

Cyient Israel India Limited**Balance Sheet as at March 31, 2024**

All amounts in ILS, unless otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Current assets			
Financial assets			
(a) Trade receivables	3	2,136,606	2,136,606
(b) Cash and cash equivalents	4	37,947	47,947
(c) Other financial assets	5	15,000	15,000
Income tax assets	11	183,554	183,554
Other current assets	6	290,266	290,266
Total current assets		2,663,373	2,673,373
Total assets		2,663,373	2,673,373
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	7	1,817,100	1,817,100
Other equity	8	307,049	317,049
Total equity		2,124,149	2,134,149
LIABILITIES			
Current liabilities			
Financial liabilities			
Trade payables	9	495,651	495,651
Other current liabilities	10	43,573	43,573
Total current liabilities		539,224	539,224
Total liabilities		539,224	539,224
Total equity and liabilities		2,663,373	2,673,373
Corporate information and significant accounting policies Accompanying notes form an integral part of the financial statements	1 & 2		

As per our report of even date

For **G. P. Associates**

Chartered Accountants

Registration number: 006734S

CA. K. Abhiram

Partner

Membership No.: 239219

Place: Hyderabad

Date: April 25, 2024

For **Cyient Limited****Prabhakar Atla**

President and Chief Financial Officer

Place: Hyderabad

Date: April 25, 2024

Cyient Israel India Limited
Statement of Profit and Loss for the year ended March 31, 2024
(All amounts in ILS, unless otherwise stated)

Particulars	Note	For the year ended March 31, 2024	For the year ended March 31, 2023
INCOME			
Revenue from operations	12	-	702,949
Other income	13	-	-
Total income		-	702,949
EXPENSES			
Employee benefits expense	14	-	618,778
Other expenses	15	10,000	21,879
Total expenses		10,000	640,657
Profit before tax		(10,000)	62,292
Tax expense			
Current tax	11	-	-
Total tax expense		-	-
Profit for the year		(10,000)	62,292
Other comprehensive income (OCI)		-	-
Total other comprehensive income for the year		-	-
Total comprehensive income for the year		(10,000)	62,292
Earnings per equity share (par value of ILS 1 each)			
Basic and diluted		(0.01)	0.03
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 G. P. Associates
Chartered Accountants
Registration number: 006734S

For Cyient Limited

CA. K. Abhiram
Partner
Membership No.: 239219

Prabhakar Atla
President and Chief Financial Officer

Place: Hyderabad
Date: April 25, 2024

Place: Hyderabad
Date: April 25, 2024

Cyient Israel India Limited		
Cash flow statement for the year ended March 31, 2024		
(All amounts in ILS, unless otherwise stated)		
Particulars	Year ended	
	March 31, 2024	March 31, 2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	(10,000)	62,292
Adjustments for:		
Net unrealised exchange (gain)/loss	-	(6,369)
Operating profit before working capital changes	(10,000)	55,923
Changes in working capital		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables	-	(91,035)
Other assets	-	-
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	-	(44,311)
Other current liabilities	-	28,515
Cash generated from operations	(10,000)	(50,908)
Net income taxes paid (net)	-	(38,405)
Net cash flow used in operating activities	(10,000)	(89,313)
Net increase in cash and cash equivalents	(10,000)	(89,313)
Cash and cash equivalents at the beginning of the year	47,947	137,260
Cash and cash equivalents at the end of the year (refer note (i) below)	37,947	47,947
Notes :		
(i) Cash and cash equivalents comprises of:		
in current accounts (refer note 4)	37,947	47,947
	37,947	47,947
Accompanying notes form an integral part of the financial statements		
As per our report of even date		
For G. P. Associates		For Cyient Limited
Chartered Accountants		
Registration number: 006734S		
CA. K. Abhiram		Prabhakar Atla
Partner		President and Chief Financial Officer
Membership No.: 239219		
Place: Hyderabad		Place: Hyderabad
Date: April 25, 2024		Date: April 25, 2024

Cyient Israel India Limited**Statement of changes in equity for the year ended March 31, 2024**

(All amounts in ILS, unless otherwise stated)

A. Equity share capital

Particulars	Note	Amount
Balance as at April 01, 2022	7	1,817,100
Balance as at March 31, 2023	7	1,817,100
Balance as at March 31, 2024	7	1,817,100

B. Other Equity

Particulars	Note	Retained earnings	Total
Balance as at April 1, 2022		254,757	254,757
Profit for the year	8	62,292	62,292
Balance as at March 31, 2023		317,049	317,049
Profit for the year	8	(10,000)	(10,000)
Balance as at March 31, 2024		307,049	307,049

Accompanying notes form an integral part of the financial statements

As per our report of even date

For G. P. AssociatesChartered Accountants
Registration number: 006734S**For Cyient Limited****CA. K. Abhiram**Partner
Membership No.: 239219**Prabhakar Atla**

President and Chief Financial Officer

Place: Hyderabad

Date: April 25, 2024

Place: Hyderabad

Date: April 25, 2024

1. Corporate information

Cyient Israel India Limited (“the Company”) was incorporated in July 2016 in Israel with the Registered office of the Company located at 2 BSR towers, 1 Ben Gurion road, Bnei Brak, Israel. The Company is a wholly owned subsidiary of Cyient Limited, a listed Company in India. The Company is principally engaged in the business of providing marketing support services and related sourcing of electronic components to Cyient Company by engaging with number of leading defense original equipment manufacturers (OEMs) in Israel.

2. Significant accounting policies

2.1 Basis of preparation

These financial statements of the Company have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), for the purpose of submission of Annual Performance Report to Reserve Bank of India under Notification No. FEMA 120/RB-2004 dated July 07, 2004 Regulation 15 (iii) as amended from time to time, for the purpose of submission to the bankers and for internal use by the Management.

In view of the approval granted by the Board of Directors of the Company in their meeting held on October 06, 2021 for the closure and winding up of the Company, the going concern assumption in the preparation of these Financial Statements is no longer valid and accordingly these Financial Statements have been prepared on liquidation basis of accounting. Hence, all the assets and liabilities have been stated at their estimated/realizable values as at March 31, 2024 and provisions has been made in the books of accounts for the losses arising or likely to arise on account of such planned closure to the extent ascertained by the management at the time of preparing the Special Purpose Financial Statements.

The Company will continue to incur operating costs till the liquidation of the Company. On a regular basis, management evaluate assumptions, judgment and estimates that can have a significant impact on reported net liabilities in liquidation based on the most recent information available. Actual costs may differ from estimates which might increase the net liabilities in liquidation Current versus non-current classification.

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

2.2 Use of estimates and judgements

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

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

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

- Revenue recognition
- Provision for income tax and recoverability of deferred tax assets
- Fair Value measurement of financial instruments
- Allowance for credit losses on receivables

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

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements, has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and, based on the current estimates, expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements.

2.3 Foreign currency translation

i) Functional and presentation currency

These financial statements are presented in Israeli New Shekel (ILS) which is the functional and presentation currency of the company. Functional currency is determined based on the primary economic environment in which the entity operates. For each entity the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

ii) Transactions and balances

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in net profit in the statement of profit and loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

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

2.4 Income taxes

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

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

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

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

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries, branches and interest in joint arrangements where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

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

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

2.5 Inventories

Inventories are stated at the lower of cost and net realisable value.

Costs of inventories are determined on a weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Inventories are valued in accordance with the below method of valuation.

- i) Raw materials & consumables: Valued at cost or net realisable value whichever is less. Cost includes purchase costs and other costs incurred in bringing the inventories to their present location and condition.

- ii) Stores and spares: Valued at cost. Cost includes purchase costs and other costs incurred in bringing the inventories to their present location and condition.
- iii) Work in progress & finished Goods: Valued at cost or net realisable value whichever is less. Costs includes direct material costs, wages and applicable overheads.

2.6 Cash and cash equivalents:

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

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

2.7 Equity Share Capital:

Ordinary shares are classified as equity. Shares bought back are shown as a deduction from equity. No gain or loss is recognised in the statement of profit or loss on purchase, sale, issue or cancellation of equity instruments. Incremental costs directly attributable to the issuance of equity shares or buyback of equity shares are recognised as a deduction from equity, net of taxes.

2.8 Provisions and contingent liabilities

Provisions

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

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

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

Contingencies

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

2.9 Revenue

- a) **Sale of products:** Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the products.

- b) **Sale of Service** : Revenue from services is recognised on accrual basis for services rendered and billed as per the terms of specific contract, which is on the basis of cost expended plus an agreed profit margin.

Revenue from contract with customers is recognised by applying revenue recognition criteria specified in Ind AS 115 for each distinct performance obligation. The arrangement with customer specify services to be rendered which meet criteria of performance obligations. For allocation, transaction price, the Company measures the revenue in respect of each performance obligation of a contract at its relative standalone selling price.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to an existing contract are distinct and whether the pricing is at the standalone selling price. Services that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted for prospective, either as a separate contract, if the additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

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

The Company accounts for volume discounts and pricing incentives to customers as a reduction of revenue based on the ratable allocation of discounts/incentives to each of the underlying performance obligation that corresponds to the progress by the customer towards earning the discount/incentive.

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

2.10 Other income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and rate applicable in the transaction.

Dividend income is recognised when the Company's right to receive dividend is established.

Foreign currency gains and losses are reported on net basis. This includes the changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through statement of profit and loss.

2.11 Employee benefit plans

Defined contribution plans

The Company provides a defined contribution plan benefit through the Cyient Inc. 401(K) Benefit Plan to all of its eligible employees. The plan is administered by the Company while the trustee for the plan is an external agency. The contribution from the Company is at the discretion of the Board of Directors of Cyient Inc.

Defined benefit plans

Compensated absences

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

Medical benefits

In Cyient Inc, medical insurance plan is offered to the associates on self-insured basis which consists of fixed costs of administration charges and stop loss insurance that are charged on a per associate and monthly claims being settled from fund maintained by third party insurance fund. At the end of every calendar year, the insurance agency provides an estimate of "Claims Not Yet Received" computed on actuarial valuation based on number of associates and claims received over the last 12 months. This estimate is extrapolated on the basis of the closing enrolments as of March 31 and the management creates a liability for medical expenses.

Other short-term employee benefits

Other short-term employee benefits, including overseas social security contributions and performance incentives expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders service.

2.12 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 statement of profit and loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is determined by adjusting the statement of profit and loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees and RSU's outstanding.

2.13 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

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

The Chief Operating Decision Maker (CODM) reviews the business as two operating segments - 'Services' and 'Design led Manufacturing' (DLM), and in accordance with the core principles of Ind AS 108 - 'Operating Segments', these have been considered as the reportable segments of the Company.

2.14 Financial instruments

(A) Initial recognition:

Financial assets and financial liabilities are recognised when a Company entity 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. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial

liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and 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 assets at fair value through other comprehensive income: A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

iii) Financial assets at fair value through profit or loss: Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss.

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

b. Derivative financial instruments:

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income/expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

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

d. Foreign exchange gains and losses

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.
- Changes in the carrying amount of investments in equity instruments at FVTOCI relating to changes in foreign currency rates are recognised in other comprehensive income.
- For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in statement of profit and loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.
- For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.
- The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in statement of profit and loss.

2.15 Determination of fair values

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

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

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

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

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

2.16 Impairment of assets

a. Financial assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through statement of profit and loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12 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.

2.17 Exceptional item

Significant gains/losses or expenses incurred arising from external events or based on corporate action which are not expected to recur are disclosed as 'Exceptional item'.

3. Trade receivables

Particulars	As at	
	March 31, 2024	March 31, 2023
Trade receivables		
Unsecured, considered good *	2,136,606	2,136,606
Trade receivables - significant increase in credit risk	-	-
Less: Expected credit loss allowance	-	-
Total	2,136,606	2,136,606

* Includes amount receivable from related parties.

Note:

Expected Credit Loss(ECL):

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

Ageing for trade receivables	As at March 31, 2024						Total
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Considered good	-	-	23,359	1,412,117	269,030	431,699	2,136,206
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	-	-	23,359	1,412,117	269,030	431,699	2,136,206
Less : Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	-	-	23,359	1,412,117	269,030	431,699	2,136,206

Ageing for trade receivables	As at March 31, 2023						Total
	Not Due	Less than 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables							
Considered good	-	23,359	1,412,117	269,030	431,699	-	2,136,206
Credit impaired	-	-	-	-	-	-	-
Disputed trade receivables							
Considered good	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
Total	-	23,359	1,412,117	269,030	431,699	-	2,136,206
Less : Allowance for expected credit loss	-	-	-	-	-	-	-
Balance at the end of the year	-	23,359	1,412,117	269,030	431,699	-	2,136,206

4. Cash and cash equivalents

Particulars	As at	
	31-Mar-24	31-Mar-23
Balances with banks in current accounts	37,947	47,947
Total	37,947	47,947

5. Other financial assets

Particulars	As at	
	31-Mar-24	31-Mar-23
Current (at amortised cost)		
Security Deposits - Unsecured, considered good	15,000	15,000
Total	15,000	15,000

6. Other assets

Particulars	As at	
	31-Mar-24	31-Mar-23
Current : (at amortised cost)		
Advance To Suppliers	290,266	290,266
Total other current assets	290,266	290,266

7. Equity share capital

Particulars	As at	
	March 31, 2024	March 31, 2023
Issued and subscribed capital:		
1,817,100 (March 31, 2022 : 1,817,000) fully paid up equity shares of ILS 1/- each	1,817,100	1,817,100
Total	1,817,100	1,817,100

(A) Reconciliation of the number of shares outstanding:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	Amount	Number of shares held	Amount
Opening Balance	1,817,100	1,817,100	1,817,100	1,817,100
Closing Balance	1,817,100	1,817,100	1,817,100	1,817,100

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

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Cyient Limited (Holding company)	1,817,100	100.00%	1,817,100	100.00%

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.

(C) Details of Shares held by promoters at the end of the year

Name of the promoter	As at March 31, 2024		
	Number of shares held	% holding of equity shares	% Change during the Year
Cyient Limited (Holding company)	1,817,100	100.00%	0%

Name of the promoter	As at March 31, 2023		
	Number of shares held	% holding of equity shares	% Change during the Year
Cyient Limited (Holding company)	1,817,100	100.00%	0%

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

The Company has only one class of equity shares having a par value of ILS 1/- 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.

8. Other equity

Particulars	As at	
	March 31, 2024	March 31, 2023
Retained earnings		
Opening balance	317,049	254,757
Profit for the year	(10,000)	62,292
Closing balance	307,049	317,049

9. Trade Payables

Particulars	As at	
	March 31, 2024	March 31, 2023
Total outstanding dues*	495,651	495,651
Total	495,651	495,651

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

Ageing for trade payable	As at March 31, 2024						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Others	75,651	-	-	420,000	-	-	495,651
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	75,651	-	-	420,000	0	-	495,651

Ageing for trade payable	As at March 31, 2023						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Others	75,651	-	420,000	0	-	-	495,651
Disputed dues - Others	-	-	-	-	-	-	-
Balance at the end of the year	75,651	-	420,000	0	-	-	495,651

10. Other liabilities

Particulars	As at	
	March 31, 2024	March 31, 2023
Current		
Advance from customers	28,515	28,515
Statutory Dues	15,058	15,058
Total	43,573	43,573

11. Income Taxes

11.1 Tax Expense

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

Particulars	As at	
	March 31, 2024	March 31, 2023
Current Tax		
In respect of current year	-	-
In respect of prior years	-	-
Total	-	-

B. Reconciliation of effective tax rate

The following is the reconciliation of the Company's effective tax rate for the year ended March 31, 2023 and 2024:

Particulars	As at	
	March 31, 2024	March 31, 2023
Profit before tax	(10,000)	62,292
Enacted Tax Rate	23%	23%
Computed expected tax expense	(2,300)	14,327
Effect of expenses that are deductible in determining taxable profit	2,300	(14,327)
Income tax expense	-	-
Effective tax rate	0.0%	0.0%

11.2 Income tax assets and liabilities

Particulars	As at	
	March 31, 2024	March 31, 2023
Current		
Income tax assets, net		
Income tax asset	183,554	183,554
Total	183,554	183,554

12. Revenue from operations

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue from services	-	702,949
Total	-	702,949

1. Disaggregated revenue information

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

Particulars	For the year ended	
	March 31, 2024	March 31, 2023
Revenues by contract type		
Services	-	702,949
Total	-	702,949
Revenues by Geography		
India	-	702,949
Total	-	702,949
Revenues by Timing of recognition		
Goods and services transferred		
- At a point in time	-	-
- Over time	-	702,949
Total	-	702,949

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

(All amounts in ILS, unless otherwise stated)

13. Other income

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Miscellaneous income	-	-
Total	-	-

14. Employee benefits expense

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries and wages, including bonus	-	618,778
Total	-	618,778

15. Other expenses

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Legal and professional charges	-	-
Provisions, no longer required	-	(22,449)
Rates and taxes	-	-
Foreign exchange loss (net)	-	(6,369)
Auditor's remuneration (excluding applicable taxes)	10,000	21,982
Miscellaneous expenses	-	28,715
Total	10,000	21,879