.40</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Short term borrowings	1,611.26	1,336.37
Trade payables		
i)total outstanding dues of micro enterprises and small enterprises	-	-
ii)total outstanding dues of creditors other than micro enterprises and small enterprises	1,074.81	1,061.49
Lease obligations	744.67	664.81
Other current financial liabilities	2,332.40	2,220.16
Short term provisions	131.62	115.63
Other current liabilities	329.02	300.90
<b>Subtotal - Current liabilities</b>	<b>6,223.78</b>	<b>5,699.36</b>
<b>Total Equity and Liabilities</b>	<b>44,543.22</b>	<b>38,739.38</b>

C. V. S. 



**Standalone statement of cash flows**

	(Rs. In Lakhs)	
	Year ended March 31, 2021	Year ended March 31, 2020
	Audited	Audited
<b>Cash flow from operating activities</b>		
Profit before tax	5,965.04	6,488.91
<b>Adjustment to reconcile profit before tax to net cash flows:</b>		
Depreciation on property, plant and equipment	1,007.92	951.97
Interest income	(536.53)	(439.41)
Income on fair valuation of mutual funds	(431.45)	(145.59)
Interest expense and other borrowing cost	379.35	418.36
Unrealised foreign exchange (gain)/ loss, net	-	(60.44)
Share based payment expense	156.84	303.32
Provision for/(recoveries of) doubtful trade receivables, net	91.67	(108.24)
Bad debts written off	13.61	-
<b>Operating profit before working capital changes</b>	<b>6,646.45</b>	<b>7,408.88</b>
<b>Movements in working capital</b>		
Increase in trade payables	13.31	93.52
Increase in other liabilities	28.12	218.46
Increase/ (decrease) in provisions	309.20	(11.59)
(Increase)/decrease in trade receivables	(1,345.98)	3,572.04
Decrease/(increase) in other assets	443.18	(371.23)
Decrease/(increase) in loans	7.99	(53.27)
Decrease/ (increase) in other financial assets	1,020.21	(1,056.40)
Increase in other financial liabilities	78.19	81.92
<b>Cash generated from operations</b>	<b>7,200.67</b>	<b>9,882.33</b>
Income taxes paid (net of refunds)	(1,046.67)	(582.30)
<b>Net cash generated from operating activities</b>	<b>(A) 6,154.00</b>	<b>9,300.03</b>
<b>Cash flows used in investing activities</b>		
Purchase of property, plant and equipment	(280.21)	(555.65)
Investments in mutual funds and debentures	(10,535.98)	(4,743.60)
Redemption of mutual funds and debentures	7,810.35	-
Investment in bank deposits	(6,148.52)	(10,959.15)
Redemption of bank deposits	4,218.49	2,668.69
Interest received	569.79	114.80
<b>Net cash used in investing activities</b>	<b>(B) (4,366.08)</b>	<b>(13,474.91)</b>
<b>Cash flows used in financing activities</b>		
Proceeds from exercise of employee stock options	129.50	64.20
Interest paid	(21.17)	(23.06)
Payment towards lease obligation	(1,022.46)	(951.24)
<b>Net cash used in financing activities</b>	<b>(C) (914.13)</b>	<b>(910.10)</b>
<b>Net increase/ (decrease) in cash and cash equivalents</b>	<b>(A+B+C) 873.79</b>	<b>(5,084.98)</b>
Cash and cash equivalents at the beginning of the year	(971.20)	4,113.78
<b>Cash and cash equivalents at the end of the year</b>	<b>(97.41)</b>	<b>(971.20)</b>
<b>Components of cash and cash equivalents</b>		
Balances with banks		
-On current accounts	1,513.79	319.24
-Remittance in transit	-	45.88
Cash on hand	0.06	0.05
Cash credit from banks	(1,611.26)	(1,336.37)
<b>Total cash and cash equivalents</b>	<b>(97.41)</b>	<b>(971.20)</b>

C. V. S. J.

