

Cyient Japan KK
Special Purpose Balance Sheet as at March 31, 2022
(All amounts in JPY, unless otherwise stated)

Particulars	Note	As at March 21, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	639,398	1,069,899
Financial assets			
(a) Loans and deposits	4A	4,433,099	3,593,000
Deferred tax assets (net)	11B	3,586,514	6,709,055
Income tax assets (net)	18.3	26,631,300	-
Total non-current assets		35,290,311	11,371,954
Current assets			
Financial assets			
(a) Trade receivables	6	263,007,383	211,073,392
(b) Cash and cash equivalents	7	571,795,356	248,712,776
(c) Other financial assets	4B	9,385,344	3,843,070
Other current assets	5	742,885	117,306,687
Total current assets		844,930,968	580,935,925
Total assets		880,221,279	592,307,879
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	8	64,500,000	64,500,000
Other equity	9	467,756,499	443,975,742
Equity attributable to Shareholders of the Company		532,256,499	508,475,742
Total equity		532,256,499	508,475,742
LIABILITIES			
Non-current liabilities			
Provisions	10	12,190,535	12,638,748
Total non-current liabilities		12,190,535	12,638,748
Current liabilities			
Financial liabilities			
Trade payables	12	314,491,077	49,585,834
Income tax liabilities (net)	11C	-	16,131,400
Provisions	10	811,633	681,785
Other current liabilities	13	20,471,535	4,794,370
Total current liabilities		335,774,245	71,193,389
Total liabilities		347,964,780	83,832,137
Total equity and liabilities		880,221,279	592,307,879
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements			
As per our report of even date			
For S.R. Batliboi & Associates LLP Chartered Accountants ICAI Firm registration number: 101049W/E300004	For and on behalf of the Board of Directors of Cyient Limited		
Shankar Srinivasan Partner Membership No.: 213271 Place: Hyderabad Date:	Krishna Bodanapu Managing Director and CEO DIN-00605187 Place: Hyderabad Date:	Ajay Aggarwal Executive Director and Chief Financial Officer DIN-02565242	

Cyient Japan KK
Special Purpose Statement of Profit and Loss for the Year ended March 31, 2022
(All amounts in JPY, unless otherwise stated)

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
INCOME			
Revenue from operations	14	1,174,323,877	1,118,094,032
Other income	15	14,019,278	1,348,049
Total income		1,188,343,155	1,119,442,081
EXPENSES			
Employee benefits expense	16	172,755,507	212,341,183
Depreciation expense	17	430,501	510,000
Other expenses	18	980,033,449	686,932,755
Total expenses		1,153,219,457	899,783,938
Profit before tax		35,123,698	219,658,143
Tax expense			
Current tax	11A	8,220,400	70,713,500
Deferred tax	11A	3,122,541	8,037,213
Total tax expense		11,342,941	78,750,713
Profit for the year		23,780,757	140,907,430
Total comprehensive income for the year		23,780,757	140,907,430
Earnings per equity share (par value of JPY 10,000 each)			
Basic	24	3,687	21,846
Diluted		3,687	21,846
Corporate information and significant accounting policies	1 & 2		
Accompanying notes form an integral part of the financial statements			
As per our report of even date			
For S.R. Batliboi & Associates LLP Chartered Accountants ICAI Firm registration number: 101049W/E300004		For and on behalf of the Board of Directors of Cyient Limited	
Shankar Srinivasan Partner Membership No.: 213271 Place: Hyderabad Date:		Krishna Bodanapu Managing Director and CEO DIN-00605187 Place: Hyderabad Date:	
		Ajay Aggarwal Executive Director and Chief Financial Officer DIN-02565242	

Cyient Japan KK

Special Purpose Cash flow statement for the year ended March 31, 2022

(All amounts in JPY, unless otherwise stated)

Particulars	Year ended March 31,2022		Year ended March 31,2021	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit for the year	23,780,757		140,907,430	
<u>Adjustments for :</u>				
Tax expense	11,342,941		78,750,713	
Depreciation expense	430,501		510,000	
Interest income	(5,710)		(21,388)	
Liabilities no longer required written back	-		-	
Unrealised forex gain, net	(691,634)		(691,634)	
Operating profit before working capital changes		34,856,855		219,455,121
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	(48,320,304)		67,816,967	
Other financial assets	(6,382,373)		2,426,408	
Other assets	116,563,802		(83,752,801)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	260,722,405		(124,400,812)	
Other liabilities	15,677,165		(42,091,947)	
Provisions	(318,365)		658,358	
Cash generated from operations		372,799,185		40,111,294
Net income taxes paid (net)		(50,983,100)		(153,364,600)
Net cash flow (used in)/from operating activities (A)		321,816,085		(113,253,306)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payment towards purchase of property, plant and equipment	-		(158,000)	
Interest received	5,710		21,388	
Net cash flow used in investing activities (B)		5,710		(136,612)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Net cash flow from financing activities (C)		-		-
Net (Decrease)/Increase in cash and cash equivalents (A+B+C)		321,821,795		(113,389,918)
Cash and cash equivalents at the beginning of the year		248,712,776		360,841,909
Effect of exchange differences on translation of foreign currency cash and cash equivalents		1,260,785		1,260,785
Cash and cash equivalents at the end of the year		571,795,356		248,712,776
Balances with banks				
in current accounts (refer note 7)		571,795,356		248,712,776
		571,795,356		248,712,776
Accompanying notes form an integral part of the financial statements				
As per our report of even date				
For S.R. Batliboi & Associates LLP		For and on behalf of the Board of Directors		
Chartered Accountants		Cyient Limited		
ICAI Firm registration number: 101049W/E300004				
Shankar Srinivasan		Krishna Bodanapu		Ajay Aggarwal
Partner		Managing Director and CEO		Executive Director and
Membership No.: 213271		DIN-00605187		Chief Financial Officer
				DIN-02565242
Place: Hyderabad		Place: Hyderabad		
Date:		Date:		

Cyient Japan KK

Special Purpose Statement of changes in equity for the year ended March 31, 2022

(All amounts in JPY, unless otherwise stated)

A. Equity share capital

Particulars	Note	Amount
Balance as at March 31, 2019	8	64,500,000
Balance as at March 31, 2020	8	64,500,000
Balance as at March 31, 2021	8	64,500,000
Balance as at March 31, 2022	8	64,500,000

B. Other equity

	Note	Reserves and surplus Retained earnings	Total other equity
Balance as at March 31, 2019		106,867,303	106,867,303
Profit for the year	9	140,907,430	140,907,430
Balance as at March 31, 2020		247,774,733	247,774,733
Profit for the year	9	23,780,757	23,780,757
Balance as at March 31, 2021		271,555,490	271,555,490
Profit for the year		23,780,757	23,780,757
Balance as at March 31, 2022		295,336,247	295,336,247

Accompanying notes form an integral part of the financial statements

As per our report of even date

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of

Cyient Limited

Shankar Srinivasan

Partner

Membership No.: 213271

Place: Hyderabad

Date:

Krishna Bodanapu

Managing Director and CEO

DIN-00605187

Place: Hyderabad

Date:

Ajay Aggarwal

Executive Director and

Chief Financial Officer

DIN-02565242

1. Corporate information and significant accounting policies:

a. Corporate information:

Cyient Japan KK ('CJJK' or 'the Company') was incorporated in 2008 in Central Tokyo, Japan, a leading engineering service provider in Japan. CJJK provides end-to-end engineering services and solutions to different industry verticals such as Aerospace & Defense, Energy, Rail, Industrial, and Semiconductor. CJJK leverages the global delivery capability of the parent organization, while maintaining client relationships and managing projects locally.

In 2018-19, Cyient Australia Pty Limited acquired 86% shareholding in the Company and the balance 14% shareholding is held by the ultimate parent company Cyient Limited.

The Special purpose financial statements were authorised for issue in accordance with a resolution of the directors on April 15, 2022.

2. Significant accounting policies

i. Basis of preparation:

The Special purpose financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), solely for internal use and for the purpose of submission of Annual Performance Report to Reserve Bank of India under Notification No. FEMA 120/RB-2004 dated July 7, 2004, Regulation 15(iii) as amended from time to time.

The Special purpose financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

ii. Current versus non-current classification:

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

iii. Use of estimates:

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

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

Significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Special purpose financial statements such as:

- Revenue recognition
- Useful lives of property, plant and equipment
- Provision for income tax and recoverability of deferred tax assets
- Fair Value measurement of financial instruments
- Allowance for credit losses on receivables and unbilled revenue

Estimation of uncertainties relating to the global health pandemic from COVID-19

The Company is closely monitoring the impact of COVID-19 pandemic on all aspects of its business, including how it will impact its customers, employees, vendors and business partners. The Company based on the information available to date, both internal and external, considered the uncertainty relating to the COVID-19 pandemic in assessing its impact. Based on the current estimates, the Company expects to fully recover the carrying amount of assets and does not foresee any material adverse impact on its operations. As the outbreak continues to evolve, the Company will continue to closely monitor any material changes to future economic condition.

iv. Foreign currency translation

Functional and presentation currency

The Special purpose financial statements are presented in JPY, which is the functional and presentation currency of the Company.

Transactions and translations

In preparing the Special purpose financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. Foreign-currency denominated monetary assets and liabilities are translated at the exchange rate prevailing on the balance sheet date. Exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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

v. Property, plant and equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to the acquisition are capitalised until the property, plant and equipment are ready for use, as intended by management.

The Company depreciates property, plant and equipment over their estimated useful lives using the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss

arising on the disposal or retirement of an item of property, plant and equipment is recognised in other income of the statement of profit and loss.

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

vi. Income taxes:

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

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

The current income tax and deferred income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period where the Company operates and generate taxable income.

Deferred income tax is provided in full, using the balance sheet method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Special purpose financial statements.

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

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

vii. Cash and cash equivalents:

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

Cash flows are reported using indirect method, whereby profit / (loss) after tax is adjusted for the effects of transaction of non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

viii. Provisions and contingent liabilities:

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

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

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

Contingencies:

Contingent liabilities are not recognised in the Special purpose financial statements. A contingent asset is neither recognised nor disclosed in the Special purpose financial statements.

ix. Revenue from contract with customers

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognizes revenue when it transfers control over a product or a service to a customer. The method for recognizing revenues and costs depends on the nature of services rendered as mentioned below:

Time and material:

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

Fixed price contracts:

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

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

x. Other Income

Income from interest is recognised on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction, using the effective interest method.

xi. Employee benefits

Short-term employee benefits:

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled.

Other long-term employee benefits:

The liability for annual leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Defined contribution social security expense:

Contributions to defined contribution Social Security plans are expensed in the period in which they are incurred.

xii. Operating Segments:

The Company's Chief operating decision maker is the Managing Director and Chief Executive Officer of Cyient Group who evaluates Company's performance and allocates resources based on an analysis of various performance indicators by business verticals and geographical segmentation of customers.

The company is engaged in providing end-to-end engineering services and solutions to different industry verticals under single operating segment "Engineering services and solutions" which is considered as the primary business segment.

xiii. Earnings per share:

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

xiv. Financial instruments:

(A) Initial recognition:

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value and subsequently measured at amortised cost, fair value through other comprehensive income and fair value through profit or loss.

(B) Subsequent measurement:

a. Non-derivative financial instruments:

i) Financial assets carried at amortised cost:

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

ii) Financial liabilities:

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

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction

costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in statement profit or loss and is included in the "Other income".

(C) De-recognition of financial assets and liabilities:

Financial assets:

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

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

Financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit or loss.

(D) Foreign exchange gains and losses:

- For foreign currency denominated financial assets measured at amortised cost, the exchange differences are recognised in statement of profit or loss.
- For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.
- The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period.

xv. Determination of fair values:

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

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

xvi. Impairment of assets

2.1 Financial assets

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

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. The ECL loss allowance (or reversal) during the year is recognised in the statement of profit and loss.

2.2 Non-financial assets

Property, plant, equipment, and Intangible assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the CGUs to which the individual assets are allocated.

If such assets are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

3. Property, plant and equipment

Particulars	As at	
	March 31, 2022	March 31, 2021
Carrying amount of:		
Computers	235,424	550,823
Electrical installations	50,088	74,694
Office equipment	116,841	127,509
Furniture and fixtures	237,045	316,873
Total	639,398	1,069,899

Notes:

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

Particulars	Computers	Electrical Installations	Office Equipment	Furniture & Fixture	Total
I. Cost or deemed cost					
Balance as at March 31, 2019	520,280	259,010	2,336,808	2,428,736	5,544,834
Additions	838,000	-	-	-	838,000
Disposals	-	-	-	-	-
Balance as at March 31, 2020	1,358,280	259,010	2,336,808	2,428,736	6,382,834
Additions	158,000	-	-	-	158,000
Disposals	-	-	-	-	-
Balance as at March 31, 2021	1,516,280	259,010	2,336,808	2,428,736	6,540,834
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Balance as at March 31, 2022	1,516,280	259,010	2,336,808	2,428,736	6,540,834
II. Accumulated depreciation					
Balance as at March 31, 2018	324,700	118,700	1,731,045	1,348,773	3,523,218
Depreciation for the year	112,986	16,404	129,620	568,163	827,173
Disposals	-	-	-	-	-
Foreign currency translation adjustments	-	-	-	-	-
Balance as at March 31, 2019	437,686	135,104	1,860,665	1,916,936	4,350,391
Depreciation for the year	227,751	24,606	243,088	115,099	610,544
Disposals	-	-	-	-	-
Foreign currency translation adjustments	-	-	-	-	-
Balance as at March 31, 2020	665,437	159,710	2,103,753	2,032,035	4,960,935
Depreciation for the year	300,020	24,606	105,546	79,828	510,000
Balance as at March 31, 2021	965,457	184,316	2,209,299	2,111,863	5,470,935
Depreciation for the year	315,399	24,606	10,668	79,828	430,501
Disposals	-	-	-	-	-
Balance as at March 31, 2022	1,280,856	208,922	2,219,967	2,191,691	5,901,436
III. Carrying Amounts (I - II)					
Balance as at March 31, 2019	82,594	123,906	476,143	511,800	1,194,443
Balance as at March 31, 2020	692,843	99,300	233,055	396,701	1,421,899
Balance as at March 31, 2021	550,823	74,694	127,509	316,873	1,069,899
Balance as at March 31, 2022	235,424	50,088	116,841	237,045	639,398

Cyient Japan KK
Notes forming part of the Special Purpose Financial Statements
(All amounts in JPY, unless otherwise stated)

4A. Loans and Deposits

Particulars	As at	
	March 31, 2022	March 31, 2021
Non-current:		
(at amortised cost)		
Security deposits		
- Secured, considered good		
Unsecured, considered good	3,593,000	3,593,000
Other advances	840,099	
Total non-current loans & deposits	4,433,099	3,593,000

4B. Other financial assets

Particulars	As at	
	March 31, 2022	March 31, 2021
Current:		
Unbilled revenue *	9,385,344	3,843,070
Advance to employees		-
Total other current financial assets	9,385,344	3,843,070

* Includes amount receivable from related parties (refer note 14.2).

Unbilled Revenue	As at	
	March 31, 2022	March 31, 2021
Less than 6 months	9,385,344	3,843,070
6 months to 1 year	-	-
1 - 2 years	-	-
2 - 3 years	-	-
More than 3 year	-	-
Total	9,385,344	3,843,070

5. Other assets

Particulars	As at	
	March 31, 2022	March 31, 2021
Current:		
Prepaid expenses	742,885	1,878,296
Advances to suppliers *	-	115,428,391
Total other current assets	742,885	117,306,687

* Includes amount receivable from related parties (refer note 20).

6. Trade receivables

Particulars	As at	
	March 31, 2022	March 31, 2021
Trade receivables		
Trade receivables - Unsecured, considered good *	263,007,383	211,073,392
Total	263,007,383	211,073,392

* Includes amount receivable from related parties (refer note 20).

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 Group grants credit terms in the normal course of business. The average credit period is between 60-90 days. Before accepting any new customer, the 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.

Ageing for receivables	As at March 31, 2022					Total
	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Undisputed Trade Receivables						
Considered good	207,775,352	1,635,789	-	-	53,596,242	263,007,383
Significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
Considered good	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Balance at the end of the year	207,775,352	1,635,789	-	-	53,596,242	263,007,383

Ageing for receivables	As at March 31, 2021					Total
	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 year	
Undisputed Trade Receivables						
Considered good	157,477,150	1,014,613	52,581,629	-	-	211,073,392
Significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Disputed Trade Receivables						
Considered good	-	-	-	-	-	-
Significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Balance at the end of the year	157,477,150	1,014,613	52,581,629	-	-	211,073,392

7. Cash and cash equivalents

Particulars	As at	
	March 31, 2022	March 31, 2021
Balances with banks		
in current accounts	571,795,356	248,712,776
Total	571,795,356	248,712,776

8. Equity share capital

Particulars	As at	
	March 31, 2022	March 31, 2021
Authorised share capital: 10,000 (March 31, 2020: 10,000) equity shares of 10,000 JPY each	100,000,000	100,000,000
Issued and subscribed capital: 6,450 (March 31, 2020: 6,450) fully paid up equity shares of 10,000 JPY each	64,500,000	64,500,000
Total	64,500,000	64,500,000

(A) Reconciliation of the number of shares outstanding:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Opening balance	6,450	64,500,000	6,450	64,500,000
Closing balance	6,450	64,500,000	6,450	64,500,000

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

Name of shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Cyient Limited, Holding Company	900	14%	900	14%
Cyient Australia Pty Limited	5,550	86%	5,550	86%

As per records of the Company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares. During FY 19, Cyient Australia Pty Limited had acquired 86% shareholding of the Company, however key business decisions of the Company are made by Cyient Limited.

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

The Company has only one class of equity shares having a par value of 10,000 JPY per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to their shareholding.

9. Other equity

Particulars	As at	
	March 31, 2022	March 31, 2021
(a) Retained earnings		
Opening balance	443,975,742	303,068,312
Profit for the year	23,780,757	140,907,430
Closing balance	467,756,499	443,975,742

10. Provisions

Particulars	As at	
	March 31, 2022	March 31, 2021
Compensated absences (refer note (i) below)	13,002,168	13,320,533
Total	13,002,168	13,320,533
Non-current:		
Compensated absences	12,190,535	12,638,748
Total non-current provisions	12,190,535	12,638,748
Current:		
Compensated absences	811,633	681,785
Total current provisions	811,633	681,785

Note:

Employee benefit plans:

(i) Assumptions for compensated absences

a) Compensated absences :

Actuarial assumptions for long-term compensated absences	As at	As at
	March 31, 2022	March 31, 2021
Discount rate	0.40%	0.20%
Salary escalation rate	2.00%	2.00%
Attrition rate	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 average rate of increase in compensation levels is determined by the Company, considering factors such as, the Company's past compensation revision trends and management's estimate of future salary increases. The discount rate is based on the prevailing market yields as at the Balance Sheet date for the estimated term of the obligation.

Cyient Japan KK

Notes forming part of the Special Purpose Financial Statements

(All amounts in JPY, unless otherwise stated)

11. Income taxes

11A. Tax Expense

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

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Current tax:		
In respect of the current year	8,198,300	71,251,400
In respect of prior years	22,100	(537,900)
	8,220,400	70,713,500
Deferred taxes expense/(credit):		
In respect of the current year	3,122,541	8,037,213
	3,122,541	8,037,213
Total	11,342,941	78,750,713

B. Reconciliation of effective tax rate

The following is the reconciliation of the Company's effective tax rate for the year ended March 31, 2021 and 2020:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before tax	35,123,698	219,658,143
Enacted Tax Rate	34.59%	34.59%
Computed expected tax expense	12,149,287	75,979,752
Effect of expenses that are not deductible in determining taxable profit	(806,346)	3,308,861
Adjustments in respect of current tax of previous years		(537,900)
Total tax expense	11,342,941	78,750,713
Effective tax rate	32.29%	35.85%

11B. Deferred tax assets (net)

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

Particulars	As at	
	March 31, 2022	March 31, 2021
Deferred tax assets (Net)	3,586,514	6,709,055

2021-22	Opening Balance	Recognised in the statement of profit and loss	Closing balance
Deferred tax assets in relation to :			
Property, plant and equipment	580,532	(189,690)	390,842
Provision for employee benefits	4,536,796	1,849,576	6,386,372
Business tax payable	1,591,727	(5,246,400)	(3,654,673)
Net deferred tax assets	6,709,055	(3,586,514)	3,122,541

2020-21	Opening Balance	Recognised in the statement of profit and loss	Closing balance
Deferred tax assets in relation to:			
Property, plant and equipment	665,159	(84,627)	580,532
Provision for employee benefits	4,379,753	157,043	4,536,796
Business tax payable	9,701,356	(8,109,629)	1,591,727
Net deferred tax assets	14,746,268	(8,037,213)	6,709,055

11C. Income tax liabilities (net)

The following is the analysis of income tax liabilities presented in the balance sheet:

Particulars	As at	
	March 31, 2022	March 31, 2021
Income tax assets, net		
Income tax assets (net of provisions)	26,631,300	-
	26,631,300	-
Income tax liabilities, net		
Income tax payable (net of advance tax)	-	16,131,400

12. Trade Payables

Particulars	As at	
	March 31, 2022	March 31, 2021
Total outstanding dues*	314,491,077	49,585,834
Total	314,491,077	49,585,834

*Trade payables are non-interest bearing and are normally settled on 0-30 days and includes amount payable to its related parties (refer note 20).

Ageing for trade payable	As at March 31, 2022				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	287,364,521	27,126,556	-	-	314,491,077
Others	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Balance at the end of the year	287,364,521	27,126,556	-	-	314,491,077

Ageing for trade payable	As at March 31, 2021				
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
MSME	31,698,905	17,886,929	-	-	49,585,834
Others	-	-	-	-	-
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Balance at the end of the year	31,698,905	17,886,929	-	-	49,585,834

13. Other liabilities

Particulars	As at	
	March 31, 2022	March 31, 2021
Current		
Unearned revenue	1.00	-
Statutory remittances	20,471,534	4,794,370
Total	20,471,535	4,794,370

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(All amounts in JPY, unless otherwise stated)

14. Revenue from operations

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Revenue from services	1,174,323,877	1,118,094,032
Total revenue from operations	1,174,323,877	1,118,094,032

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

14.1. Disaggregated revenue information

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

Particulars	Year ended	
	March 31, 2022	March 31, 2021
Revenues by contract type		
Fixed-price	116,802,128	116,802,128
Time and material	1,001,291,904	1,001,291,904
Total	1,118,094,032	1,118,094,032
Revenues by Geography		
APAC (including India)	1,174,323,877	1,118,094,032
Total	1,174,323,877	1,118,094,032
Revenues by Timing of recognition		
Goods and services transferred		
- Over period of time	1,174,323,877	1,118,094,032
Total	1,174,323,877	1,118,094,032

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

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.

14.2. Trade receivables and contract balances

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Trade receivables	263,007,383	211,073,392
Unbilled revenue	9,385,344	3,843,070
Unearned revenue	1	-

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as unbilled revenue. A receivable is a right to consideration that is unconditional upon passage of time. Revenue in excess of invoicing are classified as contract assets (unbilled revenue) while invoicing in excess of revenue are classified as contract liabilities (unearned revenue).

Contract assets:

During the year ended March 31, 2021, contract assets amounting to JPY 6,059,478 (March 31, 2020: JPY 18,588,959) has been reclassified to receivables

Contract liabilities:

During the year ended March 31, 2021 the Company has recognized revenue of JPY 2,046,182 arising from contract liabilities as at March 31, 2020. During the year ended March 31, 2020, the Company recognized revenue of JPY NIL.

Transaction price allocated to the remaining performance obligations:

Revenue allocated to remaining performance obligations represents contracted revenue that has not yet been recognized, which includes unearned revenue and amounts that will be invoiced and recognized as revenue in future periods. Applying the practical expedient, the Company has not disclosed information about remaining performance obligations in contracts, where the original contract duration is one year or less or where the entity has the right to consideration that corresponds directly with the value of entity's performance completed to date.

15. Other income

Particulars	Year ended	Year ended
	March 31, 2022	March 31, 2021
Interest income on financial assets carried at amortised cost:		
Interest income on bank deposits	5,710	21,388
Foreign exchange gain (net)	14,013,568	1,326,661
Total	14,019,278	1,348,049

Cyient Japan KK
Notes forming part of the Special Purpose Financial Statements

(All amounts in JPY, unless otherwise stated)

16. Employee benefits expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries and wages	154,920,363	189,935,612
Social security and other benefits to employees (Refer note (i) below)	9,020,302	9,951,720
Stock option expense	-	27,617
Staff welfare expenses	8,814,842	12,426,234
Total	172,755,507	212,341,183

(i) Social security and other benefits to employees

The employees of the Company are covered under Social Security scheme. The Company contributes 9.5% of the basic salary of the employee which varies depending on the region. Social insurance in Japan is comprised of Pension, Health, Unemployment and Worker's Accident Compensation. Social insurance premiums are deducted from a salaried worker's monthly salary. Pension and health premiums are calculated as a percentage of the 'standard salary'.

17. Depreciation expense

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment (refer note 3)	430,501	510,000
Total	430,501	510,000

18. Other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent including lease rentals (Refer Note (i) below)	6,063,840	6,171,576
Sub-contracting charges	941,636,809	653,502,160
Travelling and conveyance	4,020,568	6,641,762
Rates and taxes	32,500	24,140
Insurance	5,021,822	2,307,057
Communication	1,057,502	1,142,981
Printing and stationery	207,968	239,581
Power and fuel	441,808	456,101
Marketing and advertising expenses	45,363	12,469
Repairs and maintenance		
- Machinery	396,004	94,521
- Others	-	-
Legal and professional charges	17,060,828	12,664,764
Auditors' remuneration (excludes applicable taxes)	951,257	752,050
Training and development	-	-
Software charges	160,204	417,751
Miscellaneous expenses	2,936,976	2,505,842
Total	980,033,449	686,932,755

Notes:
(i) Operating leases:

Ind AS 116 does not apply to leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Company has lease agreement with Muroya real estate in which lease period is not defined and agreed between the parties considering future uncertainties. Hence, the Company applied the short-term lease recognition exemption and classified the same as operating lease.

19. Financial Instruments

19.1 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 expected dividend on its equity shares. The Company is 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.

19.2 Financial instruments by category

Particulars	Carrying value as at	
	March 31, 2022	March 31, 2021
Financial assets:		
Amortised cost		
Trade receivables	263,007,383	211,073,392
Cash and cash equivalents	571,795,356	248,712,776
Other financial assets	13,818,443	7,436,070
Total financial assets	848,621,182	467,222,238
Financial liabilities:		
Trade payables	314,491,077	49,585,834
Total financial liabilities	314,491,077	49,585,834

The management assessed that fair value of cash and cash equivalents, trade receivables, other financial assets and trade payables approximate their carrying amounts largely due to the short-term maturities of these instruments, and hence these are carried at amortised cost.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than a forced or a liquidation sale.

19.3 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 risks. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is foreign exchange risk. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The liquidity risk is measured by the company's inability to meet its financial obligations as they become due.

Foreign exchange risk

The Company's major portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its services and purchases from overseas suppliers in various foreign currencies. The exchange rate between the JPY and foreign currencies has changed substantially in recent years and may fluctuate substantially in the future. Consequently, the results of the Company's operations are adversely affected as the JPY appreciates/ depreciates against these currencies. The Company monitors and manages its financial risks by analysing its foreign exchange exposures.

Foreign currency exposure unhedged:

The following table analyses Foreign currency exposure unhedged risk from financial instruments as of March 31, 2022:

Particulars	US Dollars	Other currencies*	Total
Cash and cash equivalents	53,395,322	-	53,395,322
Trade receivables	176,094,839	629,294	176,724,132
Other financial assets	-	-	-
Trade payables	51,765,532	14,498,645	66,264,178
Net assets/(liabilities)	281,255,693	15,127,939	296,383,632

* Others include currencies such as Singapore \$, Australian \$, etc.

The following table analyses Foreign currency exposure unhedged risk from financial instruments as of March 31, 2021:

Particulars	US Dollars	Other currencies*	Total
Cash and cash equivalents	32,047,774	-	32,047,774
Trade receivables	125,686,325	587,062	126,273,388
Other financial assets	-	-	-
Trade payables	-	8,729,557	8,729,557
Net assets/(liabilities)	157,734,099	9,316,619	167,050,718

* Others include currencies such as Singapore \$, Australian \$, etc.

Liquidity risk

The Company principal sources of liquidity are cash & bank balances and cash generated from operations. The Company believes that working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents, bank deposits and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk, except for trade receivables credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts that represents its estimate of expected losses in respect of trade and other receivables.

Cyient Japan KK
Notes forming part of the Special Purpose Financial Statements
(All amounts in JPY, unless otherwise stated)

20. Related Party Transactions

(a) List of related parties:

Name of the Entity	Nature of Relation
Cyient Limited	Holding Company
Cyient Australia Pty Limited	Fellow subsidiary
Cyient Inc.	Fellow subsidiary
Cyient Insights Private Limited	Fellow subsidiary

Key Managerial Personnel (KMP):

Name	Designation
Mallikarjun Rao Gummadi	Director, Cyient Japan KK
Katsuhiko Takada	Director, Cyient Japan KK
Krishna Bodanapu	Managing Director and CEO, Cyient Limited
Ajay Aggarwal	Executive Director and Chief Financial Officer, Cyient Limited

(b) Transactions during the year:

Nature of the transaction	Party name	Year ended	
		March 31, 2022	March 31, 2021
Sub-contracting charges	Cyient Inc.	122,552,517	91,481,212
	Cyient Limited	817,615,702	559,647,391
	Cyient Insight Private Limited	1,468,590	2,373,557
Reimbursement of expenses (net)	Cyient Inc.	3,117,420	251,291
	Cyient Limited	85,595	2,162,131
	Cyient Australia Pty Limited	-	-
Managerial Remuneration	Katsuhiko Takada		27,080,420
Advances given	Cyient Limited		84,000,253

(c) Balances at the year-end:

Nature of the balance	Party name	As at	
		March 31, 2022	March 31, 2021
Trade receivables	Cyient Inc.	4,079	3,685
	Cyient Limited	54,073,411	53,658,222
Unbilled revenue	Cyient Australia Private Limited	-	-
Advances to suppliers	Cyient Limited	-	115,428,391
Trade payables	Cyient Inc.	23,611,015	15,291,422
	Cyient Limited	277,904,490	23,094,282
	Cyient Insight Private Limited	1,468,590	2,373,557
	Cyient Australia Pty Limited	1,952,076	1,770,685
	Katsuhiko Takada	-	1,929,621

Foreign exchange restatement have not been disclosed as transactions during the year

21. Contingent liabilities

There are no contingent liabilities as at March 31, 2022 and March 31, 2021.

22. Capital and other commitments

There are no capital and other commitments as at March 31, 2022 and March 31, 2021.

23. Segment information

The Company's operations are managed as a single operating segment "Engineering services and solutions " which is considered as the primary reportable business segment.

24. Earnings per share

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit after tax	23,780,757	140,907,430
Basic and Diluted*:		
Number of shares outstanding at the year end	6,450	6,450
Weighted average number of equity shares	6,450	6,450
Earnings per share	3,687	21,846

* There were no dilutive instruments outstanding during the year.

25. As per the transfer pricing rules prescribed under the Income Tax Act, 1961, the Company is examining the transactions and documentation in respect thereof to ensure compliance with the said rules. The management does not anticipate any material adjustment with regard to the transactions involved.

26. Previous year figures have been regrouped /reclassified, where necessary, to confirm to this year's classification.

For S.R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

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

Shankar Srinivasan
Partner
Membership No.: 213271

Krishna Bodanapu
Managing Director and CEO
DIN-00605187

Ajay Aggarwal
Executive Director and
Chief Financial Officer
DIN-02565242

Place: Hyderabad
Date:

Place: Hyderabad
Date:

Cyient Japan KK**Notes forming part of the Special Purpose Financial Statements**

(All amounts in JPY, unless otherwise stated)

Ratios

Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	% Variance
(a) Current Ratio	Current Asset	Current Liabilities	2.52	8.16	-69%
(b) Debt-Equity Ratio	Total Liability	Total Equity	1.65	1.16	42%
(c) Debt Service Coverage Ratio	Operating Profit	Repayment of Principal and Finance cost			-
(d) Return on Equity Ratio	Net Profit	Total Equity	0.04	0.28	-84%
(e) Inventory turnover ratio	Cost of goods sold	Inventory			-
(f) Trade Receivables turnover ratio	Turnover	Average Trade Receivable	4.95	4.60	8%
(g) Trade payables turnover ratio	Turnover	Average Trade Payable	6.45	10.19	-37%
(h) Net capital turnover ratio	Turnover	Ave of (Current Assets- Current Liability)	2.31	2.57	-10%
(i) Net profit ratio	Net Profit	Turnover	0.02	0.13	-84%
(j) Return on Capital employed	EBIT	Total Assets - Current Liability	2.12	1.73	23%
(k) Return on investment					

Reasons for variance

(a) Current Ratio:

(b) Debt-Equity Ratio:

(c) Debt Service Coverage Ratio:

(d) Return on Equity Ratio:

(e) Inventory turnover ratio:

(f) Trade Receivables turnover ratio:

(g) Trade payables turnover ratio:

(h) Net capital turnover ratio:

(i) Net profit ratio:

(j) Return on Capital employed:

(k) Return on investment: