



**JASH ENGINEERING LTD.**

**44<sup>th</sup> Annual Report  
(2017-18)**



*Contributing to a sustainable environment*



## **JASH ENGINEERING LIMITED**

CIN : L28910MP1973PLC001226

### **Board of Directors**

Mr. L.D. Amin (Managing Director)

Mr. Pratik Patel (Managing Director)

Mr. Axel Schutte (Director)

Mr. K. Mukundan (Nominee Director up to 12.04.18 )

Mr. Brij Mohan Maheshwari (Independent Director)

Mr. Durgalal Tuljaram Manwani (Independent Director)

Mr. Sunil Choksi (Independent Director)

Ms. Sunita Kishnani (Independent Director)

Mr. Dharmendra Jain (Chief Financial Officer)

Mr. Tushar Kharpade (Company Secretary)

### **Bankers**

State Bank of India

Commercial Branch, GPO, Indore - 452 001 (M.P.)

HDFC Bank Ltd.

South Tukoganj Branch,, Indore - 452 001 (M.P.)

### **Statutory Auditors**

Walker Chandiook & Co. LLP  
(Formerly Walker Chandiook & Co.)  
Chartered Accountants

21st Floor, DLF Square, Jacaranda Marg  
DLF Phase-II, Gurgaon-122 002. India

### **Internal Auditors & Corporate Advisors**

Mahesh C. Solanki & Co. (Chartered Accountants)  
803, Airent Heights, PU-3, Sch. No. 54  
Opp. Malhar Mega Mall, A.B. Road, Indore

### **Cost Auditors**

M.P. Turukhia & Associates (Cost Accountants)  
404, Shalimar Corporate Centre  
8-B, South Tukoganj, Indore - 452 001

### **Secretarial Auditor**

M/s. D.K. Jain & Company  
401-402, 4th Floor, Silver Arc Plaza  
Janjeerwala Square, Indore 452 001

### **Registrar and Share Transfer Agent**

Link Intime India Pvt. Ltd.  
C101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400083

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### **44<sup>th</sup> Annual General Meeting**

at 11:30 am on Friday, 21st September, 2018  
At the Registered Office of the Company

## HIGHLIGHTS OF THE YEAR

1. The company successfully came out with a public issue on NSE emerge platform and gave exit to Pragati India Fund and also raised funds for capital expansion to meet future growth on account of recent acquisition and for working capital requirements.



2. Acquisition of Rodney Hunt plant at Orange, Massachusetts was completed in the year and the plant will be re-started at a reduced scale from mid 2018. Out of the approx. 400,000 sq feet of constructed area the company intends to retain about 60,000 sq feet for its new plant and office and sell of the balance facility.



## HIGHLIGHTS OF THE YEAR

3. Acquired land for the proposed unit 4 at Pithampur SEZ and construction of plant started in mid March 2018. This plant of approx. 50,000 Sq. feet will be ready by end of year and will be used for production of stainless steel gates for Rodney Hunt and export markets and screens for worldwide market.
4. Produced and started delivery of large Screw turbines for 5.15 MW SSNNL project. The Installation work is now in progress and the project is expected to be commissioned by end of 2018.



5. Developed & manufactured special seawater intake Travelling band screens for RSPL SODA ASH Package Project at Jamnagar, Gujrat. The length of screen is approx. 25 meters and the width of screen is 1.5 meters and with 2 mm perforations it is the biggest screen in India for such application.

6. Developed & manufactured big raw water intake Travelling band screens for supply to L&T for Vishakhapatnam Steel Plant Project. The approx. length of Screen is 30 meters and the width of Screen is 4 meters and is again one of the biggest screens for raw water intake in India.



7. Developed & manufactured Vane Gates and butterfly gates for Enviro Control Surat & Rodney Hunt USA. The company is now geared to develop complicated products to suit specific clients requirement.

## NOTICE

Notice is hereby given that the Forty Fourth Annual General Meeting of Jash Engineering Limited will be held as per the schedule given below:

Day & Date	:	Friday, 21 <sup>st</sup> September 2018
Time	:	11:30 AM (IST)
Venue (Regd. Office)	:	31, Sector-C, Sanwer Road Industrial Area, Indore (M.P) - 452015, INDIA

### Ordinary Businesses:

- 1 To receive, consider and adopt:
  - a Audited standalone financial statements of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors' and Auditors' thereon;
  - b Audited consolidated financial statements of the Company for the financial year ended March 31, 2018, together with the Report of the Auditors' thereon.
2. To consider and declare Final Dividend of 10% on the face value of equity shares for the year 2017-18.
3. To ratify the appointment M/s Walker, Chandiook & Co.LLP, Chartered Accountants (Firm Reg. No. 001076N/N500013), Gurgaon as Auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the 45<sup>th</sup> Annual General Meeting and to fix their remuneration. In this connection if thought fit, to consider and pass the following resolution:

**“RESOLVED THAT** pursuant to provisions of section 139, 142 and all other provisions if any of Companies Act, 2013 & rules framed thereunder as amended from time to time. The company hereby ratifies the appointment of M/s Walker, Chandiook & Co.LLP Chartered Accountants, Gurgaon (Firm Reg. No. 001076N/N500013) as auditors of the company for the financial year 2018-19 and to hold office from the conclusion of this Annual General Meeting up to the conclusion of the 45<sup>th</sup> Annual General Meeting and that the Board of Directors be and are hereby authorised to fix the remuneration that may be paid in respect of the audit.”\

4. To appoint a Director in place of Mr. Axel Schutte (DIN: 02591276) who retires by rotation and, being eligible, offers himself for re-election.

Mr. Axel Schutte (DIN: 02591276) is a Director as per details shared in the Enclosure I to this Notice and Explanatory Statement attached thereto who is liable to retire by rotation at this meeting has offered his candidature for re-appointment being eligible. Accordingly he will continue as Director of the Company till the Annual General Meeting and his re-appointment is proposed hereof.

### Special Businesses:

5. To consider and, if thought fit to pass with or without modification(s), the following resolution for the approval of Related Party Transactions as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) subject to any modification and re-enactment thereof and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), approval, the consent, sanction, permission or approval as the case may be of the members of the company be and is hereby accorded to the board of directors to enter into any contract or arrangements with related parties on behalf of Jash Engineering Limited and its subsidiary as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or reimbursement of any transaction or any other transaction of whatever nature with related parties as per details shared in the Enclosure II to this Notice and Explanatory Statement attached thereto, for the period commencing from the date of the 44<sup>th</sup> AGM and ending at the date of the 45<sup>th</sup> AGM.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution.”

6. To consider and if, thought fit to pass with or without modification(s), the following resolution for ratifying the remuneration of Cost Auditor of the Company as an Ordinary Resolution:-

**"RESOLVED** that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of the Cost Auditors for the Company, made by the Board of Directors of the Company, to conduct the audit of the cost records of the company for the financial year ending March 31, 2019, be and is hereby ratified and approved and the cost auditors for the said audit, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

7. To approve appointment of Mr. Vishwapati Trivedi (DIN: 00158435) as Independent Director for a term of 5 (five) consecutive years w.e.f. 13<sup>th</sup> August 2018 and in this regard consider and if though fit to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Companies Act, 2013 and the provisions of the SEBI (LODR) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Vishwapati Trivedi (DIN: 00158435), who was appointed by the Board as an Additional Director under the category of Independent Director w.e.f. 13<sup>th</sup> August 2018, in terms of Section 161 of the Companies Act, 2013 and Article of Association of the Company and in respect of whom the Company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing candidature of Mr. Vishwapati Trivedi (DIN: 00158435), for the office of Director and a declaration has been received from him confirming that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years w.e.f. 13<sup>th</sup> August 2018 and his office shall not be liable to retire by rotation.

**RESOLVED FURTHER THAT** Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, things and matters as it may have deemed necessary to give effect to above resolution."

By order of the Board  
Jash Engineering Limited

Place: Indore  
Date: 13<sup>th</sup> August 2018

Sd/  
Tushar Kharpade  
Company Secretary  
& Compliance Officer

**Notes:**

1. The statement pursuant to Sec. 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of Notice.
2. **A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, duly completed, stamped and signed, should however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting (on or before September 19<sup>th</sup>, 2018 11:00 hrs IST). Proxies submitted on behalf of limited companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.**
3. **A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
4. In terms of Section 101 of the Act and Rule 18 of the Companies (Management and Administration) Rules, 2014, the Notice of AGM and other documents including the Annual Report are being sent in electronic mode by e-mail to those shareholders who

- have furnished their e-mail address in their demat accounts. However, Members may please note that they will be entitled to a hard copy of the Annual Report of the company and all attachments thereto upon receipt of a requisition, free of cost. Members interested to receive the documents in physical form may please give the intimation to the Company's Registrar Link Intime India Pvt. Ltd. at the earliest, duly quoting the demat A/c details. Alternatively, the request, duly quoting the Demat A/c details, may be sent by email at email id [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in). The company would also make available these documents on the Company's website viz., [www.Jashindia.com](http://www.Jashindia.com) for perusal and download by the shareholders. Also, the physical copies of Annual Report would be available at the Registered Office of the Company for inspection during office hours.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, will be available for inspection by the Members at the AGM.
  6. Book Closure and Record Date : The Register of Members and the Share Transfer Books of the Company will be closed from Saturday, September 15<sup>th</sup>, 2018 to Friday, September 21, 2018 (both days inclusive). The dividend, if declared at the AGM, will be paid in accordance of the Act, Regulations to those persons: (a) whose names appear as beneficial owners at the end of the business hours on Friday, September 14<sup>th</sup>, 2018 in the list of beneficial owners to be furnished by the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form; and (b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer Agents on or before Friday, September 14<sup>th</sup>, 2018.
  7. Company will be making the dividend payment by electronic mode wherever possible and by dividend warrant/ Bank demand drafts in other cases. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership details furnished by the Depositories (NSDL & CDSL) as at the close of business hours on Friday, September 14<sup>th</sup>, 2018 for this purpose. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant of the Members. Members who have changed their bank account after opening the Depository Account and want to receive dividend in an account other than the one specified while opening the Depository Account, are requested to change / correct their bank account details (including the nine digit Bank code) with their Depository Participant, before September 14<sup>th</sup> 2018.
  8. Unclaimed Dividend: Transfer to Investor Education and Protection Fund: Members are hereby informed that under the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ('the Fund') established by the Central Government. Further, pursuant to the provisions of section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividend remain unpaid / unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period.
  9. Members/proxyholders and authorised representatives are requested to bring to the Meeting, the duly filled in attendance slip enclosed herewith along with their copy of Annual Report. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the Board Resolution authorising representative to attend and vote on its behalf at the Meeting.
  10. In case of joint holders attending the Meeting, only such joint holder attending the Meeting who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
  11. Members are requested to: i) Intimate to the Company/ Company's Registrar & Share Transfer Agent, changes if any, in their respective addresses along with the pin code number at an early date. ii) Quote folio numbers in all their correspondences. iii) Consolidate holdings into one folio in case of multiplicity of folios with names in identical orders.
  12. Non- Resident Indian Shareholders are requested to inform the Company immediately the change in the residential status on return to India for permanent settlement.
  13. The route map to reach the venue of the Annual General Meeting including prominent land mark for easy location forms part of the Notice.
  14. The documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Sundays and Public Holidays) during business hours up to the date of the Meeting. The above said documents will be also available for inspection by the members at the Meeting.

15. Relevancy of question and the order of speakers will be decided by the Chairman. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the information ready.
16. Shareholders, who are holding the shares in electronic form, are requested to update their email IDs with the concerned demat account, to enable the Company / Registrar to send communications through e-mail.
17. Members are requested to send all communications relating to shares to our Registrar & Share Transfer Agent at the following address Link Intime India Pvt. Ltd, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. PH. 022 - 4918 6270 Fax - 022 - 4918 6060 E-mail: mumbai@linkintime.co.in
- 18. Instructions for Voting through electronic mode**
- In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the members are provided with the facility to exercise their right to vote electronically, through the e-voting services provided by M/s Link Intime (India) Pvt. Ltd. i.e. facility of casting the votes by the members using an electronic voting system from a place other than the venue of AGM (remote e-voting) on all the resolutions set forth in this Notice.
  - The voting period begins on Tuesday, September 18<sup>th</sup>, 2018 (09.00 a.m.) and ends on , September 20<sup>th</sup>, 2018 (5.00 p.m.). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, September 14<sup>th</sup> 2018 may cast their vote electronically. The e-voting module shall be disabled by M/s. Link Intime India Pvt. Ltd. for voting thereafter. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
  - Persons who have acquired shares and become members of the Company after the dispatch of notice and hold shares as on cut-off date of 14<sup>th</sup> September 2018 may obtain the login ID and password by sending request at the RTA, M/s. Link Intime India Pvt. Ltd at their e-mail enotices@linkintime.co.in
  - The results declared along with the Scrutinizer's Report, will be placed on the website of the Company www.jashindia.com and on the website of <https://instavote.linkintime.co.in> immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed viz. National Stock Exchange of India Limited (SME). The results shall also be displayed on the notice board at the Registered Office of the Company.

**Instructions for shareholders to vote electronically:**

**Log-in to e-Voting website of Link Intime India Private Limited (LIPL)**

- Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
- Click on "Login" tab, available under 'Shareholders' section.
- Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".
- Your User ID details are given below:
  - Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
  - Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
  - Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
- Your Password details are given below:

If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

<b>For Shareholders holding shares in Demat Form or Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.</li> </ul>
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> <li>Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv-c).</li> </ul>

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

**If Shareholders holding shares in Demat Form or Physical Form have forgotten password:**

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

**NOTE:** The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

**Cast your vote electronically**

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/View “Event No” of the company, you choose to vote.
- On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.  
Cast your vote by selecting appropriate option i.e. Favour/Against as desired.  
Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
- After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
- You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

**General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or Call us :- Tel : 022 - 49186000.

By order of the Board  
**Jash Engineering Limited**

**Place:** Indore  
**Date:** 13<sup>th</sup> August 2018

Sd/  
**Tushar Kharpade**  
Company Secretary  
& Compliance Officer

## ANNEXURE TO THE NOTICE

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

#### **Item No. 5**

Pursuant to Section 188 of the Companies Act, 2013 for entering related party transactions as mentioned in this section, the ordinary resolution is required to be passed by members in the meeting subjected to the prescribed share capital or Turnover. The list of such proposed transactions which are to be considered for approval of the members at the upcoming AGM is as per Enclosure II of this Notice & Agenda.

Since your company attracts this section and rules thereon, board of directors proposes this resolution for member's approval.

None of the Directors and Key Managerial Personnel of the Company except Mr. Pratik Patel (DIN: 00780920), Mr. Laxminandan Amin (DIN: 00007735), Mr. Axel Schutte (DIN: 02591276) or their relatives are concerned or interested in the said resolution save and except to the extent contracts or arrangements will pertain to related parties.

#### **Item No. 6**

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for all its existing manufacturing units for manufacture of Steel Products and Machinery and Mechanical appliances during the financial year ending March 31, 2019 as per the following details:

<b>Sr. No.</b>	<b>Name of Cost Auditor</b>	<b>Audit Fees (INR)</b>
<b>1.</b>	<b>M/s. M.P. Turakhia &amp; Associates</b>	<b>50,000/- plus Out of Pocket Expenses</b>

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018. Hence, your Directors recommend the above resolution for approval of the Shareholders as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution.

#### **Item No. 7**

The Nomination and Remuneration Committee and Board of Directors at their meeting held on 13th August 2018 have appointed Mr. Vishwapati Trivedi (DIN: 00158435), as an Additional Director under the category of the Independent Director of the Company pursuant to Section 161 of the Companies Act, 2013, subject to the approval of Members at General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, for the office of Independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013 and rules made thereunder. The Company has received from Mr. Vishwapati Trivedi (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013. The resolution set out in Item No. 7 seeks the approval of members for the appointment of Mr. Vishwapati Trivedi as an Independent Director of the Company for a term of 5 (five) consecutive years w.e.f. 13th August 2018 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder.

His office shall not be liable to retire by rotation. The brief profile of Mr. Vishwapati Trivedi is given hereunder the details of the directors seeking Appointment/Re-appointment.

In the opinion of the Board of Directors, Mr. Vishwapati Trivedi proposed to be appointed as Independent Director fulfils the conditions specified in the Act and the Rules made thereunder and he is independent of the Management.

No director, key managerial personnel or their relatives, except Mr. Vishwapati Trivedi, being the appointee, is interested or concerned in the resolution.

The Board recommends the Ordinary Resolution as set out in Item No. 7 of this Notice for approval of Members.

By order of the Board  
**Jash Engineering Limited**

**Place:** Indore  
**Date:** 13<sup>th</sup> August 2018

Sd/  
**Tushar Kharpade**  
Company Secretary  
& Compliance Officer

**BRIEF PROFILE AND PARTICULARS OF THE DIRECTORS SEEKING APPOINTMENT/  
RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING**

**Enclosure I to Notice of AGM 2018**

1	Name in Full	<b>Axel Schutte</b>	<b>Vishwapati Trivedi</b>
2	DIN	02591276	00158435
3	Age	66 years	64 Years
4	Father's name/ Husband name in full	Mr. Alfred Hans Schutte	Mr. Dharni Dhar
5	Business occupation	Business	Business
6	Present nationality	Germany	Indian
7	Nationality of origin	Germany	Indian
8	No. of shares held in the company	7,70,000 Eq. Shares	-
9	Educational Qualification	B.A. (Economics)	Phd. In Economics, Msc. Economics, LLB
10	Expertise/Experience in specific functional areas	He has an enormous experience of over 37 years in the Engineering	He has an enormous experience of over 35 years in the Administrative Services Industry in the various Govt. Departments

11	Date of first Appointment on the Board	30 <sup>th</sup> September 1995	Appointed as Additional Director w.e.f. 13 <sup>th</sup> August 2018 subject to approval of the members for a period of 5 yrs., not liable to retire by rotation
12	Relationship with other Directors, manager and Key Managerial Personnel of the company	Not relative of other Directors, manager and Key Managerial Personnel of the company	Not relative of other Directors, manager and Key Managerial Personnel of the company
13	List of outside Company's directorships/ Membership/ Chairmanship of Committees of other boards	NIL	ESSEL INFRA PROJECTS LIMITED

**Enclosure II To Notice of AGM 2018**  
**PROPOSED RELATED PARTY TRANSACTIONS 2018-19**

S. No.	Name Of The Related Parties	Nature Of Contracts/Arrangement/Transaction	Concerned Director	Nature Of Relationship	Proposed Duration of the Contracts/Arrangements/Transactions During the FY 2018-19	Salient Terms of the Contracts or Arrangement or Transactions	Monetary Value
1	Jash Precision Tools Ltd.	Sale	Mr. Pratik Patel Mr. L.D. Amin	Public Company in which Director is holding along with his relative more than 2% of its paid up share capital	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	10,00,00,000
2	Shivpad Engineers Pvt	Sale	Mr. Pratik Patel Mr. L.D. Amin	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	10,00,00,000/-
3	Jash USA Inc.	Sale	Mr. Pratik Patel Mr. L.D. Amin	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	10,00,00,000/-
4	Mahr Maschinenbau Ges.m.b.h	Sale	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-

5	Engineering & Manufacturing Jash Ltd.	Sale	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
6	Micro Flat Datums Pvt. Ltd.	Sale	Mr. Pratik Patel Mr. L.D. Amin	a private company in which a director or his relative is a member or director	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
7	Rodney Hunt INC.	Sale	SDS of JASH USA INC.	SDS of JASH USA INC.	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	50,00,000,00/-
8	Jash Precision Tools Ltd.	Purchase	Mr. Pratik Patel Mr. L.D. Amin	Public Company in which Director is holding along with his relative more than 2% of its paid up share capital	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
9	Shivpad Engineers Pvt Ltd.	Purchase	Mr. Pratik Patel Mr. L.D. Amin	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
10	Jash USA Inc.	Purchase	Mr. Pratik Patel Mr. L.D. Amin	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
11	Jash Precision Tools Limited	Job Work	Mr. Pratik Patel Mr. L.D. Amin	Through Shareholding	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	1,00,00,000/-
12	Jash USA Inc.	Job Work	Mr. Pratik Patel Mr. L.D. Amin	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	1,00,00,000/-

13	JASH Flowcon Engineers	Job Work	Mr. Pratik Patel Mr. L.D. Amin	A firm, in which a director , manager, or his relative is a partner	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	50,00,000/-
14	Micro Flat Datums Pvt. Ltd.	Labour	Mr. Pratik Patel Mr. L.D. Amin	a private company in which a director or his relative is a member or director	Continuous	As per agreed terms & on Arm's Length basis	50,00,000/-
15	Jash USA Inc.	Supply	Mr. Pratik Patel Mr. L.D. Amin	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	1,00,00,000/-
16	Patamin Investments Pvt Ltd.	Lease	Mr. Pratik Patel	a private company in which a director or his relative is a member or director	Continuous	As per agreed terms & on Arm's Length basis	2,00,00,000/-
17	Mahr Maschinenbau Ges.m.b.h	Commission	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length basis	50,00,000/-
18	Mahr Maschinenbau Ges.m.b.h	Services	Wholly Owned Subsidiary	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length basis	50,00,000/-

**FORM NO. MGT- 11**

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L28910MP1973PLC001226  
 Name of company : **JASH ENGINEERING LIMITED**  
 Registered office : Plot No. 31, C-Sector, Sanwer Road, Industrial Area, Indore-452 015 (M.P.) INDIA

Name of the member(s):.....
Registered address:.....
E-mail Id:.....
Folio No/ Client Id:.....
DP ID:.....

I/We, being the member (s) of..... shares of the above named company, hereby appoint

1. Name:.....  
 Address:.....  
 E-mail Id:.....  
 Signature:..... or failing him .....
2. Name:.....  
 Address:.....  
 E-mail Id:.....  
 Signature:..... or failing him .....
3. Name:.....  
 Address:.....  
 E-mail Id:.....  
 Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44<sup>th</sup> Annual General Meeting of the Company, to be held on the **Friday, 21st September, 2018** at 11.30 a.m. at Plot No. 31, C-Sector, Sanwer Road, Industrial Area, Indore-452 015 (M.P.) INDIA and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolutions	For	Aganist
	<b>ORDINARY BUSINESS</b>		
1.	The Audited financial statement of the Company for the financial year ending 31st March, 2018,		
2.	To consider and declare Final Dividend of 10% on the face value of equity shares for the year 2017-18		
3.	To ratify reappointment M/s Walker Chandiok & Co Chartered Accountants, Gurgaon as Auditors of the Company for the period commencing from the conclusion of this meeting till the conclusion of the 45 <sup>th</sup> Annual General Meeting to be held in year 2019 and to fix their remuneration.		
4.	To appoint a Director in place of Mr. Axel Schutte (DIN: 02591276) who retires by rotation and, being eligible, offers himself for re-election.		
	<b>SPECIAL BUSINESS</b>		
5.	To consider and, if thought fit to pass with or without modification(s), the following resolution for the approval of Related Party Transactions as an Ordinary Resolution		
6.	To consider and if, thought fit to pass with or without modification(s), the following resolution for ratifying the remuneration of Cost Auditor of the Company as an Ordinary Resolution		
7.	To approve appointment of Mr. Vishwapati Trivedi (DIN: 00158435) as an Independent Director for a term of 5 (five) consecutive years w.e.f. 13 <sup>th</sup> August 2018 and in this regard consider and if though fit to pass with or without modification(s), the following resolution as an Ordinary Resolution		

Signed this..... day of..... 2018



Signature of shareholder

Signature of Proxy holder(s)

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. A proxy need not be a member of the Company.
- \*3. Please put a ' ' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Forty Fourth Annual General Meeting of the Company.

**JASH ENGINEERING LIMITED**

CIN: L28910MP1973PLC001226

Regd. Office: Plot No. 31, C-Sector, Sanwer Road, Industrial Area, Indore-452 015 (M.P.) INDIA

**44<sup>th</sup> Annual General Meeting  
ATTENDANCE SLIP**

ANNUAL GENERAL MEETING ON Friday , 21st SEPTEMBER, 2018

Registered Folio No/ Client Id No .....

Full Name of Member (in BLOCK LETTERS) No. of .....

Shares held .....

I/We certify that I/We am/are registered shareholder/ proxy for the registered shareholder of the Company.

I/We hereby record my/our presence at the 44<sup>th</sup> Annual General Meeting of the Company at Plot No. 31, C-Sector, Sanwer Road, Industrial Area, Indore-452 015 (M.P.) INDIA on Friday, 21st September, 2018.

\_\_\_\_\_  
(Member)  
(Name in BLOCK LETTERS, if signed by Member)

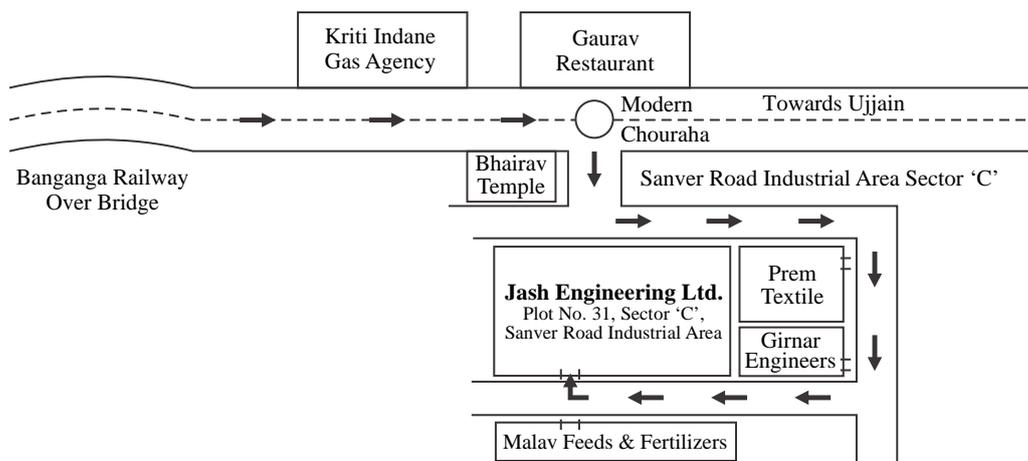
\_\_\_\_\_  
(proxy's Signature)  
(Name in BLOCK LETTERS, if signed by proxy)

**Note:**

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

Electronic copy of the Annual Report for 2017-18 and Notice of Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip

**Map For AGM Venue**



## DIRECTOR'S REPORT

To,  
The Members of  
**JASH ENGINEERING LIMITED**

Your Directors have pleasure in presenting the 44<sup>th</sup> Directors' Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31<sup>st</sup> March, 2018.

### 1. FINANCIAL HIGHLIGHTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The standalone and consolidated financial highlights of your Company for the Financial Year ended March 31<sup>st</sup>, 2018 are summarized below:

#### A. STANDALONE FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	2017-18	2016-17
Sales and other Income	15461.79	14782.89
Expenditure other than financial charges and depreciation	13479.6	12416.47
Gross Profit before Interest, Depreciation & Taxes	1982.19	2366.42
Less: Interest & Financial Charges	606.56	537.07
Depreciation	447.47	387.63
Less: Earlier years adjustments	-	-
<b>Net profit before tax for the year</b>	<b>928.16</b>	<b>1441.72</b>
Provisions for tax	176.63	369.15
Minimum Alternate Tax--Deferred Tax Liabilities / (Assets)	13.21	29.83
Previous year tax adjustments	4.81	8.71
<b>Net Profit after Tax</b>	<b>733.51</b>	<b>1034.03</b>
<b>No. of Equity Shares</b>	<b>11836598</b>	<b>9575400</b>
<b>Earnings Per Share</b>	<b>6.9</b>	<b>10.8</b>

#### B. CONSOLIDATED FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	2017-18	2016-17
Sales and other Income	17958.4	16116.02
Expenditure other than financial charges and depreciation	16581.07	13696.04
Gross Profit before Interest, Depreciation & Taxes	1377.33	2419.98
Less: Interest & Financial Charges	680.89	552.15
Depreciation	574.3	386.87
Less: Earlier years adjustments	-	-
<b>Net profit before tax for the year</b>	<b>122.14</b>	<b>1480.96</b>
Provisions for tax	209.31	435.16
Minimum Alternate Tax--Deferred Tax Liabilities / (Assets)	-	126.9330.9
Previous year tax adjustments	6.14	6.75
<b>Net Profit after Tax</b>	<b>33.62</b>	<b>1008.15</b>
<b>No. of Equity Shares</b>	<b>11836598</b>	<b>9575400</b>
<b>Earnings Per Share</b>	<b>0.28</b>	<b>10.53</b>

## **2. STATE OF AFFAIRS OF THE COMPANY:**

Your Company is engaged in manufacturing of water control gates, flap valves, knife gates valves, energy dissipating valves, water hammer control valves, fine and coarse screens, screening conveying, washing and compaction equipment, industrial valves for bulk solids handling, hydro power screw generator, screw pump and process equipment like detritors, clarifiers, clariflocculators, thickeners, decanters aerators, trickling filters, dissolved air flotation (DAF) units, rotary drum slackers, rake classifiers, pressure sand filters, etc.. The products of your Company find application in water intake systems, water and waste water pumping stations and treatment plants, storm water pumping stations, water transmission lines, power, steel, cement, paper & pulp, petrochemicals, chemical, fertilizers and other process plants.

Your Company offers a single stop solution under one roof including Design, Casting, Fabrication, Assembly & Testing and provides the most varied range of these products in largest possible sizes in diversifies material options. In fact not many companies in our line of business can claim this. Our manufacturing facilities are equipped with most updated and modern manufacturing techniques enabling us to produce best quality and in most competitive prices for the type of product technology that we offer. In the domestic market the company is a distinct leader in most of the product groups and in the international markets the company is edging towards leadership position for water control gates, screens and knife gate valves in many individual countries.

Your Company's aims to be within the best companies in the world in its line of business and within first 5 worldwide in water control gates business. To achieve this the company is continuously investing in state of art facility and modern technology in all its facilities as well as in design department. Your Company with its team of over 500 employees is committed to offer the most varied range and latest technology in each of its products. To ensure this your Company is continuously investing in development of new products & technologies, either on its own or through collaboration with suitable technology partner or through acquisitions. This has enabled your Company to become an industry leader within India and in many countries worldwide in most of the products manufactured by the company and also ensured acceptance of our products worldwide. As a result the company today supplies products to over 40 countries worldwide and aims to achieve 60-65% of its turnover from exports by 2021-22.

### **(A) YEAR IN RETROSPECT**

#### **(i) PERFORMANCE**

The financial year 2017-18 was below average for the company as no significant growth was achieved in the company's turnover. The small growth that was achieved was on the basis of high growth achieved in export business.

The standalone total revenue of the Company for the year at Rs. 15461.79 lacs (Rs. 1546.17 million) shows a growth of approximately 4.6 % over the previous year turnover of Rs. 14782.90 lacs. (Rs. 1478.28 million). The standalone domestic sales of the Company during the year was Rs. 9781.46 lacs (Rs. 978.14 million) as compared to previous year sales of Rs. 10216.46 lacs (Rs. 1021.64 million), exhibiting a decrease of 4.4% over the previous year. The standalone export sales of the Company during the year was Rs. 5175.95 lacs (Rs. 517.59 million) as compared to previous year sales of Rs. 4319.29 lacs (Rs. 431.92 million), exhibiting an increase of 19.83 % over the previous year.

The net profit of the Company for the year was Rs. 733.51 lacs (Rs. 73.31 million) as compared to previous year net profit of Rs. 1034.02 lacs (Rs. 103.40 million), exhibiting a decrease of 29.6 % over the previous year. The Net profit decreased as a result of not achieving the desired growth in sales turnover because of which the fixed overheads ate away the profits. Most of infrastructure companies in India are under financial stress and not being able to pay advances in time or open LC or make payment and take delivery of ordered materials. Once a client is not able to take delivery of a lot of finished goods in time and delays in making payment, the Company prefers to slow down on production of subsequent lots of the ordered material of this client. As a result of this situation there is a general delay in ensuring that pre-decided sales targets are met even when enough orders are available.

Other reasons for reduction in net profit was addition of new products in portfolio of Company products during the year as these products were competitively priced to get break throughs in market and sale of products to Rodney Hunt at a competitive price to grow presence in US market.

#### **(ii) PRODUCT DEVELOPMENT**

The highlight of the year was the effort put in by the company in bringing to production those new products which were taken up for development in the year 2016-17 such as Rodney Hunt Integral guide cast iron sluice gate , Knife gate valves of ZFI Series in Ductile / Cast iron , Screw Conveyors for Bulk Handling, Tilting weir gates etc.

**(B) PROSPECTS FOR YEAR 2018-19****(i) DOMESTIC MARKET SITUATION:**

The domestic order book position of the Company as on 1<sup>st</sup> August 2018 (Orders in hand as on 1<sup>st</sup> April 2018 plus orders received till 31<sup>st</sup> July 2018 less sales effected till 31<sup>st</sup> July end 2018) is Rs. 11762.60 Lacs

Further orders worth Rs. 686.8 lacs (Rs. 68.68 million) are already negotiated and expected to be received within next two month from domestic market.

Overall the company performance in the domestic market is expected to improve based on possible revival in the Indian water and waste water projects business, strong order book position, new product launches and general improvement in projects execution. The only cause of worry in achieving this is the strict financial norms put in place by banks in India for funding of infrastructure companies which may not allow them to achieve projects execution in time resulting into our not being able to meet our sales target.

**(ii) INTERNATIONAL MARKET SITUATION:**

The export order book position of the Company as on 1<sup>st</sup> August 2018 (Orders in hand as on 1<sup>st</sup> April 2018 plus orders received till 31<sup>st</sup> July 2018 less sales effected till 31<sup>st</sup> July 2018) is Rs.8089.90 Lacs.

Further orders worth Rs. 684.4lacs (Rs. 68.44million) are already negotiated and expected to be received within next two month from export market.

Overall the company performance in the international market is expected to improve based on healthy response to its product in the North American market after acquisition of Rodney Hunt, entry into new markets and value engineering initiatives to improve product performance and reduce the cost of products. As a result of all these initiatives and the strong order book position, the company expects to significantly improve on export sales in the year 2018-19 and achieve a growth of over 50%. The company does not expect any major turbulence in execution of export orders due to possible trade restrictions in USA or due to Brexit or the prevailing situation in middle east.

**(iii) SALES GROWTH:**

The total order book position of the company as on 31<sup>st</sup> July 2018 (Orders in hand as on 1<sup>st</sup> April 2018 plus orders received in from 1<sup>st</sup> April 2018 till 31<sup>st</sup> July less sales effected till 31<sup>st</sup> 2018) is Rs. 19,852 lacs (Rs. 1,985 Million).

The company has already achieved sales of over Rs. 5,900lacs (Rs. 590 million) till 31<sup>st</sup> July 2018 and in the remaining 8 months the Company expects to achieve further sales of Rs 14,000 lacs (Rs. 1,400 million) thereby achieving standalone sales in excess of Rs 20,000 lacs (Rs. 2,000 million).

As a result of strong order book position, improving projects execution in the Indian market due to impending elections and higher proportion of exports, the company is quite hopeful that any shortfall in targeted sales from Indian domestic market in the current year may be covered by the gains that company expect from the export markets and in the process still achieve the projected growth for the year 2018-19.

**(iv) COMPETITIVE ANALYSIS :**

The water & wastewater equipment business in the country is consolidated due to the high up front capital investment as well as complex technology and brand approval process required to enter the segment. This high entry barrier has prevented the entry of smaller players to the sector which is dominated by a select few mid size domestic companies as well as large international companies.

Even the large international companies after over 10 years in the domestic market do not find it easy to establish themselves strongly and achieve scale of operations because of these entry barriers and are hence regularly approaching strong domestic players for some strategic tie up or acquisition. The products being majorly custom built in nature and requiring a tough process of design submittal and review ensures that Chinese companies and products does not find easy approval in most English speaking countries including India.

**(c) NEW DEVELOPMENTS:****(i) SAP IMPLEMENTATION**

The initiative was taken to implement SAP Business One platform in the company in mid 2017 and the go live stage is expected to be reached in August 2018.

**(ii) DESIGN & PRODUCT DEVELOPMENT ACTIVITIES**

3D Drawing Environment and Auto Generation of Drawings : The company has achieved stupendous progress in Auto generation of drawings and the products for which software is ready we are now able to complete the work of General Arrangement Drawings and Manufacturing drawings within less than 10% of the time taken earlier. Investment in Auto Generation of drawings will result into our being able to cut down the total delivery period by up to 25 days from that existing earlier, reduce error, significantly improve profitability of the company in the long term due to peripheral benefits accrued.

**(iii) RODNEY HUNT IN USA:**

The Company acquired the brand and entire manufacturing plant and assets of Rodney Hunt at Orange, Massachusetts for \$ 4.27 Million by August 2017. Out of this, the Company has :

- Sold equipment and machinery worth \$ 0.37 Million in USA ,
- Sold equipment and machinery worth \$ 0.15 Million to Indian operations
- Will sell equipment & inventory worth \$ 0.13 Million to Indian operations in August / Sept 2018,
- Retain Brand, IP rights , patents , plant, equipment and machinery worth \$ 2.35 Million for itself at Orange,
- Sell rest of the plant and shed for \$ 1.275 Million to an interested buyer,

The Company has retained about 60,000 Sq. feet of plant shed with cranes & shifted the equipment required to start fabrication and assembly plant to this area so as to start US manufacturing facility. The work on this US manufacturing facility is progressing as planned and production from this facility at Orange, Massachusetts will start by August 2018. This plant will employ 6-8 people and will bring in revenue of USD 2-3 million dollars a year from 2019 onwards by making screens, gates and valves. The primary reason for this limited facility is to meet the requirements of Build in America projects, for US manufacturing of those orders needing delivery period lesser than 10-12 weeks & for stocking of spare parts and products covered under quick ship program. All other large orders and orders needing longer lead times will be executed from Indian operations.

An in-principle agreement for the sale of balance land and plant at an approximate value of USD 1.275 million is already reached with a buyer and the final agreement is expected to be executed within August 2018 & proceeds realized in September 2018. Even after above is done some equipment is still required to be disposed off before the plant is handed over to buyer.

**(iv) INITIAL PUBLIC OFFERING**

The Directors are pleased to inform you that the Company's Initial Public Offering (IPO) of 4000800 Equity Shares of face value of Rs. 10/- (Rupees Ten only) by way of Book Built Process received an overwhelming response from the investors. The Issue was opened on 28.9.2017 and closed on 3.10.2017. The issue was oversubscribed by approx four times. The allotment cum offer for sale of 4000800 Equity Shares of Rs.10/- each for cash at a premium of Rs. 110/- per share aggregating to Rs. 4800.96 Lakhs under the said IPO was made on 11<sup>th</sup> October 2017. Subsequent to the completion of IPO, the paid up equity share capital of the Company got increased from Rs. 95.75 Lakhs to Rs.118.36 Lakhs. The trading of Equity Shares of the Company commenced on National Stock Exchange of India Limited (SME) on 11<sup>th</sup> October, 2017.

The success of IPO reflects the trust, faith and confidence that customers, business partners and markets have reposed in your Company. Your Director place their sincere thanks to all the investors and NSE (SME), Merchant Bankers and all the agencies for their guidance and support. The Company's equity shares are regularly being traded at the floor of the NSE SME platform.

**(v) UTILIZATION OF IPO PROCEEDS**

The proceeds realized by the Company from the Issue is being utilized as per the Objects of the Issue. The proceeds of the issue is being utilized for to meet working capital requirement of our Company, Expansion of Manufacturing facilities at Unit I, II and III, To acquire leased land and to set- up new manufacturing plant at SEZ Pithampur (i.e. Proposed Unit IV) and General Corporate Purposes. There has been no deviation in the utilization of the IPO proceeds of the Company and the Company has submitted statement towards the utilization of the issue proceeds under Note no. 44 of the notes to the accounts of the financials for the FY 2017-18.

**(vi) NEW MANUFACTURING PLANT AT SEZ PITHAMPUR (UNIT IV FOR RODNEY HUNT BUSINESS)**

The land was transferred in February 2018 and construction of civil works commenced in mid March. The work at the new Unit IV at Pithampur is now going very fast and all the civil works below floor level is complete and so now onset of monsoon will not affect the pace of work. PEB is delivered in June-July and installed during July –August period so that all the balance work like flooring and side civil walls can be done during monsoon period of July-Sept. Order for machinery will be placed in June - August so that these are delivered by Oct-Nov by when the civil construction of Unit IV is expected to be completed. The Company aim to commence trial production by Jan 2019 and commercial production at this facility from April 2019.

**3. DIVIDEND:**

The Board has recommend a dividend of 10% on f.v. of fully paid up shares i.e. Rs. 1/- per share of Rs.10/- each for the year 2017-18.

**4. DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of the knowledge and belief and according to the information and explanations obtained by them, your Directors confirms the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied

consistently. Judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018.

- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that they have prepared the Annual Accounts on a going concern basis;
- e. that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

#### 5. SHARE CAPITAL :

The paid up equity share capital of the Company was as on 31<sup>st</sup> March 2018 was 1183.65 lacs divided into 1,18,36,598 equity shares of Rs. 10/- each. During the year allotment cum offer for sale of 4000800 Equity Shares of ? 10/- each has issued for cash at a premium of ? 110/- per share aggregating to ? 4800.96 Lakhs under the Initial public offer as per the Prospectus date 4<sup>th</sup> October 2017. The Company has not issued shares with differential voting rights or granted stock option or sweat equity.

#### 6. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT,2013:

For the financial year ended 31<sup>st</sup> March, 2018, Your Company has not transferred any amount to General Reserve out of profits available for appropriation. During the year the Company has received security premium amount 2487.31 lacs in the public issue of 22.61 lacs equity shares of Rs. 10/- each at a premium of Rs. 110/- per share allotted on 7<sup>th</sup> October 2017 and the same transferred to Securities Premium Account.

#### 7. DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as on 31st March, 2018. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

#### 8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has complied in respect of loan & guarantees and investment pursuant to Section 186 of the Companies Act, 2013.

#### 9. CORPORATE SOCIAL RESPONSIBILITY:

The Company has developed and implemented Corporate Social Responsibility initiatives as the said provisions are applicable in view of the profits and turnover of the company, your Company was required to undertake CSR projects during the year 2017-18 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under “Corporate Social Responsibility (CSR)”, the Company has undertaken activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as “Annexure A”.

#### 10. PARTICULARS OF INTERNAL COMMITTEE AND COMPLAINTS RECEIVED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has constituted the Internal Committee under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 headed by the senior women employee of the Company. There is no complaint received during the year and pending at the ended financial year under provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Category	No. of complaints pending at the beginning of F.Y. 2017-18	No. of complaints filed during the F.Y. 2017-18	No. of complaints pending as at the end of F.Y. 2017-18
Sexual Harassment	Nil	Nil	Nil

#### OCCUPATIONAL HEALTH & SAFETY (OH&S)

This initiative involved positive engagement of personnel on the plant at every level with regard to safety, two key areas of focus were identified, namely Facility Management for the employees and Equipment, Tools & Material Management. The Facility Management initiative was implemented to ensure adequate welfare facilities for labor such as washrooms with

bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management Program ensured that the tools used by them were safe. The process of screening were aligned with the Company's objectives to ensure 'Zero Harm'.

#### **11. RISK MANAGEMENT:**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting.

#### **12. INTERNAL CONTROL:**

Given the nature of business and size of operations, Your Company's Internal Control System has been designed to provide for:

- ▶ Accurate recording of transactions with internal checks and prompt reporting.
- ▶ Adherence to applicable Accounting Standards and Policies.
- ▶ Compliance with applicable statutes, policies and management policies and procedures.
- ▶ Effective use of resources and safeguarding of assets.

The Internal Control System provides for well documented policies/guidelines, authorizations and approval procedures. Your Company, through its Internal Auditors M/s. Mahesh C Solanki & Co, Chartered Accountants, engaged as Internal auditors for the financial year 2017-18 carried out periodic audits at all locations and functions based on the plan approved by the Audit Committee and brought out any deviation to Internal Control procedures. The observations arising out of the audit are periodically reviewed and compliance ensured.

The summary of the Internal Audit observations and status of implementation are submitted to the Audit Committee. The status of implementation of the recommendations is reviewed by the Audit Committee on a regular basis and concerns, if any, are reported to the Board.

Your Company, as per the requirement of the Section 143 (3) (i) has carried out extensive testing of the internal financial controls in the Company which has also been duly audited by the Statutory Auditors of the Company and which have been found to be adequate and satisfactory.

#### **13. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES :**

The Company's Board of Directors, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, has framed 'Vigil Mechanism Policy' for Directors and employees of the Company. The policy is to provide a mechanism, which ensures adequate safeguards to employees and Directors from any victimisation on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, and so on. The Vigil Mechanism Policy is hosted on the Company's website. [www.jashindia.com](http://www.jashindia.com).

#### **14. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE OF THE COMPANY**

The details of wholly owned subsidiaries continuing having status of the same is given as required under section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014 in the FORM AOC-1 as containing part of the Annual Report annexed as "Annexure- B."

Further the Company does not have any associate or joint venture company at the beginning or closing or any time during the year 2017-18.

There are no companies which become/ceased to be subsidiaries, JVs or Associate during the year of your company.

In accordance with third provision of section 136(1) of the Companies Act, 2013 the Annual report of the company, containing therein its subsidiaries basis and the consolidated financial statements has been placed on the website of the Company. Further as per fourth proviso of the said section, audited annual accounts of the subsidiary company have also been posted on the website of the Company. The consolidated financial statement of the company is also annexed as containing part of the annual report.

## 15. BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

The Board of directors are comprising of total (7 Seven) Directors, which includes 4 (Four) Independent. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision making process and provide guidance to the executive management to discharge their functions effectively.

S.No.	Director Name	DIN	Designation
1.	MR. LAXMINANDAN AMIN	00007735	CHAIRMAN & MANAGING DIRECTOR
2.	MR. PRATIK PATEL	00780920	MANAGING DIRECTOR
3.	MR. AXEL SCHUTTE	02591276	DIRECTOR
4.	MR. DURGALAL TULJARAM MANWANI	07114081	INDEPENDENT DIRECTOR
5.	MR. SUNIL CHOKSI	00155078	INDEPENDENT DIRECTOR
6.	MR. BRIJ MOHAN MAHESHWARI	00022080	INDEPENDENT DIRECTOR
7.	MS. SUNITA KISHNANI	06924681	INDEPENDENT WOMEN DIRECTOR

### Board Independence

Our definition of 'Independence' of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company is having total 7 directors in the Board out of them the following directors are independent directors;

1. Mr. DurgalalTuljaram Manwani (w.e.f. 25.8.2017)
2. Mr. Sunil Choksi (w.e.f. 25.8.2017)
3. Mr. Brij Mohan Maheshwari (w.e.f. 25.8.2017)
4. Ms. Sunita Kishnani (w.e.f. 25.8.2017)

As per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years, but shall be eligible for re-appointment on passing of a special resolution by the Company and shall not be liable to retire by rotation.

### Declaration by the Independent Directors

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2017-18.

### Changes in Directors and Key Managerial Personnel

1. Mr. Tushar Kharpade having Membership of ICSI, who have been appointed as a Company Secretary of the Company w.e.f. 3<sup>rd</sup> April 2017.
2. Mr. Dharmendra Jain who was working as General Manager-Finance in the Company since last 10 years; was designated as Chief Financial Officer and Key Managerial Personnel of the Company w.e.f. 26<sup>th</sup> July 2017.
3. Mr. Rohit A. Patel (DIN: 00174467), Independent Director has resigned from the Board w.e.f. 25th August ,2017 vide his resignation letter dated 25th August 2017. The Board of Directors at their meeting held on 25th August 2017 accepted his resignation. Your Board place on record their sincere thanks for the valuable services rendered by them in the capacity of Independent Director of the Company.
4. Mr. Neeraj Desai (DIN: 003356873) Independent Director has resigned from the Board w.e.f. 25th August ,2017 vide his resignation letter dated 25th August 2017. The Board of Directors at their meeting held on 25th August 2017 accepted his resignation. Your Board place on record their sincere thanks for the valuable services rendered by them in the capacity of Independent Director of the Company.
5. Mr. DurgalalTuljaram Manwani (DIN: 07114081) has been appointed as Additional Director under Independent Category of the Company w.e.f. 25th August 2017 for a period of 5 years. His appointment was also approved by the Members at their Extra Ordinary General Meeting held on 28th August, 2017.

6. Mr. Sunil Choksi (DIN: 00155078) has been appointed as Additional Director under Independent Category of the Company w.e.f. 25th August 2017 for a period of 5 years. His appointment was also approved by the Members at their Extra Ordinary General Meeting held on 28th August, 2017.
7. Mr. Brij Mohan Maheshwari (DIN: 00022080) has been appointed as Additional Director under Independent Category of the Company w.e.f. 25th August 2017 for a period of 5 years. His appointment was also approved by the Members at their Extra Ordinary General Meeting held on 28th August, 2017.
8. Ms. Sunita Kishnani (DIN : 06924681) has been appointed as Additional Director under Independent Category of the Company w.e.f. 25th August 2017 for a period of 5 years. Her appointment was also approved by the Members at their Extra Ordinary General Meeting held on 28th August, 2017.
9. Mr. K Mukundan ( DIN: 02756249) has been resigned from the Board of Director w.e.f. 12<sup>th</sup> April 2018 due to their pre occupation. The Board of Directors at their meeting held on 29<sup>th</sup> May 2018 noted his resignation. Your Board place on record their sincere thanks for the valuable services rendered by them in the capacity of Nominee Director of the Company.

### MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business:

The notice of Board meeting is given well in advance to all the Directors. Meetings of the Board are held in Indore, at the Registered Office. The Agenda of the Board/Committee meetings is circulated at least a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The following Meetings of the Board of Directors were held during the Financial Year 2017-18:

S.No.	Date of Meeting
1.	26 <sup>th</sup> April 2017
2.	13 <sup>th</sup> July 2017
3.	25 <sup>th</sup> July 2017
4.	25 <sup>th</sup> August 2017
5.	18 <sup>th</sup> September 2017
6.	13 <sup>th</sup> November 2017
7.	2 <sup>nd</sup> February 2018

### 16. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under section 178(3), is annexed with the Report as "Annexure C" and is uploaded on company's website [www.Jashindia.com](http://www.Jashindia.com).

#### Annual evaluation by the Board

The evaluation framework for assessing the performance of directors comprises of the following key areas:

- I. Attendance of Board Meetings and Board Committee Meetings
- ii. Quality of contribution to Board deliberations
- iii. Strategic perspectives or inputs regarding future growth of company and its performance
- iv. Providing perspectives and feedback going beyond the information provided by the management
- v. Commitment to shareholder and other stakeholder interests

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board will not participate in the discussion of his/her evaluation.

#### CODE OF CONDUCT:

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company which is applicable with effect from the date of listing of the Company i.e. 11<sup>th</sup> October 2017 and same has been hosted on the website of the company [www.Jashindia.com](http://www.Jashindia.com).

## 17. COMMITTEES OF THE BOARD

The Company has following Committees:

### AUDIT COMMITTEE:

The Company has constituted Audit Committee as per requirement of section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The constitution of the Audit Committee was approved by the Board of Directors and was re-constituted as per requirements. The Audit Committee comprises of the following Directors of the Company:

The Composition of Audit Committee is as follow:

S.No.	Name	Nature of Directorship	Designation in Committee
1.	MR. BRIJ MOHAN MAHESHWARI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	CHAIRMAN
2.	MR. DURGALAL TULJARAM MANWANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER
3.	MR. SUNIL CHOKSI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER
4.	MR. PRATIK PATEL	EXECUTIVE DIRECTOR	MEMBER

### NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted a Nomination and Remuneration Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors and was re-constituted on requirements. The Nomination and Remuneration Committee comprises of the following Directors of the Company:

The Composition of Nomination & Remuneration Committee are as follow:

S.No.	Name	Nature of Directorship	Designation in Committee
1.	MS. SUNITA KISHNANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	CHAIRMAN
2.	MR. DURGALAL TULJARAM MANWANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER
3.	MR. BRIJ MOHAN MAHESHWARI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER

### STAKEHOLDERS' RELATIONSHIP COMMITTEE :

The Company has constituted a shareholder/investors grievance committee ("Stakeholders Relationship Committee") to redress complaints of the shareholders.

S.No.	Name	Nature of Directorship	Designation in Committee
1.	MR. SUNIL CHOKSI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	CHAIRMAN
2.	MS. SUNITA KISHNANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER
3.	MR. BRIJ MOHAN MAHESHWARI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER
4.	MR. PRATIK PATEL	EXECUTIVE DIRECTOR	MEMBER

### CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Company has constituted a CSR Committee in accordance with the provisions of section 135 of Companies Act, 2013. The constitution of the CSR Committee was approved by a meeting of the Board and reconstituted as per requirements. The CSR Committee comprises the following Directors:

S.No.	Name	Nature of Directorship	Designation in Committee
1.	MR. LAXMINARAYAN AMIN	MANAGING DIRECTOR	CHAIRMAN
2.	MR. BRIJ MOHAN MAHESHWARI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER
3.	MR. DURGALAL TULJARAM MANWANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER

### 18. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year 2017-18 were on Arm's Length Basis and were in the Ordinary Course of business. There are no materially significant Related Party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were approved by the Audit Committee on omnibus basis or otherwise and the Board. The transactions entered into by the company are audited. The Company has developed Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions. The information for the Related Party Transactions has been given in AOC-2 as "Annexure No D." The RPT Policy as approved by the Board is available on the Company's website. [www.jashindia.com](http://www.jashindia.com).

### 19. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

### 20. AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT

M/s Walker Chandio & Co LLP (Grant Thornton), Chartered Accountants (Firm Registration No. 001076N/N500013), the Statutory Auditors were reappointed for a term of 5 years at Annual General Meeting of the Company held on 30th Sept., 2017 and they have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013 and the rules framed hereunder for ratification by the Members for appointment as Statutory Auditors of the Company for Financial Year 2017-18. As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Your Board is pleased to inform that there is no such observation made by the Auditors in their report which needs any explanation by the Board.

### SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s D. K. Jain & Co., Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year, 2017-18. The Report of the Secretarial Auditors in Form MR-3 is annexed herewith as "Annexure E" of this report.

The Secretarial Audit Report for the year 2017-18 is self explanatory except the following comments made and the management submits their comments;

(a) The company has not filed the form CHG- 1 and MGT -14 with ROC for the borrowing made by the company for the purchase of motor vehicle and other unsecured loan taken from a group company Patamin Investments Pvt. Ltd. till the date of our report; (b) Some forms were filed by the company after prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;

Management Response to Point No. (a) & (b) : Your Company is law abiding entity and filed the necessary forms & returns with the authorities. The management is hopeful and committed to their level best to streamline the same in future. There was some delay in filing of the particulars forms and has already complied with the same and has paid additional fees as prescribed.

(c) Company was required to spend CSR of Rs. 25.52 lakhs during the FY 2017- 18. However, the company has not spend any amount till date : Management Response to Point No (c) : The company has contributed Rs. 0.52 lakhs during the year towards

CSR initiatives. The areas targeted by the Company were new therefore the planning and management of activities was not so smooth and took a reasonable amount of time.

#### **COST AUDITOR**

Section 148 of the Companies Act, 2013 pertaining to audit of cost records is applicable to the Company. The Board has appointed M/s M. P. Turakhia & Associates, Cost Accountant to audit the cost records of your company for the financial year 2017-18.

#### **INTERNAL AUDITOR**

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rule thereunder and regulation 18(3) of SEBI LODR and based on the recommendations of Audit Committee, your Board have reappointed M/s. Mahesh C. Solanki & Co. (FRN 006228C), Chartered Accountants, Indore as Internal Auditor of the Company to conduct the Internal Audit of the Company for the FY 2017-18. The Internal Auditors reports directly to the Audit Committee and make comprehensive presentations at the Audit Committee meeting(s) on the Internal Audit Report.

Your Board has reappointed M/s. Mahesh C. Solanki & Co. (FRN 006228C), Chartered Accountants, Indore as Internal Auditor of the Company for the FY 2018-19.

#### **21. DISCLOSURE FOR FRAUDS AGAINST THE COMPANY**

In terms of the provisions of section 134 (3) (ca) of the Companies Act, 2013, there were no frauds committed against the Company and persons who are reportable under section 141(12) by the Auditors to the Central Government. Also, there were no non-reportable frauds during the year 2017-18.

#### **22. CORPORATE GOVERNANCE:**

The Company being listed on the SME Platform of National Stock Exchange Limited is exempted from provisions of Corporate Governance as per Regulation 15 of the SEBI (LODR) Regulations, 2015. Hence no Corporate Governance Report is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily.

#### **23. CONSOLIDATED FINANCIAL STATEMENTS**

In accordance with the provisions of Section 129(3) of the Companies Act, 2013 and Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Consolidated Financial Statements forms part of this Annual Report and shall also be laid before the ensuing Annual General Meeting of the Company. The Consolidated Financial Statements have been prepared in accordance with the relevant Accounting Standards.

#### **24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule, 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure F".

#### **25. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THIS REPORT**

Except that as stated in the relevant places, the material changes, development, regarding project which is ongoing, from the 31st March, 2018 till the date of the Board Reports, there are no material changes which may affect the financial position of the Company.

#### **26. NON APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS (IND-AS)**

As per proviso to regulation Rule 4(1) of the Companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No.G.S.R.111(E) on 16th Feb., 2015, Companies whose shares are listed on SME exchange as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirement of adoption of IND-AS w.e.f. 1st April, 2017. As your Company is also listed on SME Platform of NSE, is covered under the exempted category and is not required to comply with IND-AS for preparation of financial statements beginning with period on or after 1st April 2017.

#### **27. EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "Annexure G."

## 28. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the details of Top 10 employees given in "Annexure H." During the year, none of the employees received remuneration in excess of Rs. One Crore and two lacs or more per annum, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

## 29. MANAGEMENT DISCUSSION AND ANALYSIS

In terms of the provisions of Regulation 34 of the SEBI Listing Obligations and Disclosures Requirements Regulations, (SEBI LODR) 2015, the management discussion and analysis is set out in this Annual Report as an "Annexure I."

## 30. INDUSTRIAL RELATIONS

During the year under review your Company enjoyed cordial relationship with workers and employees at all levels.

## 31. PREVENTION OF INSIDER TRADING

In view of the SEBI (Prohibition of Insider Trading) Regulation, 2015 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. \

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

## 32. CAUTIONARY STATEMENT

The statements made in this Report and Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations and others may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ from expectations those expressed or implied. Some factors could make difference to the Company's operations that may be, due to change in government policies, global market conditions, foreign exchange fluctuations, natural disasters etc.

## 33. ACKNOWLEDGMENTS

Your Directors acknowledge the dedication and commitment of your company's employees to the growth of your company and their unstinted support has been integral to your company's ongoing success. Your Directors appreciate support of State Bank of India & HDFC Bank Ltd. the bankers to the company, and various government agencies, customers, suppliers throughout the year for their support and confidence shown in the management of the company. The Directors also gratefully acknowledge support of the NSE, Lead Manager, Share Transfer Agent and other intermediaries of the Public Issue of the Company and also to all stakeholders of the Company viz. customers, members, dealers, vendors and other business partners for the excellent support received from them during the year.

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

**Place:** Indore

**Date:** 13<sup>th</sup> August 2018

Sd/  
**Pratik Patel**  
DIN : 00780920  
Managing Director

Sd/  
**Laxminandan Amin**  
DIN : 00007735  
Chairman &  
Managing Director

**“ANNEXURE A”****ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is as follows –

The Company is in the process of identifying suitable projects for its CSR spend. The details of Committee and its terms of reference are set out in the Board's Report and CSR policy is stated at the website of the company i.e. www.jashindia.com. The CSR Committee had adopted a CSR Policy for the Company which provides a broad framework with regard to implementation of CSR Activities carried out by the Company in accordance with Schedule VII of the Companies Act, 2013.

2. The composition of the CSR Committee:

1. Mr. Laxminandan Amin Chairman
2. Mr. B. M. Maheshwari Member
3. Mr. D. T. Manwani Member

3. Average net profit of the company for the last three financial years: Rs. 1275.00 lacs

Financial Year	Profit ( Rs. In Lacs)
2014-15	1100.00
2015-16	1284.00
2016-17	1442.00
Total	3826.00
Average of the above said profit	1275.00
2% of Average Profit	25.52

4. Prescribed CSR Expenditure (2 percent of the amount as in item 3 above): Rs. 25.52 lacs

5. Details of CSR spend during the financial year.

a) Total amount to be spent for the financial year: Rs. 25.52 Lacs

b) Total amount spent during the financial year: Rs. 0.52 Lacs

c) Amount unspent of FY 2017-18, if any : Rs. 25 Lacs

d) Manner in which the amount spent during the financial year is detailed below. (Rs. In Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No	CSR project or activity identified.	Sector in which the Project is covered.	Projects or programs  (1) Local Area or other  (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project programs wise (Rs. in Lakhs)	Spent on the projects or programs Sub subheads  (1) Direct expenditure on projects or programs. Overheads: (Rs.in Lakhs)	Cumulative expenditure upto the reporting period (Rs.in Lakhs)	Amount spent: Direct or through implementing agency (Rs.in Lakhs)
1	Environmental awareness Campaign - “Say no to Plastic Bags Drive”	Ministry of Environment, Forest & Climate change Govt. of India	Local Area i.e. Indore (MP)	Rs. 0.52 Lacs	Rs. 0.52	Rs. 5.73	Rs. 5.73Lacs

6. Reasons for Amount unspent: The Company was not able to spend the entire budgeted amount of 2% of average net profit of the last three financial years as the areas targeted by the Company were new therefore the planning and management of activities was not so smooth and took a reasonable amount of time.
7. The CSR committee monitors the implementation of the CSR activities in compliance with our CSR objectives and policy of the Company.

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

**Place:** Indore

**Date:** 13<sup>th</sup> August 2018

**Sd/  
Pratik Patel  
DIN : 00780920  
Managing Director**

**Sd/  
Laxminandan Amin  
DIN : 00007735  
Chairman &  
Managing Director**

**“ANNEXURE B”****Form No. AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S.No.	1	2	3	4	5
1	Name of the subsidiary	Shivpad Engineers Pvt. Ltd.	Jash Inc. USA	Mahr MaschinenbauGes. mbH	Engineering and Manufacturing Jash Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No	No
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR Not Applicable	USD 65.04	EURO 80.62	HKD 8.29
4	Share capital	1350300	117937385	157727450	8.29
5	Reserve & surplus	44113005	136845005.52	130718401.51	2292301.06
6	Total Assets	75720999	429339446.4	108758658.32	4465383.63
7	Total Liabilities	75720999	429339446.4	108758658.32	4465383.63
8	Investments	-	-	-	-
9	Turnover (Total Revenue)	97897206	352051889.2	14287234.54	23371872.65
10	Profit before taxation	14205459	-79894030.32	-10412695.38	-329171.03
11	Provision for taxation	-	-	-	-
12	Profit after taxation	10247112	-65932413.84	-9624925.11	-329171.03
13	Proposed Dividend	400% (Final Dividend for the FY 2017-18)	-	-	-
14	% of shareholding	100	100	100	100

Name of subsidiaries yet to commence operations: Not Applicable

Name of Subsidiaries which have been liquidated or sold during the year: Not Applicable

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

Place: Indore

Date: 13<sup>th</sup> August 2018

Sd/  
Pratik Patel  
DIN : 00780920  
Managing Director

Sd/  
Laxminandan Amin  
DIN : 00007735  
Chairman &  
Managing Director

**“Annexure - C”****NOMINATION AND REMUNERATION POLICY**

The Nomination and Remuneration Committee of JASH Engineering Limited is established under section 178 of the Companies Act, 2013.

**1. MEMBERSHIP OF THE COMMITTEE****1.1 COMPOSITION**

Ms. Sunita Kishnani	Chairman	Non-Executive Independent Director
Mr. B. M. Maheshwari	Member	Non-Executive-Independent Director
Mr. D. T. Manwani	Member	Non-Executive- Independent Director

**1.2 MEMBERSHIP**

The Board may appoint such additional directors to the Committee or remove and replace members of the Committee by resolution. Members may withdraw from membership by written notification to the Board. Any director not formally a Member of the Committee may attend Committee meetings however only nominated directors may vote on matters before the Committee.

Non-committee members, including members of management may attend all or part of a meeting of the Committee at the invitation of the Committee chair. The Company Secretary must attend all Committee meetings.

**2. ADMINISTRATIVE MATTERS****2.1 MEETINGS**

The Committee will meet as often as the Committee members deem necessary in order to fulfill their role.

**2.2 QUORUM**

The quorum is at least 2 members.

**2.3 CONVENING AND NOTICE OF MEETING**

Any member may, and the Company Secretary must upon request from any member, convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee at the member's advised address for service of notice (or such other pre-notified interim address where relevant), but there is no minimum notice period and acknowledgment of receipt of notice by all members is not required before the meeting may be validly held.

**2.4 CHAIR**

In the absence of the Committee chair, the Committee members must elect one of their member as chair for that meeting. The chair has a casting vote.

**2.5 ACCESS TO RESOURCES AND INDEPENDENT ADVISERS**

The Committee is to have access to adequate internal and external resources. For example, the Committee may seek the advice of the Company's auditors, solicitors or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee, as the Committee may require.

**2.6 MINUTES**

Minutes of meetings of the Committee must be kept by the Company Secretary and, after approval by the Committee chair, be presented at the next Board meeting. All minutes of the Committee must be entered into a minute book maintained for that purpose and will be open at all times for inspection by any director.

**2.7 REPORTING**

The Committee chair will provide a report of the actions of the Committee to be included in the Board papers for the Board meeting next following a meeting of the Committee. The report will include provision of meeting agendas, papers and minutes of the Committee.

The Committee chair will also, if requested, provide a report as to any material matters arising out of the Committee meeting. All directors will be permitted, within the Board Meeting to request information of the Committee chair or members of the Committee.

### **3. ROLE AND RESPONSIBILITIES –**

#### **3.1 NOMINATION**

The responsibilities of the Committee are as follows:

- a) Review and recommend to the Board the size and composition of the Board, including review of Board succession plans and the succession of the Chairman and CEO.
- b) Review and recommend to the Board the criteria for Board membership, including assessment of necessary and desirable competencies of Board members.
- c) Assist the Board as required to identify individuals who are qualified to become Board members (including in respect of executive directors).
- d) Review and recommend to the Board membership of the Board, including recommendations for the appointment and re election of directors, and where necessary propose candidates for consideration by the Board, subject to the principle that a Committee member must not be involved in making recommendations to the Board in respect of themselves.
- e) Assist the Board as required in relation to the performance evaluation of the Board, its Committees and individual directors, and in developing and implementing plans for identifying, assessing and enhancing director competencies.
- f) Review and make recommendations in relation to any corporate governance issues as requested by the Board from time to time.
- g) Ensure that an effective induction process is in place for any newly appointed director and regularly review its effectiveness.

#### **3.2 REMUNERATION**

- a) Review the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and key managerial personnel of the quality required to run the company successfully.
- b) Review relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
- c) Remuneration to directors, key managerial personnel and senior management involves a balance reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- d) In addition, it also takes into account the financial position of the Company, the industrial trend, appointee's experience, past performance and past experience etc. and strives to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.

### **4 REMUNERATION POLICY**

- a) In discharging its responsibilities, the Committee must have regard to the following policy objectives:
  - to ensure the Company's remuneration structures are equitable and aligned with the long-term interests of the Company and its shareholders;
  - to attract and retain skilled executives;
  - to ensure any termination benefits are justified and appropriate.
- b) In the discharge of the Committee's responsibilities, no director or executive should be directly involved in determining their own remuneration.
- c) The Committee must at all times have regard to, and notify the Board as appropriate of, all legal and regulatory requirements, including any shareholder approvals which are necessary to obtain.
- d) The Committee chair or if they are not available, a Committee member should attend the Annual General Meeting and make themselves available to answer any questions from shareholders about the Committee's activities or, if appropriate, the Company's Remuneration arrangements.

### **5. POLICY AND PROCEDURE FOR SELECTION AND APPOINTMENT OF NEW DIRECTORS.**

- a) Factors to be considered when reviewing a potential candidate for Board appointment include without limitation:
  - the skills, experience, expertise and personal qualities that will best complement Board effectiveness;
  - the capability of the candidate to devote the necessary time and commitment to the role. This involves a consideration of matters such as other Board or executive appointments; and
  - potential conflicts of interest, and independence.

- b) Detailed background information in relation to a potential candidate should be provided to all directors.
- c) The identification of potential Director candidates may be assisted by the use of external search organizations as appropriate.
- d) An offer of a Board appointment must be made by the chair only after having consulted all directors, with any recommendations from the Committee having been circulated to all directors.
- (e) All new Board appointments should be confirmed by letter in the standard format as approved by the Board or the Committee from time to time.

## 6. REVIEW

The Board will, at least once in each year, assess the adequacy of this Charter and make any necessary or desirable amendments to ensure it remains consistent with the Board's objectives, current law and best practice.

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

**Place:** Indore

**Date:** 13<sup>th</sup> August 2018

**Sd/  
Pratik Patel  
DIN : 00780920  
Managing Director**

**Sd/  
Laxminandan Amin  
DIN : 00007735  
Chairman &  
Managing Director**

**“ANNEXURE- D”****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis**

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts /arrangements/transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
-	-	-	-	-	-	-	-	-

**2. Details of material contracts or arrangement or transactions at arm's length basis**

S. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Nature of Relation	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Jash Precision Tools Limited	Sale to	Public Company in which Director is holding along with his relative more than 2% of its paid up share capital	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
2	Schutte Meyer Ashwath Alloys Pvt Ltd		a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
3	Shivpad Engineers Private Limited		Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
4	Jash USA INC.		Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
5	Mahr Maschinenbau GmbH		Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-

6	Microflat Datums Pvt. Ltd.		a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
7.	Schutte Industrieservice GmbH		Through Director & their relative	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
8.	Engineering & Manufacturing Jash Ltd.		Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
9.	Schütte Meyer Technical Services GmbH		Through Director & their relative	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
10.	Rodney Hunt INC.		SDS of JASH USA INC.	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
11	Jash Precision Tools Limited		Public Company in which Director is holding along with his relative more than 2% of its paid up share capital	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
12	Schutte Meyer Ashwath Alloys Pvt Ltd		a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
14	Schuttee Meyer India Pvt. Ltd.		a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
15	Micro-Flat Datums Pvt. Ltd.	<b>Purchase from</b>	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
16	Shivpad Engineers Private Limited		Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-

17	MahrMaschinenbau GmbH		Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	26 <sup>th</sup> April 2017	-
17	Microflat Datums Pvt. Ltd.	Services from	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length	26 <sup>th</sup> April 2017	-
18	Jash Precision Tools Limited		Public Company in which Director is holding along with his relative more than 2% of its paid up share capital	Ongoing	As per agreed terms & on Arms' Length	26 <sup>th</sup> April 2017	-
19	Jash Precision Tools Limited		Services To	Public Company in which Director is holding along with his relative more than 2% of its paid up share capital	Ongoing	As per agreed terms & on Arms' Length	26 <sup>th</sup> April 2017
20	Jash USA INC.	Supply to	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length	26 <sup>th</sup> April 2017	-
21	Patamin Investments Private Limited	Lease	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length	26 <sup>th</sup> April 2017	-

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

**Place:** Indore

**Date:** 13<sup>th</sup> August 2018

Sd/  
**Pratik Patel**  
DIN : 00780920  
Managing Director

Sd/  
**Laxminandan Amin**  
DIN : 00007735  
Chairman &  
Managing Director

**“ANNEXURE-E”****Form MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2018**

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
Jash Engineering Ltd.  
31, Sector-C, Sanwer Road,  
Industrial Area,  
Indore (M.P.) 452001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Jash Engineering Ltd.** (hereinafter called “**the Company**”). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the **financial year ended 31<sup>st</sup> March, 2018** (1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018), complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018, according to the provisions of:

- (I) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and External Commercial Borrowings.
- (v) (i) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):—
  - (a) The SEBI (Prohibition of Insider Trading) Regulations, 2015;
  - (b) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (c) The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;
  - (d) SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009
  - (e) The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011;
- (ii) Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report: -
  - (a) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (b) The SEBI (Issue and Listing of Debt Securities) Regulations, 2008;
  - (c) The SEBI (Delisting of Equity Shares) Regulations, 2009; and
  - (d) The SEBI (Buyback of Securities) Regulations, 1998

We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in **Annexure I**.

Further that the Company is having business of manufacturing and trading of general engineering goods (Gates & Stoplogs, Screens and SPG Valves) therefore, as such no specific law relating to its manufacturing and business activities are applicable to the Company.

**We have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of Companies Act, 2013; and
- (ii) The SEBI (LODR) Regulations, 2015 (as applicable to the company listed under SME Platform).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except the following: -

- 1) *The Company has not filed form CHG-1 and MGT-14 with ROC for the borrowing made by the company for the Purchase of motor vehicle and other unsecured loans taken from a group company Petamin Investment Pvt. Ltd. till the date of our report;*
- 2) *Some forms were filed by the Company after the prescribed time along with the adequate additional filing fee and this has reported as compliance by reference of payment of additional fees;*
- 3) *Company was required to spend CSR of Rs. 25.52 Lakhs during the F.Y. 2017-18. However, the company has not spend any amount till date.*

**We further report that** the Board of directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors, however, in some cases adequate acknowledgment receipt thereof was not produced before us for verification for the Board/Committee Meetings. Detailed Agenda were sent at least seven days in advance, along with the respective notices and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of directors or Committee of the Board, as the case may be.

Based on the records and process explained to us for compliances under the provisions of other specific acts applicable to the Company, we further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** the compliance for the applicable Financial Laws like Direct Taxes, Indirect Taxes, Disclosure of quarterly financial results under Regulation 33 of the SEBI (LODR) Regulations, 2015 and the annual financial statements along with notes attached therewith, and the Cost Record has not been reviewed, since the same have been subject to the statutory auditor or by other designated professionals. Therefore, we do not offer any comment. This report is to be read with our letter of even date which is annexed as **Annexure II** and forms an integral part of this report.

**We further report that** during the audit period of the Company has certain specific events which have bearing on company's affairs which are as follows: -

- 1) The company had filed documents with the Registrar of Companies, Madhya Pradesh, Gwalior, on 19<sup>th</sup> Sep., 2017 for DRHP and on 4<sup>th</sup> Oct., 2017 the Prospectus and the public issue was open from 28<sup>th</sup> Sept., 2017 to 3<sup>rd</sup> Oct., 2017 for 40,00,800 equity shares of Rs 10 each at a premium of Rs. 110/- per share (including the offer for Sale of 17,39,602 shares).

- 2) The company made allotment of 22,61,198 equity shares of Rs.10/- each at a premium of Rs. 110/- aggregating Rs. 2713.44 Lakhs on 7<sup>th</sup> Oct., 2017 against the prospectus and got the status of Listed company w.e.f. 11<sup>th</sup> October, 2017 on listing of its total 11836598 equity shares of Rs.10/- each at the SME Platform of NSE Ltd. and complied with the SEBI (ICDR) Regulations, 2009 as applicable on issuance of securities for listing on SME Platform.
- 3) The Company has utilize the amount of Rs. 1829.00 Lakhs towards he objects of the issue as stated in the prospectus however, Rs.29.34 Lakhs on account of excess expenses on Share Issue Expenses were adjusted were under the head of general corporate purposes.
- 4) Post completion of IPO, the Company had entered into listing agreement with NSE Limited as per the requirement of SEBI (LODR) Regulations, 2015.

For,

**D.K.JAIN & CO.**

COMPANY SECRETARIES

**CS (Dr.) D.K.JAIN**

PROPRIETOR

FCS 3565 CP2382

Place: Indore

Date: 10<sup>th</sup> August, 2018

**“Annexure - F”****[Conservation of energy, Technology absorption and foreign exchange earnings & outgo]**

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]

<b>(A) CONSERVATION OF ENERGY</b>			
(I)	the steps taken or impact on conservation of energy;	The Company is utilizing latest machinery to save the power consumption.	
(II)	the steps taken by the company for utilizing alternate sources of energy;	The Company has already installed the DG Set as a standby power arrangement and for alternate source of energy.	
(III)	the capital investment on energy conservation equipment's	NIL	
<b>(B) TECHNOLOGY ABSORPTION</b>			
(i)	the efforts made towards technology absorption	The Company always adopts the latest technology while purchasing the plant and machinery. The Company is making continuous efforts for the technological advancement.	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A.	
	(a) the details of technology imported	N.A.	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	2017-18	2016-17
		NIL	NIL
<b>(D) FOREIGN EXCHANGE EARNINGS AND OUTGO</b>			
		2017-18	2016-17
(i)	The Foreign Exchange earned in terms of actual inflows during the year;	Rs. 4768.64 lacs	Rs. 4319.29 lacs
(ii)	And the Foreign Exchange outgo during the year in terms of actual outflows.	Rs. 382.93 lacs	Rs. 506.97 lacs

**“Annexure -G”****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31/03/2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I. REGISTRATION AND OTHER DETAILS:</b>	
i)	CIN L28910MP1973PLC001226
ii)	Registration Date 29/09/1973
iii)	Name of the Company JASH ENGINEERING LTD
iv)	Category/Sub-Category of the Company Non-govt company
v)	Address of the Registered office and contact details 31,SECTOR-C, SANWER ROAD, INDUSTRIEL AREA INDORE (MP) Telephone : 0091-731- 6732700 Email : info@jashindia.com
vi)	Whether listed company Yes National Stock Exchange Limited (SME)
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any Link Intime India Pvt. Ltd C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083, Ph. No.-022 - 4918 6200

<b>II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:</b>				
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-				
S.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company	
1	Gates & Stoplogs	251-2511-25119	42.3%	
2	Screens	281-2812-28120	23.1%	
3	SPG Valves	251-2511-25119	21.0%	

<b>III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :</b>	
No. of Companies for which information is being filled is mentioned below:	

S.No.	NAME AND ADDRESS OF THE COMPANY	CIN/G LN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	<b>SHIVPAD ENGINEERS PVT. LTD.</b> <b>Regd. Office:</b> Plot No. 31, Sector C, Sanwer Road Industrial Area, Indore (M. P.)-452015	U33112TN1994 PTC026898	Wholly Owned Subsidiary	100%	Section 2 (87) (ii) of the Companies Act, 2013.

	<b>Admin. Office:</b> Plot No. 3/86-E, A.T.C. Street, 2 <sup>nd</sup> Main Road, Ambattur, Chennai – 600058Tamilnadu, India Phone No. +91 44 48606201 / 48606203				
2	<b>MAHR MASCHINENBAU GES.M.B.H</b> Kupferschmiedgasse 8, A-2201 Hagenbrun,AUSTRIA Phone No. +43 2246 3521	Foreign Company	Wholly Owned Subsidiary	100%	Section 2 (87) (ii) of the Companies Act, 2013.
3	<b>ENGINEERING &amp; MANUFACTURING JASH LTD</b> 812, Silvercord Tower 1, 30 Canton Road,Tsimshatsui, Kowloon, Hong Kong	Foreign Company	Wholly Owned Subsidiary	100%	Section 2 (87) (ii) of the Companies Act, 2013.
4	<b>JASH INC. USA</b> 4800 Sugar Grove BLVD STE 602, Stafford , TX USA 77477	Foreign Company	Wholly Owned Subsidiary	100%	Section 2 (87) (ii) of the Companies Act, 2013.
5	<b>Rodney Hunt Inc.</b> 4800 Sugar Grove BLVD STE 602, Stafford , TX USA 77477	Foreign Company	Step down Subsidiary (SDS) of JASH USA Inc.	100%	Section 2 (87) (ii) of the Companies Act, 2013.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):										
Category-wise Share Holding										
	Category of Shareholders	No. of Shares held at the beginning of the year (01.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
	<i>(I) Indian</i>									
	a) Individual/HUF	3593355	2036506	5629861	58.80	5942248	0	5942248	50.20	8.59
	b) Central Govt	0	0	0	0	0	0	0	0	0

	c) State Govt (s)	0	0	0	0	0	0	0	0	0
	d) Bodies Corp.	0	0	0	0	403000	0	403000	3.40	3.40
	e) Banks / FI	0	0	0	0	0	0	0	0	0
	f) Any Other....	0	0	0	0	0	0	0	0	0
	<b>Sub-total (A) (1):-</b>	<b>3593355</b>	<b>2036506</b>	<b>5629861</b>	<b>58.80</b>	<b>6345248</b>	<b>0</b>	<b>6345248</b>	<b>53.60</b>	<b>5.19</b>
	<i>(2) Foreign</i>		-							
	a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
	b) Other – Individuals	0	0	0	0	0	0	0	0	0
	c) Bodies Corp.	0	0	0	0	0	0	0	0	0
	d) Banks / FI	0	0	0	0	0	0	0	0	0
	e) Any Other....	0	0	0	0	0	0	0	0	0
	<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>3593355</b>	<b>2036506</b>	<b>5629861</b>	<b>58.80</b>	<b>6345248</b>	<b>0</b>	<b>6345248</b>	<b>53.60</b>	<b>5.19</b>
<b>B.</b>	<b>Public Shareholding I. Institutions</b>									
	a) Mutual Funds	0	0	0	0	0	0	0	0	0
	b) Banks / FI	0	0	0	0	0	0	0	0	0
	c) Central Govt	0	0	0	0	0	0	0	0	0
	d) State Govt(s)	0	0	0	0	0	0	0	0	0
	e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
	f) Insurance Companies	0	0	0	0	0	0	0	0	0
	g) FIIs	0	0	0	0	0	0	0	0	0
	h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
	i) Alternate Investment Funds	0	0	0	0	1772400	0	1772400	14.97	14.97
	j) Foreign Portfolio Investor	0	0	0	0	188400	0	188400	1.59	1.59
	i) Others (specify)	0	0	0	0	0	0	0	0	0
	<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1960800</b>	<b>0</b>	<b>1960800</b>	<b>16.56</b>	<b>16.56</b>
	<b>2. Non-</b>									

<b>Institutions</b>										
a) Bodies Corp.										
	i) Indian	0	10500	10500	0.10	194197	2500	196697	1.66	1.55
	ii) Overseas	2573102	0	2573102	26.87	0	0	0	0	-26.87
b) Individuals										
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	128300	128300	1.33	1227424	92300	1319724	11.14	9.80
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh "	0	144330	144330	1.50	629464	71500	700964	5.92	4.52
c) Others (specify)										
	Hindu Undivided Family	0	0	0	0	145600	0	145600	1.23	
	Non Resident Indians	0	1089307	1089307	11.37	176200	911950	1088150	9.19	-2.17
	Clearing Member	0	0	0	0	79415	0	79415	0.67	
	<b>Sub-total (B)(2):-</b>	2573102	1372437	3945539	41.20	2452300	1078250	3530550	29.82	
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2573102</b>	<b>1372437</b>	<b>3945539</b>	<b>41.20</b>	<b>4413100</b>	<b>1078250</b>	<b>5491350</b>	<b>46.39</b>	
	<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	<b>6166457</b>	<b>3408943</b>	<b>9575400</b>	<b>100</b>	<b>10758348</b>	<b>1078250</b>	<b>11836598</b>	<b>100.00</b>	

Note: The Company has increased share capital from No. of equity 9575400 to 11836598 by issuing of equity share 4000800 (comprising 2261148 equity share IPO allotment and 1739602 equity share through OFS) during year.

<b>B. Shareholding of Promoter</b>								
S. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Shareholding at the end of the year (31.03.2018)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Pratik Patel	1911465	19.96	-	1911465	16.15	-	-3.81
2	Harsh Patel	450000	4.70	-	450000	3.80	-	-0.2
3	Rasesh Amin	441550	4.61	-	441550	3.73	-	-0.87

4	Pallavi U Patel	423772	4.42	-	423772	3.58	-	-0.84
5	Girish Patel	381985	3.98	-	381985	3.22	-	-0.75
6	Suresh Patel	336806	3.51	-	336806	2.84	-	-0.66
7	Pravin Patel	324579	3.38	-	324579	2.74	-	-0.64
8	Laxminandan Amin	267385	2.79	-	267385	2.26	-	-0.53
9	Bhairavi Patel	252308	2.63	-	252308	2.13	-	-0.5
10	Avani Patel**	-	-	-	197357	1.67	-	1.67
11	Laxmi Nandan Amin HUF	177568	1.85	-	177568	1.50	-	-0.35
12	Geeta Patel	121491	1.26	-	125491	1.06	-	-0.2
13	Rohit Arvindbhai Patel	81523	0.85	-	82723	0.70	-	-0.15
14	Kartik Amin	60679	0.63	-	60679	0.51	-	-0.12
15	Pratik N Patel HUF	50000	0.52	-	57500	0.49	-	-0.03
16	Rahul U Patel	47307	0.49	-	55807	0.47	-	-0.02
17	Rekha Patel	53906	0.56	-	53906	0.46	-	-0.1
18	Ekta Patel	52676	0.55	-	52676	0.45	-	-0.1
19	Shakuntla Ben Patel	44250	0.462	-	44250	0.37	-	-0.092
20	Tejal Jaydeep Desai **	-	-	-	37500	0.32	-	0.05
21	Utpal Patel	5000	0.05	-	34000	0.29	-	0.24
22	Chintan Patel	24754	0.25	-	33254	0.28	-	0.03
23	Archana Rasesh Amin	31900	0.333	-	31900	0.27	-	-0.063
24	Rhutvik Patel	21450	0.22	-	21450	0.18	-	-0.04
25	Rohan R Patel	21450	0.22	-	21450	0.18	-	-0.04
26	Swati Desai **	-	-	-	20330	0.17	-	0.17
27	Shreedevi R Patel	19973	0.20	-	19973	0.17	-	-0.03

28	Jesal Patel	7750	0.08	-	10750	0.09	-	0.01
29	G J Patel HUF	4500	0.05	-	4500	0.04	-	-0.42
30	Kruti Patel	-	-	-	3000	0.03		0.03
31	Kajal Patel	2917	0.03	-	2917	0.02		-0.01
32	Payal R Patel	2917	0.03	-	2917	0.02		-0.01
33	Mitali Amin	500	0.005	-	500	0.00		-0.005
34	N.J. Patel HUF (Transferred)	7500	0.078	-	--	-		-
35	Patamin Investments Private Limited			-	403000	3.40		3.4
	<b>TOTAL</b>	<b>5629861</b>	<b>58.80</b>	<b>-</b>	<b>6345248</b>	<b>53.60</b>		<b>5.18</b>

Note : Change in % of share holding of promoters group is due to increase in total paid up capital of the company has allotted 2261198 equity share of face value of Rs. 10/- each at an issue price of Rs. 120/- per share under initial public offering (IPO).

\*\* Shifted to promoters from non promoters vide prospectus dated 4.10.2018 issued to general public for initial public offer.

<b>C. Change in Promoters' Shareholding</b>					
<b>1. Mr. Chintan Patel</b>					
S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	24754	0.25	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	8500 (Acquired)	0.03	33254	0.28
	At the End of the year			33254	0.28
<b>2. Mr. Utpal Patel</b>					
S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	5000	0.05	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	29000 (Acquired)	0.24	34000	0.29
	At the End of the year			34000	0.29
<b>3. Mr. Rohit Patel</b>					
S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	81523	0.85	0	0
	Date wise Increase / Decrease in	1200	-0.15	82723	0.70

	Promoters Share holding during the year .	(Acquired)			
	At the End of the year			82723	0.70
<b>3.</b>	<b>Mrs. Geeta Patel</b>				
<b>S. No.</b>	<b>Particulars</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	121491	1.26	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	4000 (Acquired)	-0.20	125491	1.06
	At the End of the year			125491	1.06
<b>4.</b>	<b>Mr. Rahul Patel</b>				
<b>S. No.</b>	<b>Particulars</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	47307	0.49	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	8500 (Acquired)	-0.02	55807	0.47
	At the End of the year			55807	0.47
	<b>Mrs. Jesal Patel</b>				
<b>S. No.</b>	<b>Particulars</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	7750	0.08	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	3000 (Acquired)	-0.01	10750	0.09
	At the End of the year			10750	0.09
	<b>M/s. Pratik N. Patel HUF</b>				
<b>S. No.</b>	<b>Particulars</b>	<b>Shareholding at the beginning of the year</b>		<b>Cumulative Shareholding during the year</b>	
		<b>No. of shares</b>	<b>% of total shares of the company</b>	<b>No. of shares</b>	<b>% of total shares of the company</b>
	At the beginning of the year	50000	0.52	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	7500 (Transfer From N.J. Patel HUF)	-0.4	57500	0.48
	At the End of the year			57500	0.48

## Patamin Investments Private Limited

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8000	0.08	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	395000 (Acquired)	3.32	403000	3.40
	At the End of the year			403000	3.40

Note : Change in % of share holding of promoters group is due to increase in total paid up capital of the company has allotted 2261198 equity share of face value of Rs. 10/- each at an issue price of Rs. 120/- per share under initial public offering (IPO).

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)						
S. No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year		
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES I	0	0	594000	5.018	
2	DSP BLACKROCK EMERGING STARS FUND	0	0	520800	4.3999	
3	BLUE LOTUS CAPITAL MULTI BAGGER FUND I	0	0	342000	2.8893	
4	SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES II	0	0	237600	2.0073	
5	INDIA MULTI BAGGER FUND I	0	0	154800	1.3078	
6	PRIYAL CHETAN KOTHARI	0	0	104400	0.882	

	7	NIKHIL VORA	0	0	94800	0.8009
	8	TARANG AMIN	0	0	82450	0.6966
	9	AVENDUS PHOENIX FUND	0	0	78000	0.659
	10	CHETANA HEMENT DESAI	0	0	48000	0.4000

<b>E. Shareholding of Directors and Key Managerial Personnel</b>						
<b>Mr. Laxminandan Amin</b>						
S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	At the beginning of the year	267385	2.79	0	0	
	Date wise Increase / Decrease in Promoters Share holding during the year .	-	-	-	-0.53	
	At the End of the year			267385	2.26	
<b>Mr. Pratik Patel</b>						
S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	At the beginning of the year	1911465	19.96	0	0	
	Date wise Increase / Decrease in Promoters Share holding during the year .				-3.81	
	At the End of the year			1911465	16.15	
3.	<b>Mr. Axel Schutte</b>					
S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	At the beginning of the year	770000	8.04	0	0	
	Date wise Increase / Decrease in Promoters Share holding during the year .	-	-	-	-1.54	
	At the End of the year			770000	6.5052	
4.	<b>Mr. Dharmendra Jain</b>					
S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
	At the beginning of the year	-	-	0	0	
	Date wise Increase / Decrease in Promoters Share holding during the year .	-	-	7500	0.06	
	At the End of the year			7500	0.06	

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Mr. K. Mukundan

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	0	0
	Date wise Increase / Decrease in Promoters Share holding during the year .	- (Acquired)	-	1200	0.010
	At the End of the year			1200	0.010

## VI. REMUNERATION OF DIRECTOR AND KMP

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No.	Particular of Remuneration	Mr. Pratik Patel	Mr. L. D. Amin	Total
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	4604981	4006551	8611532
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	39600	39600	79200
	(c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961	0	0	0
2	Stock Options	0	0	0
3	Sweat Equity	0	0	0
4	Commission			0
	- as % of profit	804422	536281	1340703
	- others, specify....	0	0	0
5	Others, please specify	0	0	0
	<b>Total</b>	5449003	4582432	10031435

### B. Remuneration to other Directors:

#### 1. Independent Directors:

S.No.	Particular of Remuneration	Mr. D. T. Manwani	Mr. B. M. Maheshwari	Ms. Sunita Kishnani	Mr. Sunil Chouksi	Total
1	-Fee for attending Board/ Committee Meetings	50000	50000	50000	25000	175000
2	-Commission	0	0	0	0	0
3	- Others, please specify	0	0	0	0	0
	<b>Total B1</b>	<b>50000</b>	<b>50000</b>	<b>50000</b>	<b>25000</b>	<b>175000</b>

**2. Other Non-Executive Directors:**

S.No.	Particular of Remuneration	Mr. Axel Schutte	Total
1	-Fee for attending Board/Committee Meetings	-	-
2	-Commission	-	-
3	- Others, please specify	-	-
	<b>Total B2</b>	-	-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

S. No.	Particular of Remuneration	Mr. Tushar Kharpade (CS)	Mr. Dharmendra Jain (CFO)	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961	461556	2756529	3218085
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	0	0	0
2	Stock Options	0	0	0
3	Sweat Equity	0	0	0
4	Commission			
	- as % of profit	0	0	0
	- Others, specify....	0	0	0
5	Others, please specify	0	0	0
	<b>Total C</b>	<b>461556</b>	<b>2756529</b>	<b>3218085</b>

**VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	AUTHORITY [RD / NCLT / COURT]	Appeal made, if any(give details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTOR</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICER IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

## “Annexure H”

## Particulars of Employees

[As per section 197(12) read with the Rule 5 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

## I. Ratio and remuneration of Directors &amp; KMPs

S. No.	Name	Designation	Remuneration for the year 2017-18 (Rs.)	Remuneration for the year 2016-17 (Rs.)	% Increase in Remuneration	Ratio Between Director or KMP and Median Employee
1	LAXMI NANDAN AMIN	Managing Director	45,82,432	44,50,863	2.95	2.89
2	PRATIK PATEL	Managing Director	54,49,003	52,02,506	2.01	3.43
3	AXEL SCHUTTE	Director	-	-	-	-
4	BRIJ MOHAN MAHESHWARI	Independent Director	50000	-	-	-
5	SUNIL KUMAR CHOKSI	Independent Director	25000	-	-	-
6	SUNITA KISHNANI	Independent Director	50000	-	-	-
7	DURGALAL TULJARAM MANWANI	Independent Director	50000	-	-	-
8	TUSHAR KHARPADE*	CS	4,83,156	-	-	0.30
9	DHARMENDRA JAIN**	CFO	27,56,529	-	-	1.88

\* Appointed on dated 03<sup>rd</sup> April 2017

\*\* Designated as CFO w.e.f. 26<sup>th</sup> July 2017

ii. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –

As stated above in item no. (I).

iii. Percentage increase in the median remuneration of employees in the financial year –:

The remuneration of Median employee was Rs. 1,58,4448.00 during the year 2017-18. The increase in the remuneration of Median Employee was 21.00% during financial year under review.

iv. Number of permanent employees on the rolls of company –

As on 31<sup>st</sup> March, 2018 the total number of employees over 500

v. Particulars of the top 10 employee in respect of the remuneration drawn during the year 2017-18 are as under.

## v. Particulars of the top 10 employee in respect of the remuneration drawn during the year 2017-18 are as under.

S.No.	Name of Employee	Designation of the employee	Remuneration received	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	Date of commencement of employment	The age of such employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager	Remarks
	BHUVANESH CHANDRA	V.P. Operation	3,838,460	On roll (Permanent)	B.E. Electricals	26/09/2015	15/04/1978	Roto Pump Ltd.	No	
2	DURGESH KUMAR TIWARI	Sr. G.M. Design & Development	2,920,367	On roll (Permanent)	B.E. Mechanical	10/10/2016	8/10/1968	WEIR Minrals India Pvt. LTd.	No	-
3	H.N. NAGARAJ	Asst. V.P. Marketing	2,530,172	On roll (Permanent)	MBA Finance	14/01/2002	5/3/1950	Precision Gears Ltd., Indore	No	-
4	RISHI CHOPRA	A.G.M. Mkt.	2,145,781	On roll (Permanent)	Master of Engineering Mgmt.	1/4/2017	3/6/1980	Suez Environment	No	-
5	YOGESH HOLKAR	Asst. G.M. Marketing	1,609,028	On roll (Permanent)	B.E. Mechanical	26/02/2009	19/01/1966	Inheart gases Pvt. Ltd., pithampur	No	-
6	Chandresh pareek	Dy. G.M. Tech. Services	1,559,868	On roll (Permanent)	Diploma in Mechanical	9/7/2007	5/7/1961	Huber_GM Equipments Pvt. Ltd.	No	
7	VIJAYAKUMAR D.	Sr. Manager Production	1,500,578	On roll (Permanent)	B.E. Mechanical	4/3/2013	23/05/1967	VAAAS Industries Pvt. LTd.	No	-
8	TAMKEEN KHAN	Asst. G.M. Makt.	1,401,044	On roll (Permanent)	MBA Marketing	7/4/2010	19/10/1965	Dee Tee Industries	No	
9	PARDEEP KUMAR	Dy. Manager D&D	1,449,992	On roll (Permanent)	M. Tech	20/09/2016	29/08/1984	Ltd VOITHY Hydro, Pvt. Ltd.	No	
10	TOM ANDREW P.	Asst. G.M. Machine Shp.	1,235,554	On roll (Permanent)	Diploma in Mechanical Enginring	21/09/1980	14/11/1954	Cast Iron Pipe Manufacturing Firm	No	

## “Annexure-I”

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **INDUSTRY STRUCTURE AND DEVELOPMENTS**

Global economic activity is picking up with a long-awaited cyclical recovery in investment, manufacturing and trade, according to World Economic Outlook of International Monetary Fund. World growth is expected to grow. Stronger activity, expectations of more robust global demand, reduced deflationary pressures and optimistic financial markets are all upside developments. But structural impediments to a stronger recovery and a balance of risks that remains tilted to the downside, especially over the medium term, remain important challenges

Under the forecast, India would remain the fastest growing major economy in the world. The Survey further states that over the medium run, the implementation of the Goods and Services Tax (GST), follow-up to demonetization and enacting other structural reforms should take the economy towards its potential real GDP growth.

Manufacturing has emerged as one of the high growth sectors in India. Prime Minister of India, Mr. Narendra Modi, had launched the "Make in India program to place India on the world map as a manufacturing hub and give global recognition to the Indian economy.

Your Company is an ISO 9001:2015, ISO 14001:2015 & BS OHSAS 18001:2007 certified company mainly engaged in the design, manufacturing and dispatch of water control equipment, screening equipment, screening conveying and washing equipment, Knife Gate Valves, Valves for isolation & metering of Bulk Solids, Water Hammer control valves, Energy Dissipating Valves, Screw Turbine and Pumps, Screw Conveyors, Water & Waste Water Process equipment of all types and CI castings.

Your Company is engaged in manufacturing of water control gates, flap valves, knife gates valves, energy dissipating valves, water hammer control valves, fine and coarse screens, screening conveying, washing and compaction equipment, industrial valves for bulk solids handling, hydro power screw generator, screw pump and process equipment like detritors, clarifiers, clariflocculators, thickeners, decanters aerators, trickling filters, dissolved air flotation (DAF) units, rotary drum slackers, rake classifiers, pressure sand filters, etc.. The products of your Company find application in water intake systems, water and waste water pumping stations and treatment plants, storm water pumping stations, water transmission lines, power, steel, cement, paper & pulp, petrochemicals, chemical, fertilizers and other process plants.

Your Company offers a single stop solution under one roof including Design, Casting, Fabrication, Assembly & Testing and provides the most varied range of these products in largest possible sizes in diversifies material options. In fact not many companies in our line of business can claim this. Our manufacturing facilities are equipped with most updated and modern manufacturing techniques enabling us to produce best quality and in most competitive prices for the type of product technology that we offer. In the domestic market the company is a distinct leader in most of the product groups and in the international markets the company is edging towards leadership position for water control gates, screens and knife gate valves in many individual countries.

Company's customer base is spread across the globe with presence in countries like United States of America, Saudi Arabia, United Kingdom, Austria, Honkong, Singapore and over 35 other Countries etc. The Company is continuously doing Research & Development Activities to produce best of its products as per the need of customers. The Market is growing in Developing countries rather than developed countries.

#### **BUSINESS PERFORMANCE**

The Company goes beyond just providing machinery for Water treatment industry. The product we offer is accompanied by various value-added services. These services are meant to familiarize customers with the systems and help them attain optimum

performance outputs. The Company's relation with its customers does not end with the supply or installation of equipment as the team continuously monitors, audits and facilitates its customers in equipment maintenance by prompt supply of parts and accessories for maximum machine uptime. In the financial year 2017-18, company has generated Net profit of Rs. 73,351,164 comparatively previous year Net Profit amount of Rs. 103,402,099.

### OPPORTUNITIES AND THREATS

Every government around the world are taking various step to improve environment through management of Water, promote water treatment and reduce water pollution. The opportunity of the manufacturing industry who supply equipment like these made by the company are hence vast. We continuously work to supply best equipment in area of water management or treatment plant/project all over world through manufacturing unit in India, USA, Austria, etc.

The Company has adequate production capacity to meet the increased demand of the Customers. The Company has wide basket of products which caters to the customers across the globe and design department of the Company looks after the innovation and also take into consideration the standards laid down under the ISO certification.

After completion of SEZ Expansion and full-fledged production at SEZ Unit IV, the Company will be able to cater the requirements of customers in North America in a better & faster manner. Due to increased overseas demand and technological advancement the Company has wide opportunities to expand its business operations and product base across the Globe.

### SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The business activities of the Group is predominantly fall within a single primary business segment viz "Manufacturing and trading of varied engineering products for general engineering industry, water and waste water industry, power plant and bulk solids handling industry". There is no separate reportable business segment.

As part of secondary reporting for geographical segments, the Group operates in two principal geographical areas i.e. in India, its home country, and other countries. The following table presents revenue from operations, segment assets and capital expenditure regarding geographical segments :-

Particulars	Current year ended 31 March 2018 (Audited)	Previous year ended 31 March 2017 (Audited)
<b>Segment revenue from external customers</b>		
Within India	13,611.67	14,686.57
Outside India	3,842.43	1,112.00
<b>Income from operations</b>	<b>17,454.10</b>	<b>15,798.57</b>
Segment assets		
Within India	18,814.03	16,456.23
Outside India	4,396.32	2,526.69
<b>Total assets</b>	<b>23,210.35</b>	<b>18,982.92</b>
<b>Capital expenditure</b>		
Within India	1,097.91	534.36
Outside India	713.10	1,831.02
<b>Total capital expenditure</b>	<b>1,811.01</b>	<b>2,365.38</b>

### FUTURE OR FORWARD OUTLOOK

India being an agrarian economy, majority of the population depends on agriculture or allied activities. This results in the country being heavily dependent on water for sustaining its economy. In India, most of the major cities, face daily water shortage with some being the worst-hit with a supply gap of 70%. As per the World Bank, with the current pace of climate change and water mismanagement, India could lose nearly 6% of its GDP in 2050. Whereas, with efficient water management, it can add extra 1% to the economy. There has been rising awareness on water pollution and mismanagement issues. The government is taking up the matter seriously and making environment and pollution norms stricter.

Driven by sustainability advantages and enhanced product base the Company has the potential to maintain positive growth through demand emanating from international as well as domestic industries. In the domestic market, the industry is also envisaged to receive a boost from various industrial markets.

### **RISKS AND CONCERNS, INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adopted a comprehensive and integrated risk appraisal, mitigation and management process. The risk mitigation measures of the Company are placed before the Board periodically for review and improvement.

We are subject to foreign currency exchange rate fluctuations which could have a material impact on our results of operations and financial conditions. The Company has a well defined Policy for Risk Mitigation on foreign exchange by adopting hedging strategies. Global as well as Indian economic and political factors that are beyond our control, influence forecasts and may directly affect our business operations.

The Company has a Risk Management Policy and adequate Internal Control System in place. The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business. In order to achieve the key objective, this Policy establishes a structured and disciplined approach to Risk Management; in order to guide decisions on risk related issues. Internal Control System is commensurate with the size, scale and complexity of its operations. The Company continuously reviews its various types of regulatory, financial, operational, environmental and other business risks. There are adequate systems to ensure compliance of all various statutory and regulatory requirements and review the same from time to time and to take appropriate actions from time to time.

### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Directors' Report has specifically dealt with the subject under the headings 'Summarized Profit & loss Account and State of Company's Affairs & Review of operations'.

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for our business.

Many initiatives were taken to support business through organizational efficiency, process change support and various employee engagement programs which has helped the organization to achieve higher productivity level. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

As on March 31, 2018 we have over 500 employees on payroll as well as contractual. Company is committed to provide necessary training / conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys cordial relations with its employees at all levels.

### **CAUTIONARY STATEMENT**

Statements in this report describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement because of many factors like economic condition, availability of labour, price conditions, domestic and international market, changes in Government policies, tax regime, etc. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information and event.

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

**Place :** Indore  
**Date :** 13th August 2018

**Sd/-**  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

**Sd/-**  
**Pratik Patel**  
Managing Director  
DIN-00780920

## Independent Auditor's Report

### To the Members of Jash Engineering Limited

#### Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of Jash Engineering Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 (the 'Act') with respect to the preparation of these standalone financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2018, its profit and its cash flows for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

10. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
  - f. we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as of 31 March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 29 May 2018 as per Annexure B expressed unmodified opinion; and
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. the Company, as detailed in Note 32 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;
    - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. there is no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
    - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Sd/-  
per **Neeraj Sharma**  
Partner  
Membership No.:502103

**Place : Indore**  
**Date : 29th May 2018**

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## **Annexure A to the Independent Auditor's Report of even date to the members of Jash Engineering Limited, on the standalone financial statements for the year ended 31 March 2018**

### **Annexure A**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (I) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets in the nature of property, plant and equipment, capital work-in-progress and intangible assets.
- (b) All fixed assets in the nature of property, plant and equipment and capital work-in-progress have not been physically verified by the management during the year, however, there is a regular program of verification once in three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (which are included under the head 'property plant and equipment') are held in the name of the Company.
- (ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year, except for stocks lying with third parties. For stocks lying with third parties at the year-end, written confirmations have been obtained by the management. No material discrepancies between physical inventory and book records were noticed on physical verification.
- (iii) The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
- (a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest.
- (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment/receipts of the principal amount and the interest are regular;
- (c) there is no overdue amount in respect of loans granted to such companies;
- (iv) In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security.
- (v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.
- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

**Statement of Disputed Dues**

Name of Statues	Nature of Dues	Amount (Rs.)	Amount paid under protest (Rs.)	Period to which amount relates	Forum where dispute is is pending
Central Sales Tax Act, 1956	Central Sales Tax	1,394,108	898,000	Financial year 1999-00	Hon'ble High Court of Madhya Pradesh
Central Sales Tax Act, 1956	Central Sales Tax	239,354	92,250	Financial year 2000-01	Hon'ble High Court of Madhya Pradesh
Central Sales Tax Act, 1956	Central Sales Tax	546,175	650,100	Financial Year 2011-12	Additional Commissioner of Commercial Tax
Central Sales Tax Act, 1956	Central Sales Tax	3,449,643	2,940,425	Financial Year 2012-13	Additional Commissioner of Commercial Tax
Central Sales Tax Act, 1956	Central Sales Tax	22,065,027	2,228,780	Financial Year 2014-15	Additional Commissioner of Commercial Tax
Central Sales Tax Act, 1956	Central Sales Tax	7,369,543	1,273,000	Financial Year 2015-16	Additional Commissioner of Commercial Tax
Finance Act, 1994	Service Tax	2,312,211	230,721	Financial Year 2010-11	Customs, Excise and Service Tax Appellate Tribunal

- (viii) The Company has not defaulted in repayment of loans or borrowings to any bank or financial institution during the year. The Company has no loans or borrowings payable to government and did not have any outstanding debentures during the year.
- (ix) In our opinion, the Company has applied moneys raised by way of initial public offer and the term loans for the purposes for which these were raised, though idle funds which were not required for immediate utilization are temporarily lying in cash credit accounts maintained with banks. Further, the Company did not raise moneys by way of further public offer (including debt instruments).
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) Managerial remuneration has been paid and provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**  
Chartered Accountants  
Firm's Registration No.: 001076N/N500013

Sd/-  
per **Neeraj Sharma**  
Partner  
Membership No.: 502103

**Place : Indore**  
**Date : 29th May 2018**

## **Annexure A to the Independent Auditor's Report of even date to the members of Jash Engineering Limited, on the standalone financial statements for the year ended 31 March 2018**

### **Annexure B**

#### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')**

1. In conjunction with our audit of the standalone financial statements of Jash Engineering Limited (the 'Company') as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing (the 'Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

#### **Meaning of Internal Financial Controls over Financial Reporting**

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

per **Neeraj Sharma**

Partner

Membership No.:502103

**Place : Indore**

**Date : 29th May 2018**

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**Jash Engineering Limited**  
**Balance Sheet as at 31 March 2018**

(All amount in ₹, unless stated otherwise)

Description	Notes	As at 31 March 2018	As at 31 March 2017
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	118,365,980	95,754,000
Reserves and surplus	4	1,054,809,548	797,614,334
		<b>1,173,175,528</b>	<b>893,368,334</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	86,198,119	104,419,884
Deferred tax liabilities (net)	6	45,253,395	43,931,877
Other long term liabilities	7	864,288	1,103,757
Long-term provisions	8	14,300,245	8,410,873
		<b>146,616,047</b>	<b>157,866,391</b>
<b>Current liabilities</b>			
Short-term borrowings	9	327,868,126	294,629,655
Trade payables			
-Total outstanding dues of Micro Enterprises and Small Enterprises	10A	29,762,628	22,159,612
-Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	10B	420,691,215	334,157,311
Other current liabilities	11	114,167,430	106,807,395
Short-term provisions	12	16,383,537	15,936,477
		<b>908,872,936</b>	<b>773,690,450</b>
		<b>2,228,664,511</b>	<b>1,824,925,175</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	13A	540,919,792	487,380,212
Intangible assets	13D	10,703,457	8,734,044
Capital work-in-progress	13B	4,756,435	6,081,652
Intangible assets under development	13C	7,764,877	-
Non-current investments	14	332,498,843	319,178,036
Long-term loans and advances	15	65,740,971	31,676,617
Other non-current assets	16	2,582,251	369,320
		<b>964,966,626</b>	<b>853,419,881</b>

<b>Current assets</b>			
Current investments	17	90,865	56,379
Inventories	18	448,153,031	372,156,061
Trade receivables	19	697,021,666	506,406,022
Cash and bank balances	20	59,494,435	49,538,766
Short-term loans and advances	21	42,971,656	40,230,337
Other current assets	22	15,966,232	3,117,729
		<b>1,263,697,885</b>	<b>971,505,294</b>
		<b>2,228,664,511</b>	<b>1,824,925,175</b>

The accompanying notes form an integral part of these standalone financial statements.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

**Sd/-**  
per **Neeraj Sharma**  
Partner

**Sd/-**  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

**Sd/-**  
**Pratik Patel**  
Managing Director  
DIN-00780920

**Place :** Indore  
**Date :** 29th May 2018

**Sd/-**  
**Dharmendra Jain**  
Chief Financial Officer

**Sd-**  
**Tushar Kharpade**  
Company Secretary  
Membership No. - A30144

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**Jash Engineering Limited**  
**Statement of Profit and Loss for the year ended 31 March 2018** (All amount in ₹, unless stated otherwise)

Description	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Revenue</b>			
Revenue from operations (gross)	23	1,527,038,794	1,530,134,814
Less: Excise duty		(14,550,820)	(76,559,814)
Revenue from operations (net)		<b>1,512,487,974</b>	<b>1,453,575,000</b>
Other income	24	33,691,887	24,714,972
<b>Total Revenues</b>		<b>1,546,179,861</b>	<b>1,478,289,972</b>
<b>Expenses:</b>			
Cost of raw materials and components consumed	25	775,144,550	683,403,836
Changes in inventories of finished goods, work-in-progress and traded goods	26	(37,234,018)	52,876,409
Employee benefits expense	27	227,951,955	180,147,983
Finance costs	28	60,656,817	53,707,272
Depreciation and amortization expense	29	44,746,808	38,763,85
Other expenses	30	382,096,648	325,219,328
<b>Total Expenses</b>		<b>1,453,362,760</b>	<b>1,334,118,680</b>
<b>Profit before tax</b>		<b>92,817,101</b>	<b>144,171,292</b>
<b>Tax expense:</b>			
Current tax		17,663,094	36,915,000
Deferred tax		1,321,519	2,982,929
Taxes for earlier years		481,324	871,264
		<b>19,465,937</b>	<b>40,769,193</b>
<b>Net profit for the year</b>		<b>73,351,164</b>	<b>103,402,099</b>
<b>Earnings per equity share (in ₹)</b>			
Basic		6.90	10.80
Diluted		6.90	10.80

The accompanying notes form an integral part of these consolidated financial statements.  
This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiook & Co LLP**  
Chartered Accountants

Sd/-  
per **Neeraj Sharma**  
Partner

Place : Indore  
Date : 29th May 2018

Sd/-  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

Sd/-  
**Dharmendra Jain**  
Chief Financial Officer

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

Sd/-  
**Pratik Patel**  
Managing Director  
DIN-00780920

Sd/-  
**Tushar Kharpage**  
Company Secretary  
Membership No. - A30144

**Jash Engineering Limited**  
**Cash Flow Statement for the year ended 31 March 2018**

(All amount in ₹, unless stated otherwise)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before tax</b>	92,817,101	144,171,292
Adjustments for :		
Depreciation and amortisation expense	44,746,808	37,794,340
Prior period items	-	1,482,043
Balance written off	888,699	4,772,214
Unrealised foreign currency gain (net)	(9,610,412)	(1,133,507)
Unclaimed balances written back	(2,548,332)	(4,148,754)
(Profit)/loss on sale of property, plant and equipment	(34,353)	2,314
Profit on fair valuation of short term investment	(34,486)	(33,574)
Interest income on fixed deposits	(2,727,605)	(4,093,232)
Interest income on loan and others	(2,733,520)	(671,063)
Dividend on investments	(5,401,200)	(5,401,296)
Finance costs	60,656,817	53,707,272
<b>Operating profit before working capital changes</b>	<b>176,019,517</b>	<b>226,448,049</b>
Adjustments for:		
- Increase in trade and other receivables	(188,528,253)	(122,856,088)
- Increase in inventories	(75,996,969)	(5,023,360)
- Increase in loans and advances	(32,445,297)	(35,371,403)
- Increase in other assets	(14,159,628)	-
- Increase in trade and other payables	82,299,164	141,182,897
<b>Cash flow (used in)/from operating activities</b>	<b>(52,811,466)</b>	<b>204,380,095</b>
- Direct taxes paid	(22,970,540)	(40,744,499)
<b>Net cash flow (used in)/from operating activities</b>	<b>(75,782,006)</b>	<b>163,635,596</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(106,982,611)	(52,583,968)
Proceeds from sale of property, plant and equipment	321,503	559,860
Investments in shares of subsidiary companies	(6,686,486)	(66,941,875)
Dividend income	5,401,200	5,401,296
Interest received	4,559,319	6,283,862
Movement in deposits	(12,311,177)	30,416,612
<b>Net cash used in investing activities</b>	<b>(115,698,252)</b>	<b>(76,864,213)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares including securities premium	271,343,760	-
Proceed from long term borrowings	6,387,547	7,669,000
Repayment of long term borrowings	-	(28,766,924)
Proceeds from short term borrowings, net	37,409,719	13,987,931
Finance costs	(61,128,547)	(52,986,093)
Share issue expenses	(42,937,839)	-
Dividend and dividend distribution tax paid	(21,949,890)	(21,949,915)
<b>Net cash generated from investing activities</b>	<b>189,124,750</b>	<b>(82,046,001)</b>

Net (decrease)/increase in cash and cash equivalents (A+B+C)	(2,355,508)	4,725,382
Opening cash and cash equivalents	5,260,706	535,324
Closing cash and cash equivalents*	2,905,198	5,260,706
	(2,355,508)	4,725,382
(Cont'd)		
* Reconciliation of cash and cash equivalents		
Cash in hand	520,530	1,091,490\
Bank balances	2,384,668	4,169,216
<b>Total</b>	<b>2,905,198</b>	<b>5,260,706</b>

**Note:**

The above cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' as specified under section 133 of Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).

This is the Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**  
Chartered Accountants

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

Sd/-  
per **Neeraj Sharma**  
Partner

Sd/-  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

Sd/-  
**Pratik Patel**  
Managing Director  
DIN-00780920

Place : Indore  
Date : 29th May 2018

Sd/-  
**Dharmendra Jain**  
Chief Financial Officer

Sd/-  
**Tushar Kharpade**  
Company Secretary  
Membership No. - A30144

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## **Jash Engineering Limited Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018** (All amount in ₹, unless stated otherwise)

### **1. a. Background of the Company**

Jash Engineering Limited ('the Company') was incorporated on 29 September 1973 and is engaged in the business of manufacturing and trading of varied engineering products for general engineering industry, water and waste water industry and bulk solids handling industry. The Company is domiciled in India and its registered office is situated at 31, Sector-C, Sanwer Road, Industrial Area, Indore - 452015, Madhya Pradesh. During the current year ended 31 March 2018, the Company got listed in the Emerge Board of National Stock Exchange of India Limited.

### **b. Basis of preparation**

The financial statements are prepared under historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and including the Accounting Standards specified under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). These financial statements have been prepared on a going concern basis and the accounting policies have been consistently applied by the Company.

All assets and liabilities have been classified as current or non-current, when applicable based on the operating cycle of the Company as per the guidance as set out in the Schedule III to the Companies Act, 2013.

### **2. Summary of significant accounting policies**

#### **a. Use of estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revision, if any, are recognized in the current and future periods.

#### **b. Property plant and equipment and depreciation**

Property plant and equipment are stated at cost less accumulated depreciation.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Property plant and equipment under construction and cost of assets not ready for use before the year-end, are classified as capital work in progress.

Depreciation on property plant and equipment is provided using straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready for use subject to adjustments arising out of transitional provisions of Schedule II.

Leasehold land is amortised over their respective lease period.

#### **c. Intangible fixed assets and amortisation**

Intangible assets comprise of technical know-how and computer software

These are being amortised over their estimated useful lives on a straight line basis, commencing from the date the asset is available to the Company for its use.

The amortisation rates are indicative of the expected useful lives of the assets.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

#### **d. Investments**

Investments are classified as non-current or current, based on management's intention at the time of purchase. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Trade investments are the investments made for or to enhance the Company's business interests.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the financial statements.

Profit/loss on sale of investments is computed with reference to the average cost of the investment.

**e. Inventories****- Inventories are valued as follows:**

- i. Raw materials including components, packing materials, stores and spares and goods in transit - At lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- ii. Work-in-progress - At cost up to estimated stage of completion.
- iii. Finished goods and goods purchased for resale - At lower of cost and net realizable value.

**- Cost of inventories is ascertained on the following basis:**

- i. Raw materials, stores and spare parts and packing materials - on First in First out method (FIFO).
- ii. Finished goods purchased for resale - FIFO.
- iii. Cost of manufactured finished goods and stock in process comprises of material, labour and other related production overheads including depreciation.

**f. Revenue recognition****- Sale of goods:**

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer and is stated inclusive of excise duty and net of trade discounts, sales return and sales tax wherever applicable.

**- Sale of services:**

Revenue from the sale of services is recognized when the services are rendered.

**- Power generation:**

Revenue from power generation is recognised on accrual basis, on the basis of actual power sold, as per the terms and conditions of the relevant power purchase agreement.

**- Export benefits:**

Income in respect of export benefits is recognized in the period, when there is no significant uncertainty about the measurability and ultimate realization of such benefits.

**- Other income:**

- i) Interest income is recognized on a time proportion basis at the applicable rates.
- ii) Dividend income is recognized when the right to receive dividend is established.

**g. Borrowing costs**

Borrowing costs that are attributable to the acquisition and / or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred.

**h. Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations, where the Company has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit

entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

#### **I. Foreign currency transactions**

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate.

The exchange differences arising on such conversion and on settlement of the transactions are recognized in the Statement of Profit and Loss.

#### **j. Employee benefits**

Expenses and liabilities in respect of employee benefits are recorded in accordance with the notified Accounting Standard 15 - Employee Benefits.

##### **- Provident fund:**

The Company makes contribution to statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms of the Guidance on implementing the revised AS – 15, issued by the Accounting Standards Board of the ICAI, the provident fund trust set up by the Company is treated as a defined benefit plan since the Company has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any is recognized as an expense in the period in which services are rendered by the employee.

##### **- Gratuity:**

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

##### **- Compensated absences:**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

##### **- Other short term benefits:**

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

#### **k. Leases**

##### *Operating leases:*

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Lease payments under an operating lease are recognized as an expense in the Statement of Profit and Loss in accordance with the terms of lease deed.

#### **l. Impairment of assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the Statement of Profit and Loss.

**m. Contingent liabilities and provisions**

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, has been disclosed as a contingent liability in the Financial Statements.

**n. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of dilutive potential equity shares.

**o. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term bank deposits with an original maturity of three months or less.

**p. Dividend**

The Company declares dividend to shareholders after the balance sheet date, the Company will not recognise those dividends as a liability at the balance sheet date unless a statute requires otherwise and such dividends has been disclosed in the notes to the financial statements. \

**q. Share issue expenses**

The share issue expenses are adjusted against the balance in securities premium account as permitted under Section 52 of the Companies Act, 2013.

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### 3. Share Capital

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	(Rs.)	Number of Shares	(Rs.)
<b>Authorised</b>				
Equity Shares of ? 10 each	12,490,000	124,900,000	10,490,000	104,900,000
Preference Shares of ? 10 each	510,000	5,100,000	510,000	5,100,000
	<b>13,000,000</b>	<b>130,000,000</b>	<b>11,000,000</b>	<b>110,000,000</b>
<b>Issued, subscribed and fully paid up</b>				
Equity Shares of ? 10 each	11,836,598	118,365,980	9,575,400	95,754,000
	<b>11,836,598</b>	<b>118,365,980</b>	<b>9,575,400</b>	<b>95,754,000</b>

#### a) Reconciliation of equity share outstanding at the beginning and end of the reporting period

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	(Rs.)	Number of Shares	(Rs.)
At the beginning of the year	9,575,400	95,754,000	9,575,400	95,754,000
Add: shares issued during the year	2,261,198	22,611,980	-	-
Outstanding at the end of the year	<b>11,836,598</b>	<b>118,365,980</b>	<b>9,575,400</b>	<b>95,754,000</b>

#### b) Details of shareholders holding more than 5% of the shares of the Company

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	% of holding	Number of Shares	% of holding
<b>Equity shares of ? 10 each</b>				
Pragati India Fund Limited	-	-	2,573,102	27%
Mr. Pratik Patel	1,911,465	16%	1,911,465	20%
Mr. Axel Schutte	770,000	7%	770,000	8%
Sundaram Alternative Opp. fund	594,000	5%	-	-

#### c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ?10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### d) Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years to be given for each class of shares

There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

#### 4. Reserve & Surplus

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)
<b>Securities premium account</b>		
Balance at the beginning of the year	241,365,860	241,365,860
Add : Received on issue of equity shares	248,731,780	-
Less : Amount utilised towards share issue expenses	(42,937,839)	-
<b>Balance at the end of the year</b>	<b>447,159,801</b>	<b>241,365,860</b>
<b>General reserve</b>		
Balance at the beginning of the year	105,000,000	105,000,000
<b>Surplus in the Statement of Profit and Loss</b>		
Balance at the beginning of the year	451,248,474	347,296,625
Add: Profit for the year	73,351,163	103,402,102
Add: Dividend distribution tax adjustment*	-	549,747
Less: Dividend paid @ ₹ 2 per share for the year ended 31 March 2017	19,150,800	-
Less: Dividend distribution tax on the above	2,799,090	-
<b>Net surplus in the Statement of Profit and Loss</b>	<b>502,649,747</b>	<b>451,248,474</b>
	<b>1,054,809,548</b>	<b>797,614,334</b>

\*Represents final adjustment of dividend distribution tax in respect of year ended 31 March 2016

Note 4A: The Board of Directors of the Company, in their meeting held on 29 May 2018, recommended a final dividend of ₹ 1 per fully paid up equity share of ₹10 each, aggregating to ₹ 11,836,598 for the year ended 31 March 2018, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

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## 5 Long term borrowings

Particulars	Non Current		Current Maturities	
	As at 31 Mar. 2018	As as 31 Mar. 2017	As at 31 Mar. 2018	As at 31 Mar. 2017
<b>Secured</b>				
<b>Term loans</b>				
- Rupee loans from banks	-	60,691,000	1,567,662	24,000,000
- Foreign currency loans from banks	39,490,070	9,725,790	30,432,338	-
- Rupee loans from financial institutions	43,828,000	5,058,000	16,524,000	1,111,000
<b>Vehicle loans</b>	2,880,049	1,997,975	2,908,285	1,111,972
<b>Unsecured</b>				
Loans from related parties (refer note 38)	-	26,947,019	-	600,000
	<b>86,198,119</b>	<b>104,419,884</b>	<b>51,432,285</b>	<b>26,822,972</b>
Less : amount disclosed under the head "other current liabilities" (refer note 11)	-	-	(51,432,285)	(26,822,972)
	<b>86,198,119</b>	<b>104,419,884</b>	<b>-</b>	<b>-</b>
<b>Details of guarantee for each type of borrowings</b>				
<b>Guaranteed by directors and related parties</b>				
Rupee and foreign currency loans from banks and financial institutions	83,318,070	75,474,593	48,524,000	25,111,000

### Repayment terms and security for the outstanding long term borrowings (including current maturities):

#### D) Term loans from banks

The company availed term loan facility from State Bank of India amounting to ₹ 120,000,000 at rate of interest of State Bank of India's base rate (10%) plus 3.4%. Base rate keeps on changing. Repayment of term loan is to be done in 16 quarterly installment commencing from July 2015 with last installment falling due in year 2019-20. During the year the Company has converted its rupee term loan into foreign currency loan amounting to ₹ 69,922,408 (previous year ₹ 9,725,790). Outstanding book balance of term loan is ₹ 71,490,070 (previous year ₹ 94,416,890).

#### Note - 5 (Cont'd)

##### The aforesaid term loan is secured by way of :

- First pari passu charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at Unit I and Unit II, SEZ
- Exclusive first charge by way of equitable mortgage over land and shed and hypothecation over Company's entire present and future property, plant and equipment comprising land, building, plant and machinery and miscellaneous property, plant and equipment at Unit I and SEZ. Further secured by following collateral securities:
  - Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at plot no. 18-C, 29 to 31, 32 B Sector C, Industrial Area, Sanwer Road, Indore and Plot No. M-11, Misc Zone Phase -II SEZ, Pithampur Distt. Dhar, survey no. 74/1, 74/2/1, 76/1/3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district - Indore and survey no. 77, Patwari Halka no. 36, Bardari, Sanwer, district Indore.
  - First pari passu charge by way of equitable mortgage of factory land and building situated at Bardari village, Sanwer district Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare and first charge on khasra no 76/1/3 admeasuring 0.183 hectare and 76/1/1 admeasuring 0.243 hectare in the name of Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.
  - Pledge of 30% shares of Shivpad Engineers Private Limited.

Further secured by personal guarantee of Directors, Mr. Pratik Patel and Mr. L. D. Amin and corporate guarantee of M/s Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.

## ii) Term loans from financial institutions

- 1) The company availed term loan facilities from Small Industries Development Bank of India amounting to ₹ 40,000,000 and ₹ 22,430,000 at rate of interest of 9.50 % . (previous year 11.45%). Repayment of term loan is to be done in 36 monthly installment commencing from March 2018 with last installment falling due in year 2020-2021. Outstanding book balance of term loan is ₹ 60,352,000 (previous year: ₹ 6,169,000).

### The aforesaid term loan is secured by way of :

- (a) First hypothecation charge over the company's movable such as plant machinery, vehicle, machinery spares, tools, office equipments, computer, computer fixture acquired under the project.
- (b) Extension of first charge by way of hypothecation of all movables including plant, machinery, vehicles, machinery spares , tools office equipments, computers acquired earlier financial assistance.
- (c) Residual charge by way of mortgage of leasehold factory land and Building (Unit-1) situated at Survey No. 18B2, 18E2, 18 D2, 18C, 19, 29, 30, 31 & 32B industrial area Sector C, village Sukhliya Tehsil & Dist Indore.
- (d) Residual charge by way of mortgage of leasehold factory land and Building situated at survey no. 74/1, 74/2/1, 76/1/2, 76/1/4, 77/1, 74/2/2 and 74/1/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district, Indore and survey no. 77, Patwari Halka no. 36, Bardari tehsil, Sanwer district, Indore.
- (e) Residual charge by way of mortgage of land and building situated at plot no. M-11 SEZ, Pithampur, Tehsil & district Dhar.
- (f) Residual charge by way of mortgage of land and building situated at survey no. 74/2/2, 76/1/1 village Bardari, Sanwer , Dist. Indore owned by Patamin Investment Private Limited.
- (g) Further secured by personal guarantee of Directors, Mr. Pratik Patel and Mr. L. D. Amin and corporate guarantee of M/s Patamin Investments Private Limited.

## iii) Vehicle loans from banks

As at March 2018	Principal Amount ?	Amount Outstanding ?	Installment Outstanding ?	Date of loan	Rate of interest	Hypothecation of
Vehicle loan	4,370,000	1,934,481	93,712	21 February 2015	10.40%	Vehicle
Vehicle loan	517,845	63,494	21,522	14 June 2015	10.10%	Vehicle
Vehicle loan	634,000	572,332	20,385	1 November 2017	9.60%	Vehicle
Vehicle loan	600,000	479,671	18,969	28 June 2017	8.60%	Vehicle
Vehicle loan	3,800,000	2,738,356	121,016	24 April 2017	9.10%	Vehicle

As at March 2018	Principal Amount ?	Amount Outstanding ?	Installment Outstanding ?	Date of loan	Rate of interest	Hypothecation of
Vehicle loan	4,370,000	2,807,860	93,712	21 February 2015	10.40%	Vehicle
Vehicle loan	517,845	302,087	21,522	14 June 2015	10.10%	Vehicle

## iv) Loan from related parties

- (a) During the year ended 31 March 2018, unsecured loan of ₹ 20,161,745 taken from Mr. Partik Patel has been fully repaid and outstanding balance as on 31 March 2018 is Nil (previous year ₹ 17,634,644). The loan carried an annual rate of interest of 12% per annum and was repayable in monthly installment of ₹ 50,000 each commencing from August, 2014. The Company has obtained new unsecured loan repayable on demand from Mr. Partik Patel of ₹ 3,000,000 which has been classified under short term borrowings.
- (b) During the year ended 31 March 2018, unsecured loan taken from L. D. Amin (HUF), Harsh Patel, Bhairavi Patel and Patamin Investments Private Limited has been repaid. Outstanding book balance of loan taken from L. D. Amin (HUF) as on 31 March 2018 is ₹ Nil (previous year ₹ 2,369,192), Harsh Patel is ₹ Nil (previous year ₹ 837,587), Bhairavi Patel of ₹ Nil (previous year ₹ 418,793) and from Patamin Investments Private Limited as on 31 March 2018 is ₹ Nil (previous year ₹ 6,286,803). These loans were taken at an annual rate of interest of 12% per annum and were repayable after 5 years from the date of such loan.

	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)
<b>6 Deferred tax liabilities (net)</b>		
<b>Deferred tax liability arising on account of:</b>		
Impact of difference between tax depreciation and depreciation charged for the financial year	50,599,507	46,551,603
<b>Deferred tax asset arising on account of:</b>		
Provision for employee benefits	(5,346,112)	(2,619,726)
	<b>45,253,395</b>	<b>43,937,877</b>
<b>7 Other long term liabilities</b>		
Security deposits	864,288	1,103,757
	<b>864,288</b>	<b>1,103,757</b>
<b>8 Long term provisions</b>		
Provision for employee benefit :		
- Gratuity (refer note 33)	6,253,910	1,958,463
- Compensated absences (refer note 33)	8,021,467	6,446,218
Rent equalisation reserve	24,868	6,192
	<b>14,300,245</b>	<b>8,410,873</b>
<b>9 Short term borrowings</b>		
<b>Secured</b>		
Short term loans from banks	30,000,000	-
Cash credit facilities from bank	295,728,962	294,629,655
<b>Unsecured</b>		
Loans from related parties (refer note 38)	2,139,164	-
	<b>327,868,126</b>	<b>294,629,655</b>

D) Fund based credit facility sanctioned to the Company from HDFC Bank during the year comprise of CC facility of ₹ 110,000,000 (previous year ₹ 60,000,000) and short term loan facility of ₹ 50,000,000 (previous year Nil) an annual rate of interest of 2.60% above MCLR-1 year. Outstanding book balance for CC account from HDFC as on 31 March 2018 is ₹ 36,598,840 (previous year ₹ 24,249,086), short term loan ₹ 30,000,000 (previous year Nil).

**The facilities from bank are secured by way of:** Primary security: First pari passu charge on all current assets of the Company as on 31 March 2017.

**Collateral:**

- (a) Pledge of 30% shares of Shivpad Engineers Private Limited.
- (b) Second pari passu charge on property, plant and equipment of Unit 1 and SEZ.
- © Second pari passu charge on entire property, plant and equipment of Unit 2 and SEZ.
- (d) Second pari passu charge on land owned by Patamin Investments Private Limited.

Also secured by way of guarantees from:

- Mr. L.D. Amin
- Mr. Pratik Patel

ii) Fund based credit facility from State Bank of India comprises of cash credit (CC) facility amounting to ₹ 290,000,000 (previous year ₹ 290,000,000) at an annual rate of interest of 1.50% above MCLR-1 year, export packing credits (EPC) within CC limit amounting to ₹ 150,000,000 (previous year ₹ 90,000,000) at an annual rate of interest 0.55% above MCLR-1 year. Outstanding

book balance for CC account from SBI? 184,781,186 (previous year? 223,290,094), EPC account as on 31 March 2018 is for? 74,348,936 (previous year? 47,090,475).

**The facilities from bank are secured by way of:**

Primary security: First hypothecation charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at Unit I and SEZ both or at such other places approved by the Bank including good in transit/shipment in the name of Company. Collateral:

- Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at survey no. 74/1, 74/2/1, 76/1, /3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district, Indore and survey no. 77, Patwari Halka no. 36, Bardari tehsil, Sanwer district, Indore.
- Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at Unit I and SEZ both.
- First charge by way of equitable mortgage of diverted land situated at Bardari village, Sanwer district, Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare in the name of Patamin Investments Private Limited.
- Pledge of 30% shares of Shivpad Engineers Private Limited.

Also secured by way of guarantees from:

- Mr. L.D. Amin
- Mr. Pratik Patel
- Patamin Investments Private Limited

**ii) Loan from related parties**

Unsecured loan taken from Mr. Pratik Patel, amounting to ? 3,000,000 (previous year? Nil) at annual rate of interest of 10% per annum is repayable on demand. Outstanding book balance of such loan is ? 2,139,164 (previous year? Nil).

**10. Trade payables**

	As at 31 March 2018	As at 31 March 2017
<b>A. Total outstanding dues of Micro Enterprises and Small Enterprises</b>		
<b>Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') :</b>		
<b>Particulars</b>		
i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
Principal	29,762,628	22,159,612
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.		
	<b>29,762,628</b>	<b>22,159,612</b>

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2018	As at 31 March 2017
<b>B. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises</b>		
Due to others	420,691,215	334,157,311
	<b>420,691,215</b>	<b>334,157,311</b>

#### 11. Other current liabilities

	As at 31 March 2018	As at 31 March 2017
Current maturities of long term borrowings (refer note 5)	51,432,285	26,822,972
Interest accrued but not due on borrowings	646,806	1,118,536
Interest payable on delay payment of income tax	-	465,746
Book overdraft	4,171,248	-
Employees related payables	14,151,322	10,569,890
Advance from customers	40,091,726	54,163,899
Statutory dues	3,674,043	13,666,352
	<b>114,167,430</b>	<b>106,807,395</b>

#### 12. Short term provisions

	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits :		
- Compensated absences	1,172,242	1,123,493
- Bonus	15,211,295	14,596,644
Provision for taxation (net of prepaid taxes)	-	216,340
	<b>16,383,537</b>	<b>15,936,477</b>

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### 13A. Property plant and equipment

Gross block	Leasehold land	Freehold land	Buildings	Plant and equipments	Electric substations	Computers	Furniture and fixtures	Vehicles	Office equipments	Total
?	?	?	?	?	?	?	?	?	?	?
<b>Balance as at 1 April 2016</b>	<b>11,873,729</b>	<b>33,071,465</b>	<b>355,630,207</b>	<b>245,586,899</b>	<b>28,606,582</b>	<b>13,158,757</b>	<b>26,815,850</b>	<b>16,684,892</b>	<b>7,942,964</b>	<b>739,371,344</b>
Additions	-	-	1,216,991	44,209,000	-	2,511,808	1,080,771	62,995	310,665	49,392,230
Disposals	-	-	-	-	-	(43,000)	-	(1,373,418)	-	(1,416,418)
<b>Balance as at 31 March 2017</b>	<b>11,873,729</b>	<b>33,071,465</b>	<b>356,847,198</b>	<b>289,795,899</b>	<b>28,606,582</b>	<b>15,627,565</b>	<b>27,896,621</b>	<b>15,374,469</b>	<b>8,253,629</b>	<b>787,347,156</b>
Additions	8,116,595	-	77,000	73,232,300	-	2,634,729	3,770,974	6,447,671	1,704,078	95,983,347
Disposals	-	-	-	-	-	-	-	(1,980,345)	-	(1,980,345)
<b>Balance as at 31 March 2018</b>	<b>19,990,324</b>	<b>33,071,465</b>	<b>356,924,198</b>	<b>363,028,199</b>	<b>28,606,582</b>	<b>18,262,294</b>	<b>31,667,595</b>	<b>19,841,795</b>	<b>9,957,707</b>	<b>881,350,158</b>
<b>Accumulated depreciation</b>										
<b>Balance as at 1 April 2016</b>	<b>3,429,700</b>	-	<b>63,977,910</b>	<b>147,626,841</b>	<b>15,741,374</b>	<b>11,835,612</b>	<b>11,812,572</b>	<b>4,451,190</b>	<b>5,561,164</b>	<b>264,436,363</b>
Depreciation charge	366,005	-	10,319,337	17,645,319	1,586,893	1,005,874	2,572,855	1,677,875	1,198,321	36,372,479
Prior period depreciation / (reversal)	-	-	(157,445)	1,060,971	(353,827)	(9,554)	(481,943)	40,592	(86,448)	12,346
Reversal on disposal of assets	-	-	-	-	-	(40,869)	-	(813,375)	-	(854,244)
<b>Balance as at 31 March 2017</b>	<b>3,795,705</b>	-	<b>74,139,802</b>	<b>166,333,131</b>	<b>16,974,440</b>	<b>12,791,063</b>	<b>13,903,484</b>	<b>5,356,282</b>	<b>6,673,037</b>	<b>299,966,944</b>
Depreciation charge	366,005	-	10,341,454	22,504,596	1,562,413	1,979,545	2,782,373	1,927,623	692,608	42,156,617
Reversal on disposal of assets	-	-	-	-	-	-	-	(1,693,194)	-	(1,693,194)
<b>Balance as at 31 March 2018</b>	<b>4,161,710</b>	-	<b>84,481,256</b>	<b>188,837,727</b>	<b>18,536,853</b>	<b>14,770,608</b>	<b>16,685,857</b>	<b>5,590,711</b>	<b>7,365,645</b>	<b>340,430,367</b>
<b>Net block</b>										
Balance as at 31 March 2017	8,078,024	33,071,465	282,707,396	123,462,767	11,632,142	2,836,502	13,993,137	10,018,187	1,580,592	487,380,212
Balance as at 31 March 2018	15,828,614	33,071,465	272,442,942	174,190,472	10,069,729	3,491,686	14,981,738	14,251,084	2,592,062	540,919,792

### 13 B. Capital work-in-progress

Capital work in progress amounting to ?4,756,435 (previous year ?6,081,652) pertains to under construction components of factory equipments.

### 13 C. Intangible assets under development

Intangible assets under development amounting to ?7,764,877 (previous year Nil) pertains to accounting application software under development.

**13 D. Property plant and equipment**

Gross block	Technical know-how	Computer software	Total
	?	?	?
<b>Balance as at 1 April 2016</b>	<b>9,524,184</b>	<b>14,978,778</b>	<b>24,502,962</b>
Additions	-	1,937,730	1,937,730
<b>Balance as at 31 March 2017</b>	<b>9,524,184</b>	<b>16,916,508</b>	<b>26,440,692</b>
Additions	-	4,559,604	4,559,604
<b>Balance as at 31 March 2018</b>	<b>9,524,184</b>	<b>21,476,112</b>	<b>31,000,296</b>
<b>Accumulated amortisation</b>			
<b>Balance as at 1 April 2016</b>	<b>7,292,410</b>	<b>9,004,723</b>	<b>16,297,133</b>
Amortisation	736,315	1,655,058	2,391,373
Prior period amortisation reversal	(455,510)	(526,348)	(981,858)
<b>Balance as at 31 March 2017</b>	<b>7,573,215</b>	<b>10,133,433</b>	<b>17,706,648</b>
Amortisation	736,315	1,853,876	2,590,191
<b>Balance as at 31 March 2018</b>	<b>8,309,531</b>	<b>11,987,309</b>	<b>20,296,839</b>
<b>Net block</b>			
Balance as at 31 March 2017	1,950,969	6,783,075	8,734,044
Balance as at 31 March 2018	1,214,653	9,488,803	10,703,457

**14. Non-current investments**

	As at 31 March 2018	As at 31 March 2017
<b>A) Trade investments (valued at cost unless stated otherwise) Investment in equity instruments</b>		
-In subsidiary companies (unquoted)		
Shivpad Engineers Private Limited *	56,834,000	56,834,000
135,030 (previous year 135,030) equity shares (fully paid up) of ? 10 each		
Jash USA INC**		
18,500 (previous year 18,500) equity shares (fully paid up) of \$ 10 each	117,937,385	104,616,578
Mahr Maschinenbau GmbH ("MM")	157,727,450	157,727,450
1 (previous year 1) share (fully paid) pertaining to entire capital equivalent to Euro 36336.41 of MM's owner's equity		
Engineering and Manufacturing Jash Ltd.	8	8
1 (previous year 1) equity shares (fully paid up) of Hong kong dollar 1 each	<b>332,498,843</b>	<b>319,178,036</b>
<b>Aggregate amount of unquoted investments</b>	<b>332,498,843</b>	<b>319,178,036</b>

\*30% of the investment in Shivpad Engineers Private Limited pledged in favour of State Bank of India in respect of rupee loan and credit facilities taken. \*\*This includes investment by the Company in Jash USA INC represented by equity share capital amounting to ? 8,921,703 (previous year ? 8,921,703) against which 18,500 shares have been issued to the Company. Rest of the amount ? 109,015,682 (previous year ? 95,694,875) is amount invested by the Company in Jash USA, which has been classified as an "additional paid in capital" in Jash USA Inc. and no equity shares have been issued to the Company against such investments.

**15. Long term loans and advances**

	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
<b>Security deposit</b>		
Related parties	2,500,000	2,500,000
Others	3,679,601	3,248,041
<b>Loans and advances</b>		
Loan to subsidiaries	39,090,940	5,286,197
<b>Other loans and advances</b>		
Balances with government authorities	4,410,484	3,354,341
Prepaid taxes (net of provisions for tax)	4,527,853	167,477
Capital advances	11,130,658	16,979,126
Prepaid expenses	316,648	107,796
Others	84,787	33,639
	<b>65,740,971</b>	<b>31,676,617</b>

**16. Other non current assets**

	As at 31 March 2018	As at 31 March 2017
Interest accrued but not due on loans	2,582,251	369,320
	<b>2,582,251</b>	<b>369,320</b>

**17. Current investments**

	As at 31 March 2018	As at 31 March 2017
<b>Trade investments (quoted)</b>		
<b>Investment in equity instruments</b>		
Ramky Infrastructure Limited	84,915	49,829
489 (previous year 489) equity shares (fully paid up) of ? 10 each		
VA Tech Wabag Limited	5,950	6,550
12 (previous year 12) equity shares (fully paid up) of ? 10 each	<b>90,865</b>	<b>56,379</b>
Aggregate amount of quoted investments (market value ? 90,865 (previous year ? 57,948))	<b>90,865</b>	<b>56,379</b>

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**18. Inventories**

	As at 31 March 2018	As at 31 March 2017
Raw materials and components*#	271,380,002	224,800,718
Work-in progress	95,074,769	59,447,351
Finished goods	72,431,934	79,223,274
Stores and spares	9,266,326	8,684,718
	<b>448,153,031</b>	<b>372,156,061</b>

\*Includes stock lying with third parties amounting ? 545,169 (previous year ? 562,609)

#Includes goods in transit amounting to Nil (previous year ? 909,840)

**19. Trade receivables**

	As at 31 March 2018	As at 31 March 2017
(Unsecured considered good unless otherwise stated)		
Outstanding for a period exceeding six months from the date they are due for payment	165,855,427	112,715,208
Other receivables	531,166,239	393,690,814
	<b>697,021,666</b>	<b>506,406,022</b>

**20. Cash and bank balances**

	As at 31 March 2018	As at 31 March 2017
<b>Cash and cash equivalents</b>		
Cash on hand	520,530	1,091,490
Balances with schedule banks :		
-In current accounts	2,384,668	4,169,216
	<b>2,905,198</b>	<b>5,260,706</b>
<b>Other bank balances</b>		
Margin money deposits*	56,589,237	44,278,060
	<b>56,589,237</b>	<b>44,278,060</b>
	<b>59,494,435</b>	<b>49,538,766</b>

\* The deposits are pledged against bank guarantees issued to sales tax authorities, and for cash credit/ letter of credit facilities.

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**21. Short term loans and advances**

	As at 31 March 2018	As at 31 March 2017
(Unsecured , considered good unless otherwise stated)		
Receivables from related parties	-	499,749
Advances given to employees	475,199	134,629
Balance with government authorities	21,566,414	21,746,748
Advance to suppliers	12,860,839	13,356,470
Prepaid expenses	2,558,138	3,610,945
Security deposit	4,863,000	-
Tender fee and earnest money deposit	648,066	881,796
	<b>42,971,656</b>	<b>40,230,337</b>

**22. Other current assets**

	As at 31 March 2018	As at 31 March 2017
Interest accrued on deposits	1,806,604	3,117,729
Export benefits receivables	14,159,628	-
	<b>15,966,232</b>	<b>3,117,729</b>

**23. Revenue from operations**

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Sale of products</b>		
Manufactured goods	1,490,961,325	1,521,709,242
	<b>1,490,961,325</b>	<b>1,521,709,242</b>
<b>Sale of services</b>		
Installation charges receipts	1,309,114	1,165,256
Commission income receipts	1,584,908	-
	<b>2,894,022</b>	<b>1,165,256</b>
<b>Other operating revenues</b>		
Export benefits	15,097,586	-
Scrap sales*	18,085,861	7,260,316
	33,183,447	7,260,316
	<b>1,527,038,794</b>	<b>1,530,134,814</b>

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**24. Other income**

	<b>For the year ended 31 March 2018</b>	<b>For the year ended 31 March 2017</b>
Interest income on :		
-fixed deposits	2,727,605	4,093,232
-loan and others	2,733,520	671,063
Rental income	1,375,000	375,000
Dividend income	5,401,200	5,401,296
Profit on sale of property, plant and equipment (net)	34,353	-
Foreign currency gain (net)	18,237,791	9,589,446
Unclaimed balances written back	2,548,332	4,148,754
Miscellaneous income	634,086	436,181
	<b>33,691,887</b>	<b>24,714,972</b>

**25. Cost of raw materials and components consumed**

	<b>For the year ended 31 March 2018</b>	<b>For the year ended 31 March 2017</b>
Inventory at the beginning of the year	223,890,878	160,545,571
Add : Purchases during the year	822,633,674	746,749,143
	1,046,524,552	907,294,714
Less : Inventory at the end of the year	271,380,002	223,890,878
	<b>775,144,550</b>	<b>683,403,836</b>
<b>Detail of raw materials and components consumed</b>		
Bought outs	147,832,729	189,222,665
Actuators and gear boxes	126,065,761	72,604,217
C.I. Scrap	37,554,392	19,140,748
Pig iron	7,669,937	9,531,014
Hard coke, firewood, diesel	10,294,479	8,162,77
M.S. Scrap	8,087,684	2,970,751
Other raw materials	437,639,568	379,747,147
	<b>775,144,550</b>	<b>681,379,313</b>

**26. Changes in inventories of finished goods, work-in-progress and traded goods**

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Opening inventory</b>		
Finished goods	79,223,274	128,348,783
Work in progress	59,447,351	68,999,299
	<b>138,670,625</b>	<b>197,348,082</b>
<b>Less : Closing inventory</b>		
Finished goods	72,431,934	79,223,274
Work in progress	95,074,769	59,447,351
	<b>167,506,703</b>	<b>138,670,625</b>
<b>Change in inventories</b>	<b>(28,836,079)</b>	<b>58,677,457</b>
Excise duty on opening stock	8,397,940	14,198,988
Less: excise duty on closing stock	-	8,397,940
<b>Change in excise duty of finished goods</b>	<b>(8,397,940)</b>	<b>(5,801,048)</b>
	<b>(37,234,018)</b>	<b>52,876,409</b>
<b>Details of finished goods</b>		
Gates	38,848,350	38,287,559
Screening equipments	26,149,207	25,413,213
Valves and valves components	7,434,377	13,788,036
Process equipments	-	1,734,466
	<b>72,431,934</b>	<b>79,223,274</b>
<b>Details of work-in-progress</b>		
Gates	26,236,692	14,138,770
Screening equipments	19,342,880	12,434,553
Valves and valves components	25,352,306	22,733,337
Hydro screw	14,316,441	3,164,087
Process equipment	4,134,163	58,807
Casting	5,692,506	6,917,797
	<b>95,074,988</b>	<b>59,447,351</b>

**27. Employee benefits expense**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	204,217,254	162,354,725
Contributions to provident and other funds	15,137,971	12,606,455
Staff welfare expenses	8,596,730	5,186,803
	<b>227,951,955</b>	<b>180,147,983</b>

**28. Finance costs**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense	48,772,744	41,865,981
Other borrowing costs	11,884,073	11,841,291
	<b>60,656,817</b>	<b>53,707,272</b>

**29. Depreciation and amortization expense**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Depreciation of tangible assets (refer note 15A)	42,156,617	36,372,479
Amortization of intangible assets (refer note 15D)	2,590,191	2,391,373
	<b>44,746,808</b>	<b>38,763,852</b>

**30. Other expenses**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Consumption of stores and spare parts	82,200,214	73,489,989
Power, fuel and water	17,249,245	15,094,058
Rent (refer note 39)	5,141,959	4,896,114
Rates and taxes	6,199,519	4,398,442
Conveyance expenses	2,234,313	1,767,962
Loss on sale/discarding of property, plant and equipment (net)	-	2,314
Telephone and internet expense	1,109,841	1,327,674
Repairs and maintenance		
Building	2,342,425	3,474,756
Others	3,149,996	2,529,405
Vehicle running and maintenance	2,195,910	1,764,548
Insurance charges	3,617,803	1,775,388
Travelling expenses	14,407,524	13,912,131
Royalty	2,217,655	1,976,154
Legal and professional	5,840,665	6,600,123
Advertisement and sales promotion expense	18,016,015	23,517,775
Commission and brokerage	11,858,481	14,314,847
Carriage outward	17,881,863	18,094,018
Labour charges	28,368,638	21,797,043
Job work charges	67,513,888	59,499,153
Late delivery charges	1,526,486	1,645,182
Balance written off	888,699	4,772,214
Export expenses	63,913,352	24,594,672
Drawing, designing and pattern charges	6,803,921	7,379,388
Miscellaneous expenses	17,418,237	16,595,978
	<b>382,096,649</b>	<b>325,219,328</b>

**31. Earnings per equity share**

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>a) Net profit attributable to equity shareholders</b>	73,351,164	103,402,100
<b>b) Weighted average number of shares for</b>		
Basic earnings per share	10,634,756	9,575,400
Diluted earnings per share	10,634,756	9,575,400
<b>c) Nominal value of shares</b>	10	10
<b>d) Earnings per share</b>		
Basic earnings per share	6.90	10.80
Diluted earnings per share	6.90	10.80

**32. Contingent liabilities**

	As at 31 March 2018	As at 31 March 2017
<b>(I) Contingent liabilities (under litigation), not acknowledged as debt, include:\</b>		
Corporate guarantee given on behalf of Shivpad Engineers Private Limited	10,000,000	10,000,000
Standby letter of credit given on behalf of Jash USA	204,876,000	103,417,567
<b>b) Contingent liabilities (under litigation), not acknowledged as debt, include:</b>		
<b>Demand for central sales tax</b>		
Financial year 2013-14	-	13,477,793
Financial year 2014-15	22,065,027	22,065,027
Financial year 2015-16	7,369,543	-
<b>Demand for service tax</b>		
Financial year 2010-11	2,312,211	2,312,211
	<b>31,746,781</b>	<b>37,855,031</b>

Further, the Company has certain litigations involving vendor and work contractor. Based on legal advice of in-house legal consultants, the management believes that no material liability will devolve on the Company in respect of these litigations.

**33. Employee benefits:****Gratuity**

Amount recognised as expense in the Statement of Profit and Loss is determined as under:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Current service cost	4,803,663	3,967,694
Past service cost	1,537,918	-
Interest cost	2,890,518	2,483,255
Actuarial loss recognized during the year	1,994,813	2,293,218
Expected return on plan assets	(2,910,186)	(2,648,172)
<b>Net benefit expense</b>	<b>8,316,726</b>	<b>6,095,995</b>

Amount recognised in the balance sheet is as under:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Defined benefit obligation	47,412,464	38,335,782
Fair value of plan assets	41,158,555	36,377,319
<b>Net liability recognized in balance sheet</b>	<b>(6,253,909)</b>	<b>(1,958,463)</b>

Changes in defined benefit obligation:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Opening defined benefit obligation	38,335,782	31,040,686
Interest cost	2,890,518	2,483,255
Current service cost	4,803,663	3,967,694
Benefits paid	(2,146,042)	(1,307,098)
Actuarial gain on obligation	2,040,625	2,151,245
Closing defined benefit obligation	47,412,464	38,335,782

Changes in fair value of plan assets:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Fair value of plan assets at the beginning of the year	36,377,319	30,092,859
Expected return on plan assets	2,910,186	2,648,172
Contributions by employer	2,458,483	3,778,261
Actuarial loss/gain on plan assets	45,812	(141,973)
<b>Fair value of plan assets at the end of the year</b>	<b>41,158,555</b>	<b>36,377,319</b>
<b>Actual return on plan assets</b>	<b>2,955,998</b>	<b>2,506,199</b>

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**Assumptions used:**

The Company expects to contribute ₹ 6,250,000 (previous year ₹ 8,050,000) to gratuity fund for 2018-19.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Description	31 March 2018 (%)	31 March 2017 (%)
Investments with Life Insurance Corporation of India	100	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Discounting rate	8.00%	7.54%
Expected rate of return on assets	8.00%	8.00%
Future salary increase	8.80%	8.00%
Employee turnover :		
- Upto 30 years	3.00%	3.00%
- Upto 44 years	2.00%	2.00%
- Above 44 years	1.00%	1.00%

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

The Company made annual contribution to the Life Insurance Corporation of India ('LIC') of an amount advised by the LIC. The Company was not informed by LIC of the investment made or the breakdown of plan assets by investment type, accordingly related disclosures are not included in these financial statements.

**Amounts for the current and previous four years are as follows:**

	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Defined benefit obligations	47,412,464	383,35,782	31,040,686	26,622,481	19,485,884
Plan assets	41,158,555	363,77,319	30,092,859	23,141,443	19,069,663
Net assets/(liability)	(6,253,909)	(1,958,463)	(947,827)	(3,481,038)	(416,221)
Experience adjustments on plan projected benefit obligation:- gain/(loss)	(3,009,829)	1,421,786	(1,528,913)	2,700,396	(947,189)
Experience adjustments on plan assets:- gain/(loss)	45,812	(141,973)	200,413	49,560	(71,036)

### Compensated absences

Amount recognised as expense in the Statement of Profit and Loss for the year ended 31 March 2018 is determined as under:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Current service cost	1,671,910	1,315,988
Interest cost	570,756	502,089
Actuarial loss recognized during the year	1,159,020	1,295,830
<b>Amount recognised in the Statement of Profit &amp; Loss</b>	<b>3,401,686</b>	<b>3,113,907</b>

Changes in defined benefit obligation:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Opening defined benefit obligation	7,569,711	6,276,112
Interest cost	570,756	502,089
Current service cost	1,671,910	1,315,988
Benefits paid	(1,777,688)	(1,820,308)
Actuarial loss on obligation	1,159,020	1,295,830
Closing defined benefit obligation	9,193,709	7,569,711
- Current	1,172,242	1,123,493
- Non-current	8,021,467	6,446,218

Assumptions used:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Discounting rate	8.00%	7.54%
Future salary increase	8.00%	8.00%
Employee turnover :		
- Upto 30 years	3.00%	3.00%
- Upto 44 years	2.00%	2.00%
- Above 44 years	1.00%	1.00%

### Provident fund and Employee State Insurance fund

Contribution made by the Company during the year is ₹12,702,210 (previous year ₹11,606,518).

### 34. Payments to auditors: \*

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Statutory audit	1,300,000	1,100,000
Tax audit	150,000	125,000
Out of pocket expenses	93,630	62,872
Certification services	175,000	241,050
Other services	2,290,000	-
<b>Total</b>	<b>4,008,630</b>	<b>1,528,922</b>

\* Exclusive of service tax/goods and service tax

### 35. Expenditure in foreign currency:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Royalty	1,432,194	1,976,154
Sales commission	1,406,822	4,018,358
Foreign travelling expense	4,922,582	6,310,269
Exhibition expenses	8,108,106	99,11,332
Free sample expenses	70,056	478,648
Membership and subscription	24,381	24,285
Export expenses	374,654	160,217
Legal and professional	-	820,945
Drawing, design and pattern charges	5,325,875	5,373,988
Job work and labour charges	10,137,574	7,847,876
Loading and unloading charges	-	985,876
Carriage outward	-	500,040
Bank charges	456,621	535,772
Testing charges	-	650,127
Inspection of goods	45,203	242,031
Late delivery charges	-	423,849
Sales promotion expenses	5,989,123	10,430,815
Miscellaneous expenses	-	6,451
<b>Total</b>	<b>38,293,191</b>	<b>50,697,033</b>

### 36. Earnings in foreign currency:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Export of goods (FOB)	476,864,521	431,929,766

### 37. Details of imported and indigenous consumption:

Description	31 March 2018		31 March 2017	
	(Rs.)	(%)	(Rs.)	(%)
<b>Raw material and components</b>				
Imported	39,035,252	5.04	31,305,813	4.19
Indigenous	736,109,298	94.96	652,098,023	95.81
<b>Total</b>	<b>775,144,550</b>	<b>100.00</b>	<b>683,403,836</b>	<b>100.00</b>
<b>Components and spare parts</b>				
Imported	-	-	-	-
Indigenous	82,200,214	100.00	73,489,989	100.00
<b>Total</b>	<b>82,200,214</b>	<b>100.00</b>	<b>73,489,989</b>	<b>100.00</b>

**38. Related party transactions**

Related party disclosures, as required by Accounting Standard 18 - Related Party Disclosures is as under:

**(i) Subsidiary companies**

Jash USA Inc., United States of America  
Shivpad Engineers Private Limited, India  
Mahr Maschinenbau GmbH, Austria  
Engineering and Manufacturing Jash Limited, Hong Kong  
Rodney Hunt Inc., United States of America

**(ii) Key management personnel**

Mr. L.D. Amin, Chairman and Managing Director  
Mr. Pratik Patel, Managing Director  
Mr. Axel Schutte, Director

**(iii) Relatives of key managerial personnel with whom there are transactions/balances during the year**

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)  
Mr. Harsh Patel (son of Mr. Pratik Patel)  
Mrs. Swati Desai (sister of Mr. Pratik Patel)  
Mrs. Hirni Amin (sister of Mr. Pratik Patel)  
Late Mrs. Jyotsna Amin (wife of Mr. L. D. Amin)  
Mr. Rasesh Amin (son of Mr. L. D. Amin)  
Ms. Avani Vipul Patel (daughter of Mr. L. D. Amin)

**(iv) Entities in which key management personnel/director is having significant influence/interested with whom there are transactions/balances during the year**

Patamin Investments Private Limited  
Jash Precision Tools Limited  
Schutte Industrie service GmbH  
Schutte Meyer Industries Private Limited  
Schutte Meyer Ashwath Alloys Private Limited  
Jash Flowcon Engineers (a partnership firm)  
L. D. Amin HUF  
Schütte Meyer Technical Services GmbH

**(v) Entity having significant influence over the Company**

Pragati India Fund Limited (till 11 October 2017)

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## 38. Related party transactions (Contd.)

Particulars	Subsidiary Companies		Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Transactions with related parties during the year</b>								
<b>Managerial remuneration</b>								
Pratik Patel	-	-	10,777,082	9,990,334	-	-	10,777,082	9,990,334
L.D. Amin	-	-	5,788,470	5,202,506	-	-	5,788,470	5,202,506
Harsh Patel	-	-	4,877,632	4,450,863	-	-	4,877,632	4,450,863
	-	-	110,980	336,965	-	-	110,980	336,965
<b>Sale of goods</b>								
Jash Precision Tools Limited	238,855,242	97,466,237	-	-	47,636,109	107,018,322	286,491,350	204,484,559
Schutte Industrieservice GmbH	-	-	38,926,671	-	38,926,671	46,286,748	38,926,671	46,286,748
Engineering & Manufacturing Jash Limited	8,869,549	27,169,391	-	-	793,215	7,937,711	793,215	7,937,711
Schutte Meyer Ashwath Alloys Private Limited	-	-	-	-	5,875,907	1,458,572	5,875,907	1,458,572
Shivpad Engineers Private Limited	1,032,750	33,626,083	-	-	-	-	1,032,750	33,626,083
Jash USA Inc.	111,804,736	36,670,763	-	-	-	-	111,804,736	36,670,763
Micro-Flat Datums Private Limited	-	-	-	-	1475619.5	51,335,291	1,475,620	51,335,291
Mahr Maschinenbau GmbH	527,798	-	-	-	-	-	527,798	-
Rodney Hunt Inc.	116,620,409	-	-	-	-	-	116,620,409	-
Schütte Meyer Technical Services GmbH	-	-	-	-	564,696	-	564,696	-
<b>Purchase of goods</b>								
Jash Precision Tools Limited	6,558,593	4,068,688	-	-	30,979,240	10,336,009	37,537,833	14,404,697
Schutte Meyer Industries Private Limited	-	-	-	-	244,665	-	244,665	-
Schutte Meyer Ashwath Alloys Private Limited	-	-	-	-	146,753	202,191	146,753	202,191
Schutte Meyer India Private Limited	-	-	-	-	27,151,328	10,133,818	27,151,328	10,133,818
Shivpad Engineers Private Limited	6,558,593	4,068,688	-	-	-	-	6,558,593	4,068,688
Micro-Flat Datums Private Limited	-	-	-	-	3,436,495	-	3,436,495	-
<b>Dividend income</b>								
Shivpad Engineers Private Limited	5,401,200	5,401,296	-	-	-	-	5,401,200	5,401,296
<b>Dividend for the year (excluding dividend distribution tax)</b>								
Mr. Pratik Patel	-	-	8,563,790	8,649,690	5,162,204	5,162,204	13,725,994	13,811,894
Mr. L.D. Amin	-	-	3,822,930	3,822,930	-	-	3,822,930	3,822,930
Mr. Axel Schutte	-	-	534,770	534,770	-	-	534,770	534,770
Patamin Investments Private Limited	-	-	1,540,000	1,540,000	-	-	1,540,000	1,540,000
	-	-	-	-	16,000	16,000	16,000	16,000

Particulars	Subsidiary Companies		Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<i>Pragati Fund Private Limited</i>	-	-	-	-	5,146,204	5,146,204	5,146,204	5,146,204
<i>Mrs. Bhairavi Patel</i>	-	-	504,616	504,616	-	-	504,616	504,616
<i>Mrs. Swati Desai</i>	-	-	23,660	23,660	-	-	23,660	23,660
<i>Mrs. Hirni Amin</i>	-	-	-	85,900	-	-	-	85,900
<i>Mr. Rasesh Amin</i>	-	-	883,100	883,100	-	-	883,100	883,100
<i>Ms. Avani Vipul Patel</i>	-	-	354,714	354,714	-	-	354,714	354,714
<i>Mr. Harsh Patel</i>	-	-	900,000	900,000	-	-	900,000	900,000
<b>Interest expense</b>	-	-	<b>943,348</b>	<b>2,191,215</b>	<b>1,176,868</b>	<b>876,998</b>	<b>2,120,216</b>	<b>3,068,213</b>
<i>Patamin Investments Private Limited</i>	-	-	-	-	1,044,396	678,672	1,044,396	678,672
<i>L. D. Amin HUF</i>	-	-	-	-	132,472	198,326	132,472	198,326
<i>Bhairavi Patel</i>	-	-	-	20,881	-	-	-	20,881
<i>Harsh Patel</i>	-	-	-	41,763	-	-	-	41,763
<i>Pratik Patel</i>	-	-	943,348	2,128,571	-	-	943,348	2,128,571
<b>Interest income</b>	<b>2,582,251</b>	<b>391,034</b>	-	-	-	-	<b>2,582,251</b>	<b>391,034</b>
<i>Mahr Maschinenbau GmbH</i>	483,733	369,320	-	-	-	-	483,733	369,320
<i>Engineering and Manufacturing Jash Limited</i>	-	21,714	-	-	-	-	-	21,714
<i>Jash USA Inc.</i>	2,098,518	-	-	-	-	-	2,098,518	-
<b>Job work charges and labour charges</b>	<b>20,000</b>	<b>3,468,985</b>	-	-	<b>13,392,518</b>	<b>3,644,842</b>	<b>13,412,518</b>	<b>7,113,827</b>
<i>Jash Precision Tools Limited</i>	-	-	-	-	7,616,345	1,705,224	7,616,345	1,705,224
<i>Jash Flowcon Engineers</i>	-	-	-	-	5,592,321	1,766,624	5,592,321	1,766,624
<i>Micro-Flat Dattums Private Limited</i>	-	-	-	-	183,852	167,244	183,852	167,244
<i>Schutte Meyer Ashwath Alloys Private Limited</i>	-	-	-	-	-	5,750	-	5,750
<i>Shivpad Engineers Private Limited</i>	20,000	-	-	-	-	-	20,000	-
<i>Jash USA Inc.</i>	-	3,468,985	-	-	-	-	-	3,468,985
<b>Expenses incurred/paid on behalf of Company</b>	<b>7,574,219</b>	<b>5,082,370</b>	-	-	<b>824,943</b>	<b>30,025</b>	<b>8,399,162</b>	<b>5,112,395</b>
<i>Jash USA Inc.</i>	4,868,666	5,028,631	-	-	-	-	4,868,666	5,028,631
<i>Jash Flowcon Engineers</i>	-	-	-	-	-	30,025	-	30,025
<i>Micro-Flat Dattums Private Limited</i>	-	-	-	-	3,000	-	3,000	-
<i>Schutte Meyer Industries Private Limited</i>	-	-	-	-	821,943	-	821,943	-
<i>Mahr Maschinenbau GmbH</i>	-	-	-	-	-	-	-	-
<i>Shivpad Engineers Private Limited</i>	2,705,553	53,739	-	-	-	-	2,705,553	53,739

Particulars	Subsidiary Companies		Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Rent expense</b> <i>Patamin Investments Private Limited</i>	-	-	-	-	4,924,500	4,826,500	4,924,500	4,826,500
<b>Expenses incurred by Company on behalf of related parties</b> <i>Jash Flowcon Engineers</i> <i>Jash Precision Tools Limited</i> <i>Shivpad Engineers Private Limited</i> <i>Jash USA Inc.</i> <i>Rodney Hunt Inc.</i> <i>Patamin Investments Private Limited</i> <i>Schutte Meyer India Private Limited</i> <i>Harsh patel</i> <i>Pratik Patel</i> <i>L. D. Amin</i> <i>Engineering and Manufacturing Jash Limited</i>	22,050,526	3,311,006	143,598	245,534	229,900	383,731	22,424,024	3,940,271
	-	-	-	-	65,897	57,529	65,897	57,529
	-	-	-	-	164,003	96,541	164,003	96,541
	6,170,326	3,311,006	-	-	-	-	6,170,326	3,311,006
	6,036,751	-	-	-	-	-	6,036,751	-
	9,843,449	-	-	-	-	-	9,843,449	-
	-	-	-	-	-	229,661	-	229,661
	-	-	-	25,200	-	-	-	25,200
	-	-	126,952	220,334	-	-	126,952	220,334
	-	-	16,646	-	-	-	16,646	-
	-	-	-	-	-	-	-	-
<b>Reimbursement of expenses</b> <i>Pratik Patel</i> <i>L. D. Amin</i> <i>Schutte Meyer Industries Private Limited</i> <i>Schutte Meyer India Private Limited</i> <i>Harsh patel</i>	-	-	2,220,203	2,561,086	443,254	-	2,663,457	2,561,086
	-	-	2,091,072	2,397,953	-	-	2,091,072	2,397,953
	-	-	129,131	110,442	-	-	129,131	110,442
	-	-	-	-	242,708	-	242,708	-
	-	-	-	-	200,546	-	200,546	-
	-	-	-	52,691	-	-	-	52,691
<b>Stipend expense</b> <i>Harsh Patel</i>	-	-	-	140,000	-	-	-	140,000
	-	-	-	140,000	-	-	-	140,000
<b>Commission paid</b> <i>Mahr Maschinenbau GmbH</i>	369,213	-	-	-	-	-	369,213	-
	369,213	-	-	-	-	-	369,213	-
<b>Investments made</b> <i>Shivpad Engineers Private Limited</i> <i>Mahr Maschinenbau GmbH</i> <i>Jash USA Inc.</i> <i>Engineering and Manufacturing Jash Limited</i>	13,320,807	66,941,875	-	-	-	-	13,320,807	66,941,875
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	13,320,807	66,941,875	-	-	-	-	13,320,807	66,941,875
	-	-	-	-	-	-	-	-

Particulars	Subsidiary Companies		Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Loan taken</b>								
<i>Pratik Patel</i>	-	92,617	8,000,000	11,743,394	13,000,000	-	21,000,000	11,836,011
<i>L. D. Amin HUF</i>	-	-	8,000,000	8,800,000	-	-	8,000,000	8,800,000
<i>Bhairavi Patel</i>	-	-	-	1,743,394	-	-	-	1,743,394
<i>Harsh Patel</i>	-	-	-	400,000	-	-	-	400,000
<i>Patanin Investments Private Limited</i>	-	-	-	800,000	-	-	-	800,000
<i>Mahr Maschinenbau GmbH</i>	-	92,617	-	-	13,000,000	-	13,000,000	-
								92,617
<b>Loan given</b>								
<i>Mahr Maschinenbau GmbH</i>	32,390,000	3,867,117	-	-	-	-	32,390,000	3,867,117
<i>Engineering and Manufacturing Jash Limited</i>	-	3,867,117	-	-	-	-	-	3,867,117
<i>Jash USA INC.</i>	32,390,000	-	-	-	-	-	32,390,000	-
<b>Loan repaid/adjusted</b>								
<i>Pratik Patel</i>	-	296,951	27,249,441	10,793,394	19,066,401	-	46,315,842	11,090,345
<i>Late Mrs. Jyotsna Amin</i>	-	-	23,504,644	9,050,000	-	-	23,504,644	9,050,000
<i>Bhairavi Patel</i>	-	-	-	1,393,394	-	-	-	1,393,394
<i>Harsh Patel</i>	-	-	418,793	-	-	-	418,793	-
<i>L. D. Amin HUF</i>	-	-	837,587	-	-	-	837,587	-
<i>Patanin Investments Private Limited</i>	-	-	2,488,417	350,000	-	-	2,488,417	350,000
<i>Engineering and Manufacturing Jash Limited</i>	-	296,951	-	-	19,066,401	-	19,066,401	-
								296,951
<b>Year end balances</b>								
<b>Trade receivables</b>								
<i>Jash Precision Tools Limited</i>	234,375,319	91,123,456	-	-	23,768,787	50,241,623	258,144,106	141,365,080
<i>Schutte Industrieservice GmbH</i>	-	-	-	-	15,346,412	28,154,812	15,346,412	28,154,812
<i>Jash USA Inc.</i>	-	-	-	-	1,471,911	7,327,711	1,471,911	7,327,711
<i>Rodhey Hunt Inc.</i>	124,097,101	68,192,547	-	-	-	-	124,097,101	68,192,547
<i>Micro-Flat Datums Private Limited</i>	108,001,044	-	-	-	6,950,463	14,759,100	108,001,044	-
<i>Shivpad Engineers Private Limited</i>	-	4,052,905	-	-	-	-	6,950,463	14,759,100
<i>Mahr Maschinenbau GmbH</i>	2,277,174	4,570,342	-	-	-	-	-	4,052,905
<i>Engineering &amp; Manufacturing Jash Limited</i>	-	14,307,663	-	-	-	-	2,277,174	4,570,342
								14,307,663

Particulars	Subsidiary Companies		Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Loans and advances</b>	<b>47,505,531</b>	<b>15,940,728</b>	-	-	-	<b>55,719</b>	<b>47,505,531</b>	<b>15,996,447</b>
<i>Shivpad Engineers Private Limited</i>	-	<i>444,030</i>	-	-	-	-	-	<i>444,030</i>
<i>Jash Flowcon Engineers</i>	-	-	-	-	-	<i>55,719</i>	-	<i>55,719</i>
<i>Schutte Meyer Ashwath Alloys Private Limited</i>	-	-	-	-	-	-	-	-
<i>Mahr Maschinenbau GmbH</i>	-	<i>5,286,197</i>	-	-	-	-	<i>6,568,891</i>	<i>5,286,197</i>
<i>Engineering and Manufacturing Jash Limited</i>	-	-	-	-	-	-	-	-
<i>Jash USA Inc.</i>	-	<i>10,210,501</i>	-	-	-	-	<i>40,936,640</i>	<i>10,210,501</i>
<b>Interest accrued on loans and advances</b>	<b>2,582,251</b>	<b>369,320</b>	-	-	-	-	<b>2,582,251</b>	<b>369,320</b>
<i>Mahr Maschinenbau GmbH</i>	<i>483,732</i>	<i>369,320</i>	-	-	-	-	<i>483,732</i>	<i>369,320</i>
<i>Jash USA Inc.</i>	<i>2,098,519</i>	-	-	-	-	-	<i>2,098,519</i>	-
<b>Current account payable</b>	-	-	-	-	<b>180,411</b>	<b>132,403</b>	<b>180,411</b>	<b>132,403</b>
<i>Pratik Patel</i>	-	-	-	-	<i>146,490</i>	<i>132,403</i>	<i>146,490</i>	<i>132,403</i>
<i>L. D. Amin HUF</i>	-	-	-	-	<i>33,921</i>	-	<i>33,921</i>	-
<b>Trade payables</b>	<b>3,379,436</b>	<b>982,496</b>	-	-	<b>14,335,811</b>	<b>1,746,789</b>	<b>17,715,247</b>	<b>2,729,285</b>
<i>Jash Precision Tools Limited</i>	-	-	-	-	-	-	-	-
<i>Schutte Industrieservice GmbH</i>	-	-	-	-	-	-	-	-
<i>Schutte Meyer Ashwath Alloys Private Limited</i>	-	-	-	-	<i>9,603,984</i>	<i>935,757</i>	<i>9,603,984</i>	<i>935,757</i>
<i>Jash USA Inc.</i>	-	-	-	-	-	-	-	-
<i>Shivpad Engineers Private Limited</i>	-	<i>982,496</i>	-	-	-	-	-	<i>982,496</i>
<i>Jash Flowcon Engineers</i>	<i>3,010,223</i>	-	-	-	<i>4,095,234</i>	<i>201,902</i>	<i>3,010,223</i>	<i>201,902</i>
<i>Schutte Industrieservice GmbH</i>	-	-	-	-	<i>636,593</i>	<i>416,939</i>	<i>636,593</i>	<i>416,939</i>
<i>Mahr Maschinenbau GmbH</i>	<i>369,213</i>	-	-	-	-	-	<i>369,213</i>	-
<i>Schutte Meyer India Private Limited</i>	-	-	-	-	-	<i>192,191</i>	-	<i>192,191</i>
<b>Long term borrowings</b>	-	-	-	<b>18,891,024</b>	-	<b>8,655,995</b>	-	<b>27,547,019</b>
<i>Pratik Patel</i>	-	-	-	<i>17,634,644</i>	-	-	-	<i>17,634,644</i>
<i>Patamin Investments Private Limited</i>	-	-	-	-	-	<i>6,286,803</i>	-	<i>6,286,803</i>
<i>Bhairavi Patel</i>	-	-	-	<i>418,793</i>	-	-	-	<i>418,793</i>
<i>LD Amin HUF</i>	-	-	-	-	-	<i>2,369,192</i>	-	<i>2,369,192</i>
<i>Harsh Patel</i>	-	-	-	<i>837,587</i>	-	-	-	<i>837,587</i>
<b>Short term borrowings</b>	-	-	<b>2,139,164</b>	-	-	-	<b>2,139,164</b>	-
<i>Pratik Patel</i>	-	-	<i>2,139,164</i>	-	-	-	<i>2,139,164</i>	-
<b>Non-current investments</b>	<b>332,321,006</b>	<b>319,178,036</b>	-	-	-	-	<b>332,321,006</b>	<b>319,178,036</b>

Particulars	Subsidiary Companies		Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<i>Shivpad Engineers Private Limited</i>	56,834,000	56,834,000	-	-	-	-	56,834,000	56,834,000
<i>Jash USA INC.</i>	117,759,548	104,616,578	-	-	-	-	117,759,548	104,616,578
<i>Mahr Maschinenbau GmbH</i>	157,727,450	157,727,450	-	-	-	-	157,727,450	157,727,450
<i>Engineering and Manufacturing Jash Limited</i>	8	8	-	-	-	-	8	8
<b>Security deposits</b>	-	-	-	-	2,500,000	2,500,000	2,500,000	2,500,000
<i>Patamin Investments Private Limited</i>	-	-	-	-	2,500,000	2,500,000	2,500,000	2,500,000
<b>Corporate guarantees given by Company on behalf of related parties</b>	10,000,000	45,000,000	-	-	-	-	10,000,000	45,000,000
<i>Shivpad Engineers Private Limited</i>	10,000,000	45,000,000	-	-	-	-	10,000,000	45,000,000
<b>Remuneration payable</b>	-	-	266,031	417,723	-	-	266,031	417,723
<i>Pratik Patel</i>	-	-	134,837	267,767	-	-	134,837	267,767
<i>L. D. Amin</i>	-	-	131,194	126,174	-	-	131,194	126,174
<i>Harsh patel</i>	-	-	-	23,782	-	-	-	23,782

*This space has been intentionally left blank*

**39. Operating leases:**

The Company has taken lands on lease for a period of 30 years (which can be extended further) and 99 years, in respect of which Company, during the year, has made total lease payments of ₹ 4,389,293 (previous year ₹4,526,472). Aforesaid leases are outside the scope of Accounting Standard – 19 “Leases”.

Apart from that, the Company has taken space on lease for use as office premises which are cancellable leases with no lock in period as well as non-cancellable lease with lock in period. For cancellable leases, there are no restrictions imposed on the Company under the lease arrangement. There are no subleases. The Company, during the year, has made total lease payments of ₹ 240,700 (previous year ₹ 241,650) towards such cancellable operating leases. For non-cancellable lease, the company has booked an expense of amounting to ₹ 511,966 (previous year ₹ 127,992) and the total of minimum future lease payments under non-cancellable operating lease is as under:

Description	31 March 2018	31 March 2017
Not later than one year	511,966	511,966
Later than one year but not later than five years	383,975	895,941

**40. Unhedged foreign currency exposure:**

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	31 March 2018		31 March 2017	
	Foreign Currency	(Rs.)	Foreign Currency	(Rs.)
<b>Trade receivables:</b>				
US Dollar	3,816,121	248,216,153	1,639,559	106,306,690
Euro	180,359	14,540,949	786,240	54,445,252
Singapore Dollar	678,107	33,672,799	1,166,549	54,262,934
Canadian Dollar	373,731	34,489,570	-	-
Great Britain Pound	118,548	10,940,122	34,996	2,830,434
<b>Trade payables:</b>				
US Dollar	1,000	65,044	392,211	25,430,412
Euro	15,424	1,243,517	40,312	2,791,509
Great Britain Pound	585	53,986	-	-
<b>Long term borrowings:</b>				
US Dollar	1,075,971	69,985,565	150,000	9,725,790

Closing rates are as under:-

Currency	31 March 2018 (Rs.)	31 March 2017 (Rs.)
US Dollar	65.04	64.84
Euro	80.62	69.25
Singapore Dollar	49.66	46.52
Canadian dollar	50.43	-
GBP	92.28	80.88

**41. Value of imports calculated on CIF basis :**

Description	31 March 2018	31 March 2017
Purchase of:		
- Raw materials	63,578,604	41,375,282
- Capital goods	28,613,972	35,833,553
<b>Total</b>	<b>92,192,576</b>	<b>77,208,835</b>

**42. Particulars of dividend paid to non-resident and foreign shareholders:**

Description	31 March 2018	31 March 2017
Number of shareholders	12	12
Number of shares held on which dividend was due	3,664,909	3,664,909
Amount remitted (gross):		
- Final, pertaining to financial year 2016-17 (previous year 2015-16) (?)	7,329,818	7,329,804

**43. Directors remuneration:**

Description	31 March 2018	31 March 2017
Salaries, wages and bonus*	9,528,447	8,524,692
Contribution to provident and other funds	634,667	633,600
Perquisites	79,200	72,000
Leave encashment	423,788	423,077
<b>Total</b>	<b>10,666,102</b>	<b>9,653,369</b>

\*Exclusive of provisions for future liabilities in respect of gratuity and compensated absences as the actuarial valuation is done for all the employees together.

*This space has been intentionally left blank)*

44. The Company has completed Initial Public Offer (IPO) on the Emerge Board of National Stock Exchange of India Limited, comprising of Offer for sale by the Selling Shareholder of 2,573,103 equity shares and Fresh issue of 2,261,198 equity shares of the Company on 11 October 2017 at an offer price of ₹ 120 per share aggregating to ₹308,772,360 and ₹271,343,760 respectively. The disclosure relating to utilization of IPO proceeds from Fresh issue is as follows: -

Particulars	Utilization planned as per prospectus	Total utilization upto 31 March 2018	Adjustments (utilization of surplus towards other objects)	Amount pending for for utilization as at 31 March 2018
Working capital	90,000,000	90,000,000	-	-
Expansion of manufacturing facilities at Unit III, SEZ 1, Pithampur	19,348,000	4,621,625	-	14,726,375
Acquire leased land and to set-up new manufacturing plant at SEZ (SEZ 2) Pithampur (i.e. Proposed Unit IV)	85,914,760	12,196,189	-	73,718,571
General corporate purposes	36,082,000	33,158,000	(2,924,430)*	-
Share issue expenses	40,000,000	42,924,430	2,924,430*	-
<b>Total</b>	<b>271,343,760</b>	<b>182,900,244</b>	<b>-</b>	<b>88,444,946</b>

\* Excess utilization towards offer related expenses has been adjusted with other object of the issue.

#### 45. Segment reporting:

In the opinion of the management, the business activities of the Company predominantly fall within a single primary business segment viz "Manufacturing and trading of varied engineering products for general engineering industry, water and waste water industry and bulk solids handling industry". There is no separate reportable business segment as envisaged by Accounting Standard 17 on "Segment Reporting". The Company is operating only in India and there is no other significant geographical segment.

46. The Company has one unit which is located in Special Economic Zone (the "SEZ") and is 100% exempted from income tax (current tax) till 31 March 2015, 50% exempted from 1 April 2015 to 31 March 2020 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ Reserve Account) from 1 April 2020 to 31 March 2025 - under the provisions of Section 10AA of the Income Tax Act, 1961. Deferred tax pertaining to this unit is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods beyond the periods during which the respective units are exempt from income-tax as aforesaid.
47. The Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India ("RBI"). Trade receivables amounting to ₹66,821,030 (previous year ₹47,915,179) due from overseas parties is outstanding for a period of more than nine months. Out of these, ₹45,586,651 (previous year ₹39,351,599) is due from M/s. Jash USA Inc, ₹1,502,550 (previous year ₹4,570,342) is due from M/s. MahrMaschinenbau and ₹261,915 (previous year Nil) is due from M/s. Rodney Hunt Inc. (all three entities are subsidiary companies).

Subsequent to year ended 31 March 2018, the Company has received the dues outstanding for a period of more than nine months from M/s. Jash USA Inc. and M/s. MahrMaschinenbau.

In respect of these receivables, the Company has initiated the necessary steps to ensure compliance with the relevant regulations issued by the RBI i.e. in respect of receivables from Jash USA Inc – they have made three applications to RBI through its authorised dealer bank for capitalisation of amount due as allowed under clause 1 of para B.4 of the Master Circular

No. 11/2015-16 (RBI/2015-16/41) dated 01 July 2015 on Overseas Direct Investment. During the year ended 31 March 2018, RBI has issued a no objection letter dated 27 July 2017 to the authorized dealer bank for proposed capitalization of trade receivables amounting to USD 102,648 against one of the three applications made by the Company and accordingly, these were capitalized under the head non-current investments (refer note 14) by the Company. The authorized dealer bank, vide its letter dated 23 March 2018, requested the Company to arrange for payment of the remaining outstanding receivables from the its wholly owned subsidiaries.

In respect of rest of the receivables – the Company has made application to RBI through its authorised dealer bank for seeking extension of period of realisation beyond 9 months along with detailed plan of action as allowed to authorised dealer bank under clause (i) of para C.18 of Master Direction No. 16/15-16 (RBI/FED/2015-16/11). Pending the final outcome of the aforesaid matters, which is presently unascertainable, no adjustments have been made in these financial statements.

48. As at 31 March 2018, the Company has investment of ₹ 117,937,385 (previous year ₹ 104,616,578) in Jash USA Inc. (a wholly owned subsidiary company) and Jash USA Inc. has accumulated losses amounting to ₹ 129,108,314 (previous year ₹ 67,995,459), which has eroded more than fifty percent of net worth of Jash USA Inc. Basis Jash USA Inc. order book and certain other positive factors, the management of the Company has carried out the Jash USA Inc. valuation and is confident that Jash USA Inc. will be able to generate adequate positive cash flows in order to meet its present and future obligations in the ordinary course of business. Accordingly, the investments are carried at cost and no provision for diminution in respect of this investment has been recognized in the financial statements.
49. As per transfer pricing legislation under section 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transaction with associated enterprises and maintain adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature, the Company has appointed independent consultant (the 'Consultant') for conducting the Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arm's length basis". Management is of the opinion that the Company's international transaction are at arm's length and require no transfer pricing adjustments.
50. In accordance with the provisions of section 135 of the Companies Act, 2013 ("Act"), the Board of Directors of the Company had constituted a Corporate Social Responsibility (CSR) Committee. In terms, with the provisions of the said Act, the Company was to spend a sum of ₹ 2,552,000 (previous year ₹ 2,818,955) towards CSR activities. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the year ended 31 March 2017, the Company has contributed only ₹ 52,500 (previous year ₹ 520,884) towards CSR initiatives.
51. Revenue for the year ended 31 March 2018 is net of Goods and Service Tax (GST) which is applicable from 1 July 2017, however, revenue for the year ended 31 March 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the year ended 31 March 2018 is not comparable with the previous periods presented in these financial statements.
52. In the opinion of the board of directors, assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made.
53. All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.
54. The previous year figures have been re-classified/ re-grouped wherever considered necessary, to conform to current year classification.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date

For **Walker Chandiook & Co LLP**  
Chartered Accountants

Sd/-  
per **Neeraj Sharma**  
Partner

Place : Indore  
Date : 29th May 2018

Sd/-  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

Sd/-  
**Dharmendra Jain**  
Chief Financial Officer

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

Sd/-  
**Pratik Patel**  
Managing Director  
DIN-00780920

Sd/-  
**Tushar Kharpade**  
Company Secretary  
Membership No. - A30144

## Independent Auditor's Report

### To the Members of Jash Engineering Limited

#### Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Jash Engineering Limited, (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Holding Company's Board of Directors and the respective Board of Directors/management of the subsidiaries included in the Group are responsible for the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. Further, in terms with the provisions of the Act, the respective Board of Directors of the Holding Company and its subsidiary which is incorporated in India, are responsible for maintenance of adequate accounting records; safeguarding the assets; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor's report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in paragraph 9 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on these consolidated financial statements.

## Opinion

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2018, their consolidated profit and their consolidated cash flows for the year ended on that date.

## Other Matters

9. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets of ₹505,326,563 and net asset of ₹27,234,037 as at 31 March 2018, total revenues of ₹466,559,296 and net cash in flow amounting to ₹22,429,805 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose report(s) have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditors.
10. We did not audit the financial statements of two subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹15,143,049 and net assets of ₹2,367,462 as at 31 March 2018, total revenues of ₹37,144,559 and net cash outflow amounting to ₹2,946,384 for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors and the financial statements certified by the management.

## Report on Other Legal and Regulatory Requirements

11. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of the subsidiary, we report, to the extent applicable, that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors;
  - The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the report of the other statutory auditor of its subsidiary company covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
  - With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary company covered under the Act and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
  - with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations

given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries:

- (I) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 35 to the consolidated financial statements;
- (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act during the year ended 31 March 2018 and
- (iv) The disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

per **Neeraj Sharma**

Partner

Membership No.:502103

**Place : Indore**

**Date : 29th May 2018**

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## Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Board of Directors of Jash Engineering Limited

1. We have audited the consolidated financial results of Jash Engineering Limited ('the Holding Company' or 'the Company') and its subsidiaries (the Company and its subsidiaries together referred to as 'the Group') for the year ended 31 March 2018, being submitted by the Holding Company pursuant to the requirements of regulation 33 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015. These consolidated financial results are prepared based on the consolidated financial statements for the year ended 31 March 2018 prepared in accordance with the accounting principles generally accepted in India, including Accounting Standards prescribed under section 133 of the Companies Act, 2013 ('Act'), read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and consolidated financial results for the half year ended 30 September 2017 furnished by the management, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 - Interim Financial Reporting, prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2018.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, and upon consideration of the reports of other auditors on separate financial results and on other financial information of the subsidiaries, the consolidated financial results:
  - (i) include the financial results for the year ended 31 March 2018, of the following entities:
 

**Subsidiaries:**

Shivpad Engineers Private Limited, Jash USA Inc., MahrMaschinenbau GmbH, Engineering and Manufacturing Jash Limited and Rodney Hunt Inc.
  - (ii) are presented in accordance with the requirements of regulation 33 of the SEBI (Listing obligations and disclosure requirements) Regulations, 2015, read with SEBI Circular CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard; and
  - (iii) give a true and fair view of the consolidated net profit and other financial information in conformity with the accounting principles generally accepted in India for the year ended 31 March 2018.
4. a) We did not audit the financial statements of 3 subsidiaries included in the consolidated financial results whose financial statements reflect total assets of ₹5,053.27 lakhs and net assets of ₹272.34 lakhs as at 31 March 2018, and total revenues of ₹4,665.59 lakhs and net loss of ₹546.16 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose audit reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of such other auditors. Our opinion above on the consolidated financial results is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.
- b) We did not audit the financial statements of 2 subsidiaries, included in the consolidated financial results whose financial statements reflect total assets of ₹151.43 lakhs and net assets of ₹(23.67) lakhs as at 31 March 2018, and total revenues of ₹371.45 lakhs and net loss of ₹11.96 lakhs for the year ended on that date. These financial statements and other financial information are unaudited and have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based

solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion above on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

Sd/-

per **Neeraj Sharma**

Partner

Membership No. 502103

**Place:** Indore

**Date:** 29th May 2018

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## **Annexure A to the Independent Auditor's Report of even date to the members of Jash Engineering Limited, on the consolidated financial statements for the year ended 31 March 2018**

### **Annexure A**

#### **Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')**

1. In conjunction with our audit of the consolidated financial statements of the Jash Engineering Limited (the 'Holding Company') and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group'), as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

#### **Management's Responsibility for Internal Financial Controls**

2. The respective Board of Directors of the Holding Company and its subsidiary company; which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') issued by the Institute of Chartered Accountants of India (the 'ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to the company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company and its subsidiary company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company and its subsidiary company as aforesaid.

#### **Meaning of Internal Financial Controls over Financial Reporting**

6. A Company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, the Holding Company and its subsidiary company; which are companies covered under the Act, have, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**Other Matter**

9. We did not audit the IFCoFR insofar as it relates to one subsidiary company, which is a company incorporated in India, whose financial statements reflect total assets of ₹75,720,999 as at 31 March 2018, total revenues of ₹97,897,206 and net cash inflows amounting to ₹5,789,810 for the year ended on that date. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its subsidiary company; which are companies incorporated in India, under Section 143(3)(I) of the Act insofar as it relates to the aforesaid subsidiary company which is a company incorporated in India, is solely based on the corresponding reports of the auditor of such company. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditor.

For **Walker Chandniok & Co LLP**

Chartered Accountants

Firm Registration No.: 001076N/N500013

Sd/-

per **Neeraj Sharma**

Partner

Membership No. 502103

**Place:** Indore

**Date:** 29th May 2018

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**Jash Engineering Limited**  
**Consolidated Balance Sheet as at 31 March 2018**

(All amount in ₹, unless stated otherwise)

Description	Notes	As at 31 March 2018	As at 31 March 2017
<b>Equity and liabilities</b>			
<b>Shareholders' Funds</b>			
Share capital	5	118,365,980	95,754,000
Reserves and surplus	6	941,765,012	741,505,149
		<b>1,060,130,992</b>	<b>837,259,149</b>
<b>Non-current liabilities</b>			
Long-term borrowings	7	194,122,602	198,435,557
Deferred tax liabilities (net)	8	45,253,395	43,973,901
Other long term liabilities	9	864,288	1,103,757
Long-term provisions	10	14,796,358	8,747,439
		<b>255,036,643</b>	<b>252,260,654</b>
<b>Current liabilities</b>			
Short-term borrowings	11	327,868,125	294,629,655
Trade payables			
-Total outstanding dues of Micro Enterprises & Small Enterprises			
-Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises			
Other current liabilities	13	181,154,355	111,802,682
Short-term provisions	14	18,250,690	17,340,211
		<b>1,005,867,626</b>	<b>808,769,381</b>
		<b>2,321,035,261</b>	<b>1,898,289,184</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	15A	583,326,278	552,511,819
Intangible assets	15B	96,709,063	129,011,631
Capital work-in-progress	15C	4,756,435	6,081,652
Intangible assets under development	15D	7,764,877	-
Goodwill on consolidation		199,704,021	177,812,901
Deferred tax assets (net)	16	14,100,268	-
Long-term loans and advances	17	24,638,504	18,687,786
Other non-current assets	18	-	6,000,000
		<b>930,999,446</b>	<b>890,105,789</b>
<b>Current assets</b>			
Current investments	19	90,865	56,379
Inventories	20	498,361,821	376,986,201
Trade receivables	21	592,510,436	491,985,149
Cash and bank balances	22	106,597,868	90,490,844

Short-term loans and advances	23	39,940,877	41,036,395
Other current assets	24	152,533,948	7,628,427
		<b>1,390,035,815</b>	<b>1,008,183,395</b>
		<b>2,321,035,261</b>	<b>1,898,289,184</b>

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**  
Chartered Accountants

Sd/-  
per **Neeraj Sharma**  
Partner

Place : Indore  
Date : 29th May 2018

Sd/-  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

Sd/-  
**Dharmendra Jain**  
Chief Financial Officer

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

Sd/-  
**Pratik Patel**  
Managing Director  
DIN-00780920

Sd/-  
**Tushar Kharpade**  
Company Secretary  
Membership No. - A30144

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**Jash Engineering Limited Consolidated Statement of Profit and loss for the year ended 31 March 2018**

(All amount in ₹, unless stated otherwise)

Description	Notes	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Revenue</b>			
Revenue from operations (gross)	25	1,759,961,267	1,656,417,324
Less: Excise duty		(14,550,820)	(76,559,814)
Revenue from operations (net)		<b>1,745,410,447</b>	<b>1,579,857,510</b>
Other income	26	50,430,143	31,744,969
		<b>1,795,840,590</b>	<b>1,611,602,479</b>
<b>Expenses:</b>			
Cost of raw materials and components consumed	27	890,921,530	655,869,464
Purchase of traded goods	28	59,327,769	85,261,891
Changes in inventories of finished goods, work-in-progress and traded goods	29	(81,628,802)	61,222,123
Employee benefits expense	30	339,575,835	202,201,351
Finance costs	31	68,088,681	55,215,366
Depreciation and amortization expense	32	57,430,845	38,687,092
Other expenses	33	449,909,891	365,049,226
		<b>1,783,625,749</b>	<b>1,463,506,513</b>
<b>Profit before tax</b>		<b>12,214,840</b>	<b>148,095,966</b>
<b>Tax expense:</b>			
Current tax		20,931,292	43,516,532
Deferred tax (credit)/charge		(12,692,687)	3,039,159
Taxes earlier years		614,292	675,785
		<b>8,852,897</b>	<b>47,231,476</b>
<b>Net profit for the year</b>		<b>3,361,943</b>	<b>100,864,490</b>
Earnings per equity share (?)	34		
Basic		0.32	10.53
Diluted		0.32	10.53

The accompanying notes form an integral part of these consolidated financial statements.

This is the Consolidated Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiook & Co LLP**  
Chartered Accountants

Sd/-  
per **Neeraj Sharma**  
Partner

Place : Indore  
Date : 29th May 2018

Sd/-  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

Sd/-  
**Dharmendra Jain**  
Chief Financial Officer

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

Sd/-  
**Pratik Patel**  
Managing Director  
DIN-00780920

Sd/-  
**Tushar Kharpage**  
Company Secretary  
Membership No. - A30144

**Jash Engineering Limited Consolidated Cash Flow Statement  
for the year ended 31 March 2018**

(All amount in ₹, unless stated otherwise)

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before tax</b>	<b>12,214,840</b>	<b>148,095,966</b>
Adjustments for :		
Depreciation and amortisation expense	57,430,845	38,687,092
Balances written off	3,110,457	5,198,530
Unrealised foreign currency gain (net)	(9,610,412)	(1,133,507)
Unclaimed balances written back	(2,548,492)	(4,222,097)
(Profit)/loss on sale of property, plant and equipment (net)	(16,812,140)	6,912
Net profit on valuation of short term investment	(34,486)	(33,005)
Interest income on fixed deposits	(4,161,908)	(6,118,597)
Interest income on loan and others	(1,610,856)	(575,136)
Finance costs	68,088,681	55,215,366
<b>Operating profit before working capital changes</b>	<b>106,066,531</b>	<b>235,121,524</b>
Adjustments for:		
- Increase in trade and other receivables	(91,476,840)	(106,425,420)
- (Increase)/decrease in inventories	(121,375,620)	6,543,803
- Increase in loans and advances	(412,165)	(22,270,490)
- Increase in other assets	(32,008,853)	-
- Increase in trade and other payables	83,818,185	145,025,883
<b>Cash (used in)/flow from operating activities</b>	<b>(55,388,762)</b>	<b>257,995,300</b>
- Direct taxes paid, net	(26,611,941)	(47,234,438)
<b>Net cash (used in)/flow from operating activities</b>	<b>(82,000,703)</b>	<b>210,760,862</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(262,262,950)	(236,537,730)
Proceeds from sale of property, plant and equipment	90,731,747	622,315
Interest received	11,594,587	6,426,928
Movement in deposits	(18,112,749)	34,560,113
<b>Net cash used in investing activities</b>	<b>(178,049,365)</b>	<b>(194,928,374)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares including securities premium	271,343,760	-
Proceeds from long term borrowings	98,489,188	101,684,673
Repayment of long term borrowings	(16,013,628)	(28,766,924)
Proceeds from short term borrowings, net	33,238,470	6,615,271
Finance costs	(69,026,157)	(54,494,187)
Share issue expenses	(42,937,840)	-
Dividend and dividend distribution tax paid	(23,049,450)	(23,049,470)
<b>Net cash flow from investing activities</b>	<b>252,044,343</b>	<b>1,989,363</b>
<b>Net (decrease)/increase in cash and cash equivalents (A+B+C)</b>	<b>(8,005,725)</b>	<b>17,821,851</b>
<b>Opening cash and cash equivalents</b>	<b>36,710,628</b>	<b>18,888,777</b>
<b>Closing cash and cash equivalents*</b>	<b>28,704,903</b>	<b>36,710,628</b>
	<b>(8,005,725)</b>	<b>17,821,851</b>

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>(Cont'd)</b>		
<b>* Reconciliation of cash and cash equivalents</b>		
Cash in hand	596,121	1,184,119
Bank balances	28,108,782	35,526,509
<b>Total</b>	<b>28,704,903</b>	<b>36,710,628</b>

This is the Consolidated Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**  
Chartered Accountants

Sd/-  
per **Neeraj Sharma**  
Partner

Place : Indore  
Date : 29th May 2018

Sd/-  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

Sd/-  
**Dharmendra Jain**  
Chief Financial Officer

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

Sd/-  
**Pratik Patel**  
Managing Director  
DIN-00780920

Sd-  
**Tushar Kharpade**  
Company Secretary  
Membership No. - A30144

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## Jash Engineering Limited Summary of significant accounting policies and other explanatory information for the year ended 31 March 2018

(All amount in ₹, unless stated otherwise)

### 1. Nature of operations

Jash Engineering Limited ('Jash Engineering' or the 'Holding Company' or the 'Parent Company' or the 'Company'), together with its subsidiaries (collectively referred to as the 'Group') was incorporated on 29 September 1973 and is engaged in the business of manufacturing and trading of varied engineering products for general engineering industry, water and waste water industry and bulk solids handling industry. The Company is domiciled in India and its registered office is situated at 31, Sector-C, Sanwer Road, Industrial Area, Indore - 452015, Madhya Pradesh. During the current year ended 31 March 2018, the Company got listed in the Emerge Board of National Stock Exchange of India Limited. The Group is also engaged in trading business of equipment as well as plant supply as a total system for water treatment, waste water treatment and sewage treatment plants.

### 2. Basis of preparation

The consolidated financial statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Group has prepared consolidated financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act, 2013 (the 'Act'), read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements have been prepared on a going concern basis under the historical cost convention on accrual basis in accordance with the generally accepted accounting principles in India. The accounting policies have been consistently applied by the Group.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Group as per the guidance set out in the Schedule III to the Companies Act, 2013.

### 3. Principles of consolidation

The consolidated financial statements include the financial statements of the Parent Company and its undermentioned subsidiaries (hereinafter referred as the 'Group')-

i) Shivpad Engineers Private Limited, India	100% subsidiary
ii) Jash USA Inc, United States of America	100% subsidiary
iii) Mahr Maschinenbau GmbH, Austria	100% subsidiary
iv) Engineering and Manufacturing Jash Limited, Hong Kong	100% subsidiary
v) Rodney Hunt Inc.	100% subsidiary

The consolidated financial statements of the Group have been prepared in accordance with notified Accounting Standard (AS) 21 'Consolidated Financial Statements'. The consolidated financial statements are prepared on the following basis:

- i. The consolidated financial statements include Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and a Summary of significant accounting policies and other explanatory information to the consolidated financial statements that form an integral part thereof. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent for standalone financial statements.
- ii. The consolidated financial statements include the financial statements of the Company and all its subsidiaries, which are more than 50 per cent owned or controlled. Investments in entities that were not more than 50 per cent owned or controlled during the year have been accounted for in accordance with the provisions of notified Accounting Standard 13 'Accounting for Investments'.

The consolidated financial statements have been combined on a line-by-line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/transactions and resulting elimination of unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase in the relevant reserves of the entity to be consolidated.

- iii. Minority interest represents the amount of equity attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in equity since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of equity attributable to the minority on the date of investment is reflected under Reserves and Surplus.
- iv. Notes to the consolidated financial statements, represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the consolidated financial statements has not been disclosed in the consolidated financial statements.

### 4. Summary of significant accounting policies

#### a. Use of estimates

In preparing the Group's financial statements in conformity with accounting principles generally accepted in India, the management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and

the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in the period the same is determined

**b. Property, plant and equipment and depreciation**

Property, plant and equipment are stated at cost less accumulated depreciation.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Property, plant and equipment under construction and cost of assets not ready for use before the year-end, are classified as capital work in progress.

Depreciation on fixed assets is provided using straight-line method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready for use subject to adjustments arising out of transitional provisions of Schedule II.

Leasehold land is being amortised over their respective lease period.

**c. Intangible fixed assets and amortization**

Intangible assets comprise of technical know-how and computer software.

These are being amortised over their estimated useful lives on a straight line method, commencing from the date the asset is available to the Company for its use.

The amortisation rates are indicative of the expected useful lives of the assets.

The amortisation period and the amortisation method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

**d. Goodwill**

The difference between the cost of investment to the Group in subsidiaries and the proportionate share in the equity of the investee company as at the date of acquisition of stake is recognised in the consolidated financial statements as Goodwill or Capital Reserve, as the case may be.

**e. Investments**

Investments are classified as non-current or current, based on management's intention at the time of purchase. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non-current investments.

Trade investments are the investments made for or to enhance the Group's business interests.

Current investments are stated at lower of cost and fair value determined on an individual investment basis. Non-current investments are stated at cost and provision for diminution in their value, other than temporary, is made in the financial statements.

Profit/loss on sale of investments is computed with reference to the average cost of the investment.

**f. Inventories**

- **Inventories are valued as follows:**

- i Raw materials including components, packing materials, stores and spares and goods in transit - At lower of cost & net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.
- ii. Work-in-progress - At cost up to estimated stage of completion.
- iii. Finished goods and goods purchased for resale - At lower of cost and net realizable value.

- **Cost of inventories is ascertained on the following basis:**

- i. Raw materials, stores and spare parts and packing materials - on First in First out method (FIFO).
- ii. Finished goods purchased for resale - FIFO.
- iii. Cost of manufactured finished goods and stock in process comprises of material, labour and other related production overheads including depreciation.

**g. Revenue recognition**

- **Sale of goods:**

Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of the goods are transferred to the customer and is stated inclusive of excise duty and net of trade discounts, sales return and sales tax wherever applicable.

- **Sale of services:**

Revenue from the sale of services is recognized when the services are rendered.

- **Power generation**

Revenue from power generation is recognised on accrual basis, on the basis of actual power sold, as per the terms and conditions of the relevant power purchase agreement.

- **Export benefits:**

Income in respect of export benefits is recognized in the period, when there is no significant uncertainty about the measurability and ultimate realization of such benefits.

- **Other income:**

- i) Interest income is recognized on a time proportion basis at the applicable rates.
- ii) Dividend income is recognized when the right to receive dividend is established.

**h. Borrowing costs**

Borrowing costs that are attributable to the acquisition and / or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalization of borrowing costs is suspended in the period during which the active development is delayed due to other than temporary interruption. All other borrowing costs are charged to the statement of profit and loss as incurred

**I. Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations, where the Group has unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

**j. Foreign currency transactions**

**i. Relating to overseas entity**

Indian Rupee (Rs.) is the reporting currency for the Group. However, reporting currency of non-integral overseas subsidiaries are different from the reporting currency of the Group. Income and expenditure items of non-integral foreign operations are translated at the average exchange rate of their respective foreign currencies. Monetary items and non-monetary at the balance sheet date are translated using the rates prevailing on the balance sheet date. Goodwill arising on acquisition of non integral foreign operation is translated using the rates prevailing on the balance sheet date.

**ii. Relating to Indian entities**

Transactions in foreign currency are accounted for at the exchange rate prevailing on the date of the transaction. All monetary items denominated in foreign currency are converted into Indian rupees at the year-end exchange rate.

The exchange differences arising on such conversion and on settlement of the transactions are recognized in the Consolidated Statement of Profit and Loss

**k. Employee benefits**

Expenses and liabilities in respect of employee benefits are recorded in accordance with the notified Accounting Standard 15 - Employee Benefits.

- **Provident fund:**

The Group makes contribution to statutory provident fund in accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. In terms of the Guidance on implementing the revised AS - 15, issued by the Accounting Standards Board of the ICAI, the provident fund trust set up by the Group is treated as a defined benefit plan since the Group has to meet the interest shortfall, if any. Accordingly, the contribution paid or payable and the interest shortfall, if any is recognized as an expense in the period in which services are rendered by the employee.

- **Gratuity:**

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit/ obligation at the balance sheet date, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit obligation is calculated at or near the balance sheet date by an independent actuary using the projected unit credit method. Except in case of Shivpad Engineers Private Limited where liability for gratuity as at the balance sheet date is determined and accounted

based on the valuation made by the management.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

- **Compensated absences:**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognized on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

- **Other short term benefits:**

Expense in respect of other short-term benefits is recognized on the basis of the amount paid or payable for the period during which services are rendered by the employee.

**l. Leases**

*Operating leases:*

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Lease payments under an operating lease are recognized as an expense in the Statement of Profit and Loss in accordance with the terms of lease deed.

**m. Impairment of assets**

- **Goodwill**

Goodwill is tested for impairment on an annual basis. If on testing, any impairment exists, the carrying amount of Goodwill is reduced to the extent of any impairment loss and such loss is recognised in the Statement of Profit and Loss.

- **Other assets**

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognized in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the Consolidated Statement of Profit and Loss.

**n. Contingent liabilities and provisions**

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Group not acknowledged as debts are treated as contingent liabilities. In respect of statutory dues disputed and contested by the Group, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. The Group makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, has been disclosed as a contingent liability in the Consolidated financial statements.

**o. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of dilutive potential equity shares.

**p. Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and in hand and short term bank deposits with an original maturity of three months or less.

**q. Dividend**

The Group declares dividend to shareholders after the balance sheet date, the Group will not recognise those dividends as a liability at the balance sheet date unless a statute requires otherwise and such dividends has been disclosed in the notes to the financial statements.

**r. Share issue expenses**

The share issue expenses are adjusted against the balance in securities premium account as permitted under Section 52 of the Companies Act, 2013.

## 5. Share Capital

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	(Rs.)	Number of Shares	(Rs.)
<b>Authorised</b>				
Equity Shares of ? 10 each	12,490,000	124,900,000	10,490,000	104,900,000
Preference Shares of ? 10 each	510,000	5,100,000	510,000	5,100,000
	<b>13,000,000</b>	<b>130,000,000</b>	<b>11,000,000</b>	<b>110,000,000</b>
<b>Issued, subscribed and fully paid up</b>				
Equity Shares of ? 10 each	11,836,598	118,365,980	9,575,400	95,754,000
	<b>11,836,598</b>	<b>118,365,980</b>	<b>9,575,400</b>	<b>95,754,000</b>

### a) Reconciliation of equity share outstanding at the beginning and end of the year

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	(Rs.)	Number of Shares	(Rs.)
At the beginning of the year	9,575,400	95,754,000	9,575,400	95,754,000
Add: shares issued during the year	2,261,198	22,611,980	-	-
Outstanding at the end of the year	<b>11,836,598</b>	<b>118,365,980</b>	<b>9,575,400</b>	<b>95,754,000</b>

### b) Details of shareholders holding more than 5% of the shares of the Company

Particulars	As at 31 March 2018		As at 31 March 2017	
	Number of Shares	% of holding	Number of Shares	% of holding
<b>Equity shares of ? 10 each</b>				
Pragati India Fund Limited	-	0%	2,573,102	27%
Mr. Pratik Patel	1,911,465	16%	2,361,465	25%
Mr. Axel Schutte	770,000	7%	770,000	8%
Sundaram Alternative Opportunities fund	594,000	5%	-	-

### c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ? 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### d) Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years to be given for each class of shares

There are no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years.

## 6. Reserves & Surplus

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)
<b>Securities premium account</b>		
Balance at the beginning of the year	241,365,860	241,365,860
Add : Received on issue of equity shares	248,731,780	-
Less : Amount utilised towards share issue expenses	(42,937,839)	-
<b>Balance at the end of the year</b>	<b>447,159,801</b>	<b>241,365,860</b>
<b>General reserve</b>		
Balance at the beginning of the year	107,058,973	107,058,973
Add : Amount transferred from statement of profit and loss		
<b>Balance at the end of the year</b>	<b>110,892,115</b>	<b>107,058,973</b>
<b>Foreign currency translation reserve</b>		
Balance at the beginning of the year	(21,267,606)	(26,997,037)
Add : Movement	19,748,717	5,729,431
<b>Balance at the end of the year</b>	<b>(7,114,177)</b>	<b>(21,267,606)</b>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance at the beginning of the year	414,347,922	312,933,685
Add: Profit for the year	3,361,943	100,864,490
Add: Dividend distribution tax adjustment*	-	549,747
Less: Dividend paid @ ₹ 2 per share for the year ended 31 March 2017	19,150,800	-
Less: Dividend distribution tax on the above	3,898,650	-
Less: Transfer to general reserve	3,833,142	-
<b>Net surplus in the Statement of Profit and Loss</b>	<b>390,827,274</b>	<b>414,347,922</b>
	<b>941,765,012</b>	<b>741,505,149</b>

\*Represents final adjustment of dividend distribution tax in respect of year ended 31 March 2016+

.Note 4A: The Board of Directors of the holding Company, in their meeting held on 29 May 2018, recommended a final dividend of ₹ 1 per fully paid up equity share of ₹ 10 each, aggregating to ₹ 11,836,598 for the year ended 31 March 2018, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

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## 7 Long term borrowings

Particulars	Non Current		Current Maturities	
	As at 31 Mar. 2018	As at 31 Mar. 2017	As at 31 Mar. 2018	As at 31 Mar. 2017
<b>Secured</b>				
<b>Term loans</b>				
- Rupee loans from banks	-	60,691,000	1,567,662	24,000,000
- Foreign currency loans from banks	146,960,680	103,741,563	92,322,775	-
- Rupee loans from financial institutions	43,828,000	5,058,000	16,524,000	1,111,000
<b>Vehicle loans</b>	3,333,922	1,997,975	3,197,050	1,111,972
<b>Unsecured</b>				
Loans from related parties (refer note 44)	-	26,947,019	-	600,000
	<b>194,122,602</b>	<b>198,435,557</b>	<b>113,611,487</b>	<b>26,822,972</b>
Less : amount disclosed under the head "other current liabilities" (refer note 13)	-	-	(113,611,487)	(26,822,972)
	<b>194,122,602</b>	<b>198,435,557</b>	<b>-</b>	<b>-</b>
<b>Details of guarantee for each type of borrowings</b>				
<b>Guaranteed by directors and related parties</b>				
Rupee and foreign currency loans from banks and financial institutions	83,318,070	75,474,593	48,524,000	25,111,000

### Repayment terms and security for the outstanding long term borrowings (including current maturities):

#### I) Term loans from banks

The Holding Company availed term loan facility from State Bank of India amounting to ₹ 120,000,000 at rate of interest of State Bank of India's base rate (10%) plus 3.4%. Base rate keeps on changing. Repayment of term loan is to be done in 16 quarterly installment commencing from July 2015 with last installment falling due in year 2019-20. During the year the Holding Company has converted its rupee term loan into foreign currency loan amounting 6,99,22,408 (previous year ₹ 9,725,790). Outstanding book balance of term loan is ₹ 71,490,070 (previous year: ₹ 94,416,890). The Subsidiary Jash USA INC availed term loan facility from HDFC Bank, Bahrain amounting to \$ 1,450,000 on January 24, 2017. It further obtained additional loan amounting to \$ 1,400,000 during the year ended March 31, 2018. The said loans bear an interest of LIBOR+2.5% (average interest rate for the year ended March 31, 2018: 3.64%). These loans are payable in 42 months from the date of borrowing. Outstanding balance of term loan is ₹ 169,350,372 (Previous year: ₹ 94,015,970).

#### Note - 7 (Cont'd)

##### The aforesaid term loan of Holding company is secured by way of :

- First pari passu charge over Holding Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at Unit I and Unit II, SEZ.
- Exclusive first charge by way of equitable mortgage over land and shed and hypothecation over Holding Company's entire present and future fixed assets comprising land, building, plant and machinery and miscellaneous fixed assets at Unit I and SEZ. Further secured by following collateral securities:
  - Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at plot no. 18-C, 29 to 31, 32 B Sector C, Industrial Area, Sanwer Road, Indore and Plot No. M-11, Misc Zone Phase -II SEZ, Pithampur Dist. Dhar, survey no. 74/1, 74/2/1, 76/1/3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district - Indore and survey no. 77, Patwari Halka no. 36, Bardari, Sanwer, district Indore.
  - First pari passu charge by way of equitable mortgage of factory land and building situated at Bardari village, Sanwer district Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare and first charge on khasra no 76/1/3 admeasuring 0.183 hectare and 76/1/1 admeasuring 0.243 hectare in the name of Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.

## (c) Pledge of 30% shares of Shivpad Engineers Private Limited.

Further secured by personal guarantee of Directors, Mr. Pratik Patel and Mr. L. D. Amin and corporate guarantee of M/s Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.

**The aforesaid term loan taken by subsidiary company Jash USA INC secured by way of :**

SBLC equal to 110% of loan value by the Holding Company issued in favour of HDFC Bank.

**ii) Term loans from financial institutions**

- 1) The Holding Company availed term loan facilities from Small Industries Development Bank of India amounting to ₹ 40,000,000 and ₹ 22,430,000 at rate of interest of 9.50 %. (previous year 11.45%). Repayment of term loan is to be done in 36 monthly installment commencing from March 2018 with last installment falling due in year 2020-2021. Outstanding book balance of term loan is ₹ 60,352,000 (previous year: ₹ 6,169,000).

**The aforesaid term loan is secured by way of :**

- (a) First hypothecation charge over the Holding Company's movable such as plant machinery, vehicle, machinery spares, tools, office equipments, computer, computer fixture acquired under the project.
- (b) Extension of first charge by way of hypothecation of all movables including plant, machinery, vehicles, machinery spares, tools office equipments, computers acquired earlier financial assistance
- (c) Residual charge by way of mortgage of leasehold factory land and Building (Unit-1) situated at Survey No. 18B2, 18E2, 18D2, 18C, 19, 29, 30, 31 & 32B industrial area Sector C, village Sukhliya Tehsil & Dist Indore.
- (d) Residual charge by way of mortgage of leasehold factory land and Building situated at survey no. 74/1, 74/2/1, 76/1/3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district, Indore and survey no. 77, Patwari Halka no. 36, Bardari tehsil, Sanwer district, Indore.
- (e) Residual charge by way of mortgage of land and building situated at plot no. M-11 SEZ, Pithampur, Tehsil & district Dhar.
- (f) Residual charge by way of mortgage of land and building situated at survey no. 74/2/2, 76/1/1 village Bardari, Sanwer, Dist. Indore owned by Patamin Investment Private Limited.
- (g) Further secured by personal guarantee of Directors, Mr. Pratik Patel and Mr. L. D. Amin and corporate guarantee of M/s Patamin Investments Private Limited.

**iii) Vehicle loans from banks**

As at March 2018	Principal Amount ?	Amount Outstanding ?	Installment Outstanding ?	Date of loan	Rate of interest	Hypothecation of
Vehicle loan	4,370,000	1,934,481	93,712	21 February 2015	10.40%	Vehicle
Vehicle loan	517,845	63,494	21,522	14 June 2015	10.10%	Vehicle
Vehicle loan	634,000	572,332	20,385	1 November 2017	9.60%	Vehicle
Vehicle loan	600,000	479,671	18,969	28 June 2017	8.60%	Vehicle
Vehicle loan	3,800,000	2,738,356	121,016	24 April 2017	9.10%	Vehicle
Vehicle loan	900,000	742,638	28,454	8 August 2017	8.60%	Vehicle

As at March 2018	Principal Amount ?	Amount Outstanding ?	Installment Outstanding ?	Date of loan	Rate of interest	Hypothecation of
Vehicle loan	4,370,000	2,807,860	93,712	21 February 2015	10.40%	Vehicle
Vehicle loan	517,845	302,087	21,522	14 June 2015	10.10%	Vehicle

**iv) Loan from related parties**

- (a) During the year ended 31 March 2018, Holding Company has repaid unsecured loan of ₹ 20,161,745 from Mr. Partik Patel and outstanding balance as on 31 March 2018 is Nil (previous year ₹ 17,634,644). The loan carried an annual rate of interest of 12% per annum and was repayable in monthly installment of ₹ 50,000 each commencing from August, 2014. The Holding Company has obtained new unsecured loan repayable on demand from Mr. Partik Patel of ₹ 3,000,000 which has been classified under short term borrowings.
- (b) During the year ended 31 March 2018, Holding Company repaid the unsecured loan taken from L. D. Amin (HUF), Harsh Patel, Bhairavi Patel and Patamin Investments Private Limited. Outstanding book balance of loan taken from L. D. Amin (HUF) as on 31 March 2018 is ₹ Nil (previous year ₹ 2,369,192), Harsh Patel is ₹ Nil (previous year ₹ 837,587), Bhairavi Patel of ₹ Nil (previous year ₹ 418,793) and from Patamin Investments Private Limited as on 31 March 2018 is ₹ Nil (previous year ₹ 6,286,803). These loans were taken at an annual rate of interest of 12% per annum and were repayable after 5 years from the date of such loan.

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)
<b>8 Deferred tax liabilities (net)</b>		
<b>Deferred tax liability arising on account of:</b>		
Impact of difference between tax depreciation and depreciation charged for the financial year	50,599,507	46,600,017
<b>Deferred tax asset arising on account of:</b>		
Provision for employee benefits	(5,346,112)	(2,626,116)
	<b>45,253,395</b>	<b>43,973,901</b>
<b>9 Other long term liabilities</b>		
Security deposits	864,288	1,103,757
	<b>864,288</b>	<b>1,103,757</b>
<b>10 Long term provisions</b>		
Provision for employee benefit :		
- Gratuity (refer note 36)	6,750,023	2,295,029
- Compensated absences (refer note 36)	8,021,467	6,446,218
Rent equalisation reserve	24,868	6,192
	<b>14,796,358</b>	<b>8,747,439</b>
<b>11 Short term borrowings</b>		
<b>Secured</b>		
Short term loans from banks	30,000,000	-
Cash credit facilities from bank	295,728,961	294,629,655
<b>Unsecured</b>		
Loans from related parties (refer note 38)	2,139,164	-
	<b>327,868,125</b>	<b>294,629,655</b>

D) Fund based credit facility sanctioned to the Holding Company from HDFC Bank during the year comprise of CC facility of ? 110,000,000 (previous year ?60,000,000) and short term loan facility of ?50,000,000 (previous year Nil) an annual rate of interest of 2.60% above MCLR-1 year. Outstanding book balance for CC account from HDFC as on 31 March 2018 is ? 36,598,840 (previous year ?24,249,086), short term loan ?30,000,000 (previous year Nil).

**The facilities from bank are secured by way of:**

Primary security: First pari passu charge on all current assets of the Holding Company as on 31 March 2017.

**Collateral:**

- (a) Pledge of 30% shares of Shivpad Engineers Private Limited.
- (b) Second pari passu charge on property, plant and equipment of Unit 1 and SEZ.
- © Second pari passu charge on entire property, plant and equipment of Unit 2 and SEZ.
- (d) Second pari passu charge on land owned by Patamin Investments Private Limited

Also secured by way of guarantees from:

- Mr. L.D. Amin
- Mr. Pratik Patel

ii) Fund based credit facility of Holding Company from State Bank of India comprises of cash credit (CC) facility amounting to ? 290,000,000 (previous year ? 290,000,000) at an annual rate of interest of 1.50% above MCLR-1 year, export packing credits (EPC) within CC limit amounting to ? 150,000,000 (previous year ? 90,000,000) at an annual rate of interest 0.55% above

MCLR-1 year. Outstanding book balance for CC account from SBI ? 184,781,186 (previous year ? 223,290,094), EPC account as on 31 March 2018 is for ? 74,348,936 (previous year ? 47,090,475). **The facilities from bank are secured by way of:**

Primary security: First hypothecation charge over company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at Unit I and SEZ both or at such other places approved by the Bank including good in transit/shipment in the name of Holding Company. **Collateral:**

- (a) Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at survey no. 74/1, 74/2/1, 76/1./3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district, Indore and survey no. 77, Patwari Halka no. 36, Bardari tehsil, Sanwer district, Indore.
- (b) Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at Unit I and SEZ both.
- (c) First charge by way of equitable mortgage of diverted land situated at Bardari village, Sanwer district, Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare in the name of Patamin Investments Private Limited.
- (d) Pledge of 30% shares of Shivpad Engineers Private Limited.

Also secured by way of guarantees from:

- Mr. L.D. Amin
- Mr. Pratik Patel
- Patamin Investments Private Limited

## ii) Loan from related parties

Unsecured loan taken by holding company from Mr. Pratik Patel, amounting to ? 30,00,000 (previous year ? Nil) at annual rate of interest of 10% per annum is repayable on demand. Outstanding book balance of such loan is ? 2,139,164 (previous year ? Nil).

## 12. Trade payables

	As at 31 March 2018	As at 31 March 2017
<b>A. Total outstanding dues of Micro Enterprises and Small Enterprises Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') :</b>		
<b>Particulars</b>		
I) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006:		
Principal	29,762,628	22,750,076
Interest	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.		
	<b>29,762,628</b>	<b>22,750,076</b>

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

	As at 31 March 2018	As at 31 March 2017
<b>B. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises</b>		
Due to others	448,831,828	362,246,757
	<b>48,831,828</b>	<b>362,246,757</b>

### 13. Other current liabilities

	As at 31 March 2018	As at 31 March 2017
Current maturities of long term borrowings (refer note 7)	113,611,486	26,822,972
Interest accrued but not due on borrowings	646,806	1,118,536
Interest payable on delay payment of income tax	-	465,746
Book overdraft	4,171,249	-
Employees related payables	14,151,322	10,569,890
Advance from customers	41,903,104	58,895,120
Statutory dues	4,053,636	13,930,418
Other liabilities	2,616,752	-
	<b>181,154,355</b>	<b>111,802,682</b>

### 14. Short term provisions

	As at 31 March 2018	As at 31 March 2017
Provision for employee benefits :		
- Compensated absences	1,577,417	1,482,595
- Bonus	15,211,295	14,596,644
Provision for taxation (net of prepaid taxes)	1,461,978	1,260,972
	<b>18,250,690</b>	<b>17,340,211</b>

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**15A. Property plant and equipment**

Gross block	Leasehold land	Freehold land	Buildings	Plant and equipments	Electric substations	Computers	Furniture and fixtures	Vehicles	Office equipments	Total
	?	?	?	?	?	?	?	?	?	?
<b>Balance as at 1 April 2016</b>	<b>11,873,729</b>	<b>33,071,465</b>	<b>357,853,189</b>	<b>247,968,877</b>	<b>28,629,193</b>	<b>13,994,176</b>	<b>28,042,012</b>	<b>18,123,763</b>	<b>9,151,816</b>	<b>748,708,220</b>
Additions	-	-	1,216,991	105,491,576	104,192	3,097,758	1,135,254	62,995	3,077,013	114,185,778
Disposals	-	-	-	(13,810)	(52,000)	(49,000)	(43,055)	(1,373,418)	-	(1,531,283)
<b>Balance as at 31 March 2017</b>	<b>11,873,729</b>	<b>33,071,465</b>	<b>359,070,180</b>	<b>355,508,837</b>	<b>28,733,385</b>	<b>17,005,934</b>	<b>29,134,211</b>	<b>15,621,914</b>	<b>12,228,829</b>	<b>860,248,484</b>
Additions	8,116,595	25,893,716	77,000	73,259,820	61,000	2,967,832	4,437,018	7,510,682	1,832,296	124,155,958
Disposals/adjustments	-	-	-	(47,521,623)	(252,600)	-	(5,200)	(1,982,595)	-	(49,762,018)
<b>Balance as at 31 March 2018</b>	<b>19,990,324</b>	<b>58,965,181</b>	<b>359,147,180</b>	<b>379,247,034</b>	<b>28,541,785</b>	<b>19,973,766</b>	<b>33,566,029</b>	<b>21,150,001</b>	<b>14,061,125</b>	<b>934,642,424</b>
<b>Accumulated depreciation</b>										
<b>Balance as at 1 April 2016</b>	<b>3,429,700</b>	-	<b>66,200,893</b>	<b>150,112,623</b>	<b>15,741,374</b>	<b>12,434,883</b>	<b>14,281,417</b>	<b>4,832,792</b>	<b>6,374,211</b>	<b>271,407,893</b>
Depreciation charge	366,005	-	10,319,337	18,150,240	1,636,843	1,121,412	2,671,998	1,695,691	1,256,955	37,218,482
Prior period depreciation / (reversal)	-	-	(157,445)	1,060,971	(353,827)	(9,554)	(481,943)	40,592	(86,448)	12,346
Reversal on disposal of assets	-	-	-	(4,112)	(49,400)	(35,169)	-	(813,375)	-	(902,056)
<b>Balance as at 31 March 2017</b>	<b>3,795,705</b>	-	<b>76,362,785</b>	<b>169,319,722</b>	<b>16,974,990</b>	<b>13,511,572</b>	<b>14,471,472</b>	<b>5,755,701</b>	<b>7,544,718</b>	<b>307,736,665</b>
Depreciation charge	366,005	-	10,341,454	24,038,719	1,603,085	2,481,342	3,521,862	2,295,875	707,838	45,356,180
Reversal on disposal of assets	-	-	-	-	(80,985)	-	(381)	(1,695,332)	-	(1,776,698)
<b>Balance as at 31 March 2018</b>	<b>4,161,710</b>	-	<b>86,704,239</b>	<b>193,358,441</b>	<b>18,497,089</b>	<b>15,992,914</b>	<b>17,992,953</b>	<b>6,356,243</b>	<b>8,252,556</b>	<b>351,316,146</b>
<b>Net block</b>										
Balance as at 31 March 2017	8,078,024	33,071,465	282,707,395	184,189,115	11,758,395	3,494,362	14,662,739	9,866,213	4,684,111	552,511,819
Balance as at 31 March 2018	15,828,614	58,965,181	272,442,941	185,888,592	10,044,696	3,980,852	15,573,076	14,793,758	5,808,569	583,326,278

## 15 B. Intangible assets

Gross block	Technical know-how	Computer software	Total
	?	?	?
<b>Balance as at 1 April 2016</b>	<b>9,524,184</b>	<b>15,090,547</b>	<b>24,614,731</b>
Additions	120,274,492	1,937,730	122,212,222
<b>Balance as at 31 March 2017</b>	<b>129,798,676</b>	<b>17,028,277</b>	<b>146,826,953</b>
Additions	-	5,706,384	5,706,384
Disposals/adjustments	(25,934,287)	-	(25,934,287)
<b>Balance as at 31 March 2018</b>	<b>103,864,389</b>	<b>22,734,661</b>	<b>126,599,050</b>
<b>Accumulated amortisation</b>			
<b>Balance as at 1 April 2016</b>	<b>7,292,410</b>	<b>9,066,599</b>	<b>16,359,009</b>
Amortisation	745,243	1,692,928	2,438,171
Prior period amortisation reversal	(455,510)	(526,348)	(981,858)
<b>Balance as at 31 March 2017</b>	<b>7,582,143</b>	<b>10,233,179</b>	<b>17,815,322</b>
Amortisation	10,110,352	1,964,314	12,074,665
<b>Balance as at 31 March 2018</b>	<b>17,692,495</b>	<b>12,197,493</b>	<b>29,889,987</b>
<b>Net block</b>			
Balance as at 31 March 2017	122,216,533	6,795,098	129,011,631
Balance as at 31 March 2018	86,171,894	10,537,168	96,709,063

## 15 C. Capital work-in-progress

Capital work in progress amounting to ? 4,756,435 (previous year ? 6,081,652) pertains to under construction components of factory equipments.

## 15 D. Intangible assets under development

Intangible assets under development amounting to ? 7,764,877 (previous year Nil) pertains to accounting application software under development.

*(This space has been intentionally left blank)*

**16. Deferred tax assets (net)**

	As at 31 March 2018	As at 31 March 2017
<b>Deferred tax assets arising on account of:</b>		
Impact of difference between tax depreciation and depreciation charged for the financial year	1,093	-
Provision for employee benefits	136,679	-
Unabsorbed carry forward business losses	13,962,496	-
	<b>14,100,268</b>	-

**17. Long term loans and advances**

	As at 31 March 2018	As at 31 March 2017
(Unsecured, considered good unless otherwise stated)		
<b>Security deposit</b>		
Related parties	2,500,000	2,500,000
Others	4,279,601	4,698,041
<b>Other loans and advances</b>		
Balances with government authorities	6,233,803	4,044,188
Prepaid taxes (net of provisions for tax)	5,434,842	167,477
Capital advances	5,788,824	6,768,625
Prepaid expenses	316,648	475,816
Others	84,787	33,639
	<b>24,638,505</b>	<b>18,687,786</b>

**18. Other non current assets**

	As at 31 March 2018	As at 31 March 2017
Non current bank balance (refer note 22)	-	6,000,000
	-	<b>6,000,000</b>

**19. Current investments**

	As at 31 March 2018	As at 31 March 2017
Trade investments (quoted)		
Ramky Infrastructure Limited	84,915	49,829
489 (previous year 489) equity shares (fully paid up) of ? 10 each		
VA Tech Wabag Limited	5,950	6,550
12 (previous year 12) equity shares (fully paid up) of ? 10 each	<b>90,865</b>	<b>56,379</b>

Aggregate amount of quoted investments (market value ? 90,865  
(previous year ? 57,948))

**90,865**

**56,379**

**20. Inventories**

	As at 31 March 2018	As at 31 March 2017
Raw materials and components*#	271,380,002	224,800,718
Work-in progress	98,814,339	64,641,691
Finished goods	117,917,288	78,859,074
Stores and spares	10,250,192	8,684,718
	<b>498,361,821</b>	<b>376,986,201</b>

\*Includes stock lying with third parties amounting ? 545,169  
(previous year ? 562,609)#Includes goods in transit amounting to Nil

**21. Trade receivables**

	As at 31 March 2018	As at 31 March 2017
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good	165,968,002	112,988,058
Other receivables		
- Considered good	426,542,434	378,997,091
- Considered doubtful	1,564,311	-
Less: provision for doubtful debts	(1,564,311)	-
	<b>592,510,436</b>	<b>491,985,149</b>

**22. Cash and bank balances**

	As at 31 March 2018	As at 31 March 2017
<b>Cash and cash equivalents</b>		
Cash on hand	596,121	1,184,119
Balances with schedule banks :		
-In current accounts	28,108,782	35,526,509
	<b>28,704,903</b>	<b>36,710,628</b>
<b>Other bank balances</b>		
Margin money deposits*	77,892,965	53,780,216
Deposits with maturity more than 12 months	-	6,000,000
	<b>77,892,965</b>	<b>59,780,216</b>
Less : Amounts disclosed as other non-current assets (refer note 18)	-	(6,000,000)
	<b>106,597,868</b>	<b>90,490,844</b>

\* The deposits are pledged against bank guarantees issued to sales tax authorities, and for cash credit/ letter of credit facilities.

**23. Short term loans and advances**

	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
(Unsecured , considered good unless otherwise stated)		
Advance recoverable in cash or in kind for value to be received	1,294,313	-
Receivables from related parties	-	55,719
Advances given to employees	475,714	140,483
Balance with government authorities	21,680,835	22,791,827
Advance to suppliers	8,381,743	13,553,966
Prepaid expenses	2,597,206	3,612,604
Security deposit	4,863,000	-
Tender fee and earnest money deposit	648,066	881,796
	<b>39,940,877</b>	<b>41,036,395</b>

**24. Other current assets**

	<b>As at 31 March 2018</b>	<b>As at 31 March 2017</b>
Tangible assets held for sale*	118,718,491	-
Interest accrued on deposits	1,806,604	7,628,427
Export benefit receivables	14,159,628	-
Receivables from other parties	12,507,397	-
Other receivables	5,341,828	-
	<b>152,533,948</b>	<b>7,628,427</b>

\* During the year ended March 31, 2017, Jash USA Inc, a subsidiary company, pursuant to an asset purchase agreement dated 21 September 2016 purchased certain assets namely machinery, vehicles, inventories and trade marks from VAG USA LLC. Further, Jash USA Inc vide an agreement dated 20 March 2017, acquired factory shed and land from VAG USA LLC. The ownership of the factory shed got transferred to the Company in July 2017.

Out of the assets acquired from VAG USA LLC., as described above, the Company retained certain assets including vehicles, trademarks and certain portion of land & factory shed and has put the rest on sale. The assets held for sale are valued at realizable value as on March 31, 2018.

*(This space has been intentionally left blank)*

**25. Revenue from operations**

	<b>For the year ended 31 March 2018</b>	<b>For the year ended 31 March 2017</b>
<b>Sale of products</b>		
Manufactured goods	1,633,586,324	1,521,709,242
Traded goods	84,128,576	124,923,199
	<b>1,717,714,900</b>	<b>1,646,632,441</b>
<b>Sale of services</b>		
Installation charges receipts	7,478,012	2,524,567
Commission income receipts	1,584,908	-
	<b>9,062,920</b>	<b>2,524,567</b>
<b>Other operating revenues</b>		
Export benefits	15,097,586	-
Scrap sales	18,085,861	7,260,316
	33,183,447	7,260,316
	<b>1,759,961,267</b>	<b>1,656,417,324</b>

**26. Other income**

	<b>For the year ended 31 March 2018</b>	<b>For the year ended 31 March 2017</b>
Interest income on :		
-fixed deposits	4,161,908	6,118,597
-loan and others	1,610,856	575,136
Rental income	1,375,000	-
Royalty income	-	4,117,153
Profit on sale of property, plant and equipment (net)	16,812,140	2,273,592
Foreign currency gain (net)	18,740,745	13,446,346
Unclaimed balances written back	2,548,492	4,222,097
Miscellaneous income	5,181,002	992,048
	<b>50,430,143</b>	<b>31,744,969</b>

**27. Cost of raw materials and components consumed**

	<b>For the year ended 31 March 2018</b>	<b>For the year ended 31 March 2017</b>
Inventory at the beginning of the year	224,800,718	161,455,411
Add : Purchases during the year	937,500,814	804,476,662
	1,162,301,532	965,932,073
Less : Inventory at the end of the year	271,380,002	224,800,718
	<b>890,921,530</b>	<b>741,131,355</b>

**28. Purchase of traded goods**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Purchases of raw materials	59,327,769	85,261,891
	<b>59,327,769</b>	<b>85,261,891</b>

**29. Changes in inventories of finished goods, work-in-progress and traded goods**

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Opening inventory</b>		
Finished goods	78,859,074	136,645,695
Work in progress	64,641,691	73,878,241
	<b>143,500,765</b>	<b>210,523,936</b>
<b>Less : Closing inventory</b>		
Finished goods	117,917,288	78,859,074
Work in progress	98,814,339	64,641,691
	<b>216,731,627</b>	<b>143,500,765</b>
<b>Change in inventories</b>	<b>(73,230,862)</b>	<b>67,023,171</b>
Excise duty on opening stock	8,397,940	14,198,988
Less: excise duty on closing stock	-	8,397,940
<b>Change in excise duty of finished goods</b>	<b>(8,397,940)</b>	<b>(5,801,048)</b>
	<b>(81,628,802)</b>	<b>61,222,123</b>

**30. Employee benefits expense**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Salaries, wages and bonus	308,055,355	180,863,224
Contributions to provident and other funds	16,022,512	15,655,399
Staff welfare expenses	15,497,968	5,682,728
	<b>339,575,835</b>	<b>202,201,351</b>

**31. Finance costs**

	For the year ended 31 March 2018	For the year ended 31 March 2017
Interest expense	54,884,555	42,768,906
Other borrowing costs	13,204,126	12,446,460
	<b>68,088,681</b>	<b>55,215,366</b>

**32. Depreciation and amortization expense**

	<b>For the year ended 31 March 2018</b>	<b>For the year ended 31 March 2017</b>
Depreciation of tangible assets (refer note 15A)	45,356,180	37,230,779
Amortization of intangible assets (refer note 15D)	12,074,665	1,456,313
	<b>57,430,845</b>	<b>38,687,092</b>

**33. Other expenses**

	<b>For the year ended 31 March 2018</b>	<b>For the year ended 31 March 2017</b>
Consumption of stores and spare parts	82,200,214	73,489,989
Power, fuel and water	17,477,394	15,254,277
Rent	9,479,984	10,280,154
Rates and taxes	6,662,864	4,803,552
Conveyance expenses	2,324,829	1,832,084
Telephone and internet expense	1,435,858	1,913,809
Repairs and maintenance		
Building	2,898,615	4,757,155
Others	6,124,196	2,543,394
Vehicle running and maintenance	2,676,123	2,313,384
Insurance charges	4,126,197	2,980,189
Travelling expenses	17,325,539	9,635,702
Royalty	2,217,655	3,750,789
Legal and professional	11,289,393	9,226,878
Advertisement and sales promotion expense	25,137,078	25,825,991
Commission and brokerage	11,912,963	17,370,104
Carriage outward	19,693,784	19,748,904
Labour charges	28,749,188	23,193,991
Job work charges	71,103,659	59,634,444
Late delivery charges	1,526,486	1,944,062
Balances written off	3,110,457	5,198,530
Export expenses	63,913,352	24,594,672
Drawing, designing and pattern charges	6,803,921	7,960,384
Miscellaneous expenses	51,720,143	26,796,788
	<b>449,909,891</b>	<b>365,049,226</b>

**Note 33.1**

In terms, with the provisions of the said Act, the Holding Company was to spend a sum of ₹ 2,552,000 (previous year ₹ 2,818,955) towards CSR activities. The CSR Committee has been examining and evaluating suitable proposals for deployment of funds towards CSR initiatives, however, the committee expects finalization of such proposals in due course. During the year ended 31 March 2017, the Holding Company has contributed only ₹ 52,500 (previous year ₹ 520,884) towards CSR initiatives.

## Note 33.2

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>Payments to auditors: *</b>		
Statutory audit	1,965,000	1,183,000
Tax audit	180,000	150,000
Out of pocket expenses	93,630	62,872
Certification services	175,000	241,050
Other services	2,300,000	10,000
<b>Total</b>	<b>4,713,630</b>	<b>1,646,922</b>

\* Exclusive of service tax/goods and service tax

## 34. Earnings per equity share

	For the year ended 31 March 2018	For the year ended 31 March 2017
<b>a) Net profit attributable to equity shareholders</b>	3,361,943	100,864,490
<b>b) Weighted average number of shares for</b>		
Basic earnings per share	10,634,756	9,575,400
Diluted earnings per share	10,634,756	9,575,400
<b>c) Nominal value of shares</b>	10	10
<b>d) Earnings per share</b>		
Basic earnings per share	0.32	10.53
Diluted earnings per share	0.32	10.53

## 35. Contingent liabilities

	As at 31 March 2018	As at 31 March 2017
<b>(I) Contingent liabilities (under litigation), not acknowledged as debt, include:\</b>		
<b>Income-tax demand</b>		
Financial year 2008-09	-	28,380
Financial year 2011-12	-	68,380
Financial year 2016-17	-	52,640
<b>Demand for central sales tax</b>		
Financial year 2013-14	-	13,477,793
Financial year 2014-15	22,065,027	22,065,027
Financial year 2015-16	7,369,543	-
<b>Demand for service tax</b>		
Financial year 2010-11	2,312,211	2,312,211
	<b>31,746,781</b>	<b>38,004,431</b>

Further, the Company has certain litigations involving vendor and work contractor. Based on legal advice of in-house legal consultants, the management believes that no material liability will devolve on the Company in respect of these litigations.

**(ii) Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for

29,250,000	24,100,000
<b>29,250,000</b>	<b>24,100,000</b>

**36. Employee benefits:****Gratuity**

Amounts recognised as expense in the Consolidated Statement of Profit and Loss for the year ended 31 March 2018 is determined as under:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Current service cost	6,451,129	3,987,021
Past service cost	1,537,918	-
Interest cost	2,890,518	2,483,255
Actuarial loss recognized during the year	1,994,813	2,293,218
Expected return on plan assets	(2,910,186)	(2,648,172)
<b>Net benefit expense</b>	<b>9,964,192</b>	<b>6,115,322</b>

Amount recognised in the balance sheet is as under:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Current service cost	6,451,129	3,987,021
Defined benefit obligation	47,908,578	38,672,348
Fair value of plan assets	41,158,555	36,377,319
<b>Net liability recognized in balance sheet</b>	<b>(6,750,023)</b>	<b>(2,295,029)</b>

Changes in defined benefit obligation:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Opening defined benefit obligation	38,672,348	31,357,925
Interest cost	2,890,518	2,483,255
Current service cost	6,451,129	3,987,021
Benefits paid	(2,146,042)	(1,307,098)
Actuarial gain on obligation	2,040,625	2,151,245
<b>Closing defined benefit obligation</b>	<b>47,908,578</b>	<b>38,672,348</b>

Changes in fair value of plan assets:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Fair value of plan assets at the beginning of the year	36,377,319	30,092,859
Expected return on plan assets	2,910,186	2,648,172
Contributions by employer	2,458,483	3,778,261
Actuarial loss/gain on plan assets	45,812	(141,973)
<b>Fair value of plan assets at the end of the year</b>	<b>41,158,555</b>	<b>36,377,319</b>
<b>Actual return on plan assets</b>	<b>2,955,998</b>	<b>2,506,199</b>

**Assumptions used:**

The Group expects to contribute ₹ 6,250,000 (previous year ₹ 8,050,000) to gratuity fund for 2018-19.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Description	31 March 2018 (%)	31 March 2017 (%)
Investments with Life Insurance Corporation of India	100	100

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity for the Company's plans are shown below:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Discounting rate	8.00%	7.54%
Expected rate of return on assets	8.00%	8.00%
Future salary increase	8.80%	8.00%
Employee turnover :		
- Upto 30 years	3.00%	3.00%
- Upto 44 years	2.00%	2.00%
- Above 44 years	1.00%	1.00%

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

The Group made annual contribution to the Life Insurance Corporation of India ('LIC') of an amount advised by the LIC. The Group was not informed by LIC of the investment made or the breakdown of plan assets by investment type, accordingly related disclosures are not included in these consolidated financial statements.

**Compensated absences**

Amount recognised as expense in the Consolidated Statement of Profit and Loss for the year ended 31 March 2018 is determined as under:

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Current service cost	1,717,983	1,350,407
Interest cost	570,756	502,089
Actuarial loss recognized during the year	1,159,020	1,295,830
<b>Amount recognised in the Statement of Profit and Loss</b>	<b>3,447,759</b>	<b>3,148,326</b>

## Changes in defined benefit obligation:

Opening defined benefit obligation	7,928,813	6,600,795
Interest cost	570,756	502,089
Current service cost	1,717,983	1,350,407
Benefits paid	(1,777,688)	(1,820,308)
Actuarial loss on obligation	1,159,020	1,295,830
<b>Closing defined benefit obligation</b>	<b>9,598,884</b>	<b>7,928,813</b>
- Current	1,577,417	8,021,467
- Non-current	1,482,595	6,446,218

**Assumptions used:**

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Discounting rate	7.54%	7.54%
Future salary increase	8.00%	8.00%
Employee turnover:		
- Upto 30 years	3.00%	3.00%
- Upto 44 years	2.00%	2.00%
- Above 44 years	1.00%	1.00%

**Provident fund and Employee State Insurance fund**

Contribution made by the Group during the year is ₹ 12,702,210 (previous year ₹ 11,606,518).

**37. Operating leases :**

The Holding Company has taken lands on lease for a period of 30 years (which can be extended further) and 99 years, in respect of which Holding Company, during the year, has made total lease payments of Rs 4,389,293 (previous year Rs. 4,526,472). Aforesaid leases are outside the scope of Accounting Standard – 19 “Leases”.

Apart from that, the Group has taken space on lease for use as office premises which are cancellable leases with no lock in period as well as non-cancellable lease with lock in period. For cancellable leases, there are no restrictions imposed on the Group Company under the lease arrangement. There are no subleases. The Group, during the year, has made total lease payments of ₹ 3,288,725 (previous year ₹ 4,254,034) towards such cancellable operating leases. For non-cancellable lease, the Company has booked an expense of amounting to Rs. 1,801,966 (previous year Rs. 1,499,648) and the total of minimum future lease payments under non-cancellable operating lease is as under.

Description	31 March 2018 (Rs.)	31 March 2017 (Rs.)
Payable not later than 1 year	2,188,870	871,966
Payable between 1-5 years	4,973,975	895,941
Payable later than 5 years	-	-

**38. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III of the Companies Act, 2013**

Name of the entity	Net Assets as on 31 March 2018, i.e. total assets minus total liabilities		Share in profit or (loss) for 31 March 2018	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit & loss
<b>Holding Company</b>				
Jash Engineering Limited	762,442,606	71.92%	65,622,960	1,951.93%
<b>Subsidiaries</b>				
Shivpad Engineers Private Limited	42,453,081	4.00%	10,247,113	304.80%
Jash USA Inc. (inclusive of Rodney Hunt Inc.)*	248,642,181	23.45%	(70,828,766)	(2,106.78%)
MahrMaschinenbau GmbH	4,300,675	0.41%	(1,335,400)	(39.72%)
Engineering and Manufacturing Jash Limited	2,292,448	0.22%	(343,959)	(10.23%)

\*Rodney Hunt Inc. is a wholly owned subsidiary of Jash USA Inc, incorporated with no capital. The management is not required to maintain separate books of accounts of Rodney Hunt Inc., hence, the management has prepared consolidated books of accounts of Jash USA Inc. Therefore, It is impracticable to disclose the above note separately for Rodney Hunt Inc. Hence, the disclosure for Rodney Hunt Inc. has been included with Jash USA Inc.

### 39. Unhedged foreign currency exposure:

The amount of foreign currency exposures that are not hedged by a derivative instrument or otherwise are as under:-

Particulars	31 March 2018		31 March 2017	
	Foreign Currency	(Rs.)	Foreign Currency	(Rs.)
<b>Trade receivables:</b>				
US Dollar	444,458	28,909,349	589,717	38,236,446
Euro	152,114	12,263,765	513,624	35,567,248
Singapore Dollar	678,107	33,672,799	1,166,	54954,262,934
Great Britain Pound	118,548	10,940,122	34,996	2,830,434
Canadian Dollar	373,731	34,489,570	-	-
<b>Trade payables:</b>				
US Dollar	1,000	65,044	392,211	25,430,412
Euro	15,424	1,243,517	40,312	2,791,509
Great Britain Pound	585	53,986	-	-
<b>Long term borrowings:</b>				
US Dollar	1,075,971	69,985,565	150,000	9,725,790

Closing rates are as under:-

Currency	31 March 2018(Rs.)	31 March 2017 (Rs.)
US Dollar	65.04	64.84
Euro	80.62	69.25
Singapore Dollar	49.66	46.52
GBP	92.28	80.88
Canadian dollar	50.43	-

40. The Holding Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India ("RBI"). Trade receivables amounting to ₹ 66,821,030 (previous year ₹ 479,15,179) due from overseas parties is outstanding for a period of more than nine months. Out of these, ₹ 45,586,651 (previous year ₹ 39,351,599) is due from M/s. Jash USA Inc, ₹ 1,502,550 (previous year ₹ 4,570,342) is due from M/s. MahrMaschinenbau and ₹ 261,915 (previous year Nil) is due from M/s. Rodney Hunt Inc. (all three entities are subsidiary companies). Subsequent to year ended 31 March 2018, the Holding Company has received the dues outstanding for a period of more than nine months from M/s. Jash USA Inc. and M/s. MahrMaschinenbau.

In respect of these receivables, the Holding Company has initiated the necessary steps to ensure compliance with the relevant regulations issued by the RBI i.e. in respect of receivables from Jash USA Inc – they have made three applications to RBI through its authorised dealer bank for capitalisation of amount due as allowed under clause 1 of para B.4 of the Master Circular No. 11/2015-16 (RBI/2015-16/41) dated 01 July 2015 on Overseas Direct Investment. During the year ended 31 March 2018, RBI has issued a no objection letter dated 27 July 2017 to the authorized dealer bank for proposed capitalization of trade receivables amounting to USD 102,648 against one of the three applications made by the Holding Company and accordingly, these were capitalized under the head Non-current investments (refer note 14) by the Holding Company. The authorized dealer

bank, vide its letter dated 23 March 2018, requested the Holding Company to arrange for payment of the remaining outstanding receivables from the its wholly owned subsidiaries.

In respect of rest of the receivables – the Holding Company has made application to RBI through its authorised dealer bank for seeking extension of period of realisation beyond 9 months along with detailed plan of action as allowed to authorised dealer bank under clause (i) of para C.18 of Master Direction No. 16/15-16 (RBI/FED/2015-16/11).

- 41.** As per transfer pricing legislation under section 92-92F of the Income Tax Act, 1961, the Holding Company is required to use certain specific methods in computing arm's length prices of international transaction with associated enterprises and maintain adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature, the Company has appointed independent consultant (the 'Consultant') for conducting the Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arm's length basis". Management is of the opinion that the Company's international transaction are at arm's length and require no transfer pricing adjustments.
- 42.** The Holding Company has one unit which is located in Special Economic Zone (the "SEZ") and is 100% exempted from income tax (current tax) till 31 March 2015, 50% exempted from April 1, 2015 to March 31, 2020 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ Reserve Account) from 1 April 2020 to 31 March 2025 - under the provisions of Section 10AA of the Income Tax Act, 1961. Deferred tax pertaining to this unit is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods beyond the periods during which the respective units are exempt from income-tax as aforesaid.
- 43.** The Holding Company has completed Initial Public Offer (IPO) on the Emerge Board of National Stock Exchange of India Limited, comprising of Offer for sale by the Selling Shareholder of 2,573,103 equity shares and Fresh issue of 2,261,198 equity shares of the Company on 11 October 2017 at an offer price of ₹ 120 per share aggregating to ₹ 308,772,360 and ₹ 271,343,760 respectively. The disclosure relating to utilization of IPO proceeds from Fresh issue is as follows: -

Particulars	Utilization planned as per prospectus	Total utilization upto 31 March 2018	Adjustments (utilization of surplus towards other objects)	Amount pending for for utilization as at 31 March 2018
Working capital	90,000,000	90,000,000	-	-
Expansion of manufacturing facilities at Unit III, SEZ 1, Pithampur	19,348,000	4,621,625	-	14,726,375
Acquire leased land and to set- up new manufacturing plant at SEZ (SEZ 2) Pithampur (i.e. Proposed Unit IV)	85,914,760	12,196,189	-	73,718,571
General corporate purposes	36,082,000	33,158,000	(2,924,430)*	-
Share issue expenses	40,000,000	42,924,430	2,924,430*	-
<b>Total</b>	<b>271,343,760</b>	<b>182,900,244</b>	<b>-</b>	<b>88,444,946</b>

\* Excess utilization towards offer related expenses has been adjusted with other object of the issue.

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#### 44. Related party transactions

Related party disclosures, as required by Accounting Standard 18 - Related Party Disclosures is as under:

**(i) Key management personnel**

Mr. L.D. Amin, Chairman and Managing Director

Mr. Pratik Patel, Managing Director

Mr. Axel Schutte, Director

**(ii) Relatives of key managerial personnel with whom there are transactions/balances during the year**

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)

Mr. Harsh Patel (son of Mr. Pratik Patel)

Mrs. Swati Desai (sister of Mr. Pratik Patel)

Mrs. Hirni Amin (sister of Mr. Pratik Patel)

Late Mrs. Jyotsna Amin (wife of Mr. L. D. Amin)

Mr. Rasesh Amin (son of Mr. L. D. Amin)

Ms. Avani Vipul Patel (daughter of Mr. L. D. Amin)

**(iii) Entities in which key management personnel/director is having significant influence/interested with whom there are transactions/balances during the year**

Patamin Investments Private Limited

Jash Precision Tools Limited

Schutte Industrie service GmbH

Schutte Meyer Industries Private Limited

Schutte Meyer Ashwath Alloys Private Limited

Jash Flowcon Engineers (a partnership firm)

L. D. Amin HUF

Schütte Meyer Technical Services GmbH

**(iv) Entity having significant influence over the Company**

Pragati India Fund Limited (till 11 October 2017)

*(This space has been intentionally left blank)*

## 44 Related party transactions (Contd.)

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
(v) Transactions with related parties during the year						
<b>Managerial remuneration</b>						
<i>Pratik Patel</i>	10,777,082	9,990,334	-	-	10,777,082	9,990,334
<i>L.D. Amin</i>	5,788,470	5,202,506	-	-	5,788,470	5,202,506
<i>Harsh Patel</i>	4,877,632	4,450,863	-	-	4,877,632	4,450,863
	110,980	336,965	-	-	110,980	336,965
<b>Sale of goods</b>						
<i>Jash Precision Tools Limited</i>	-	-	47,636,109	107,018,322	47,636,109	107,018,323
<i>Schutte Industrieservice GmbH</i>	-	-	38,926,671	46,286,748	38,926,671	46,286,748
<i>Schutte Meyer Ashwath Alloys Private Limited</i>	-	-	793,215	7,937,711	793,215	7,937,711
<i>Micro-Flat Datums Private Limited</i>	-	-	5,875,907	1,458,572	5,875,907	1,458,572
<i>Schutte Meyer Technical Services GmbH</i>	-	-	1475619.5	51,335,291	1,475,620	51,335,291
	-	-	564,696	-	564,696	-
<b>Purchase of goods</b>						
<i>Jash Precision Tools Limited</i>	-	-	30,979,240	10,336,009	30,979,240	10,336,009
<i>Schutte Meyer Industries Private Limited</i>	-	-	244,665	-	244,665	-
<i>Schutte Meyer Ashwath Alloys Private Limited</i>	-	-	146,753	202,191	146,753	202,191
<i>Micro-Flat Datums Private Limited</i>	-	-	27,151,328	10,133,818	27,151,328	10,133,818
	-	-	3,436,495	-	3,436,495	-
<b>Dividend for the year (excluding dividend distribution tax)</b>						
<i>Mr. Pratik Patel</i>	8,563,790	8,649,690	5,162,204	5,162,204	13,725,994	13,811,894
<i>Mr. L.D. Amin</i>	3,822,930	3,822,930	-	-	3,822,930	3,822,930
<i>Mr. Axel Schutte</i>	534,770	534,770	-	-	534,770	534,770
<i>Patamin Investments Private Limited</i>	1,540,000	1,540,000	-	-	1,540,000	1,540,000
<i>Pragati Fund Private Limited</i>	-	-	16,000	16,000	16,000	16,000
<i>Mrs. Bhairavi Patel</i>	504,616	504,616	5,146,204	5,146,204	5,146,204	5,146,204
<i>Mrs. Swati Desai</i>	23,660	23,660	-	-	23,660	23,660

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<i>Mrs. Hirni Amin</i>	-	85,900	-	-	-	85,900
<i>Mr. Rasesh Amin</i>	883,100	883,100	-	-	883,100	883,100
<i>Ms. Avani Vipul Patel</i>	354,714	354,714	-	-	354,714	354,714
<i>Mr. Harsh Patel</i>	900,000	900,000	-	-	900,000	900,000
<b>Interest expense</b>	<b>943,348</b>	<b>2,191,215</b>	<b>1,176,868</b>	<b>876,998</b>	<b>2,120,216</b>	<b>3,068,213</b>
<i>Patamin Investments Private Limited</i>	-	-	1,044,396	678,672	1,044,396	678,672
<i>L. D. Amin HUF</i>	-	-	132,472	198,326	132,472	198,326
<i>Bhairavi Patel</i>	-	20,881	-	-	-	20,881
<i>Harsh Patel</i>	-	41,763	-	-	-	41,763
<i>Pratik Patel</i>	943,348	2,128,571	-	-	943,348	2,128,571
<b>Job work charges and labour charges</b>	-	-	<b>13,392,518</b>	<b>3,644,842</b>	<b>13,392,518</b>	<b>3,644,842</b>
<i>Jash Precision Tools Limited</i>	-	-	7,616,345	1,705,224	7,616,345	1,705,224
<i>Jash Flowcon Engineers</i>	-	-	5,592,321	1,766,624	5,592,321	1,766,624
<i>Micro-Flat Datums Private Limited</i>	-	-	183,852	167,244	183,852	167,244
<i>Schutte Meyer Ashwath Alloys Private Limited</i>	-	-	-	5,750	-	5,750
<b>Expenses incurred/paid on behalf of Company</b>	-	-	<b>824,943</b>	<b>30,025</b>	<b>824,943</b>	<b>30,025</b>
<i>Jash Flowcon Engineers</i>	-	-	-	30,025	-	30,025
<i>Micro-Flat Datums Private Limited</i>	-	-	3,000	-	3,000	-
<i>Schutte Meyer Industries Private Limited</i>	-	-	821,943	-	821,943	-
<b>Rent expense</b>	-	-	<b>4,924,500</b>	<b>4,826,500</b>	<b>4,924,500</b>	<b>4,826,500</b>
<i>Patamin Investments Private Limited</i>	-	-	4,924,500	4,826,500	4,924,500	4,826,500

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<b>Expenses incurred by Company on behalf of related parties</b>						
<i>Jash Flowcon Engineers</i>	-	245,534	229,900	383,731	373,498	629,265
<i>Jash Precision Tools Limited</i>	-	-	65,897	57,529	65,897	57,529
<i>Schutte Meyer India Private Limited</i>	-	-	164,003	96,541	164,003	96,541
<i>Harsh patel</i>	-	25,200	-	229,661	-	229,661
<i>Pratik Patel</i>	126,952	220,334	-	-	126,952	25,200
<i>L. D. Amin</i>	16,646	-	-	-	16,646	220,334
<b>Reimbursement of expenses</b>						
<i>Pratik Patel</i>	2,220,203	2,561,086	443,254	-	2,663,457	2,561,086
<i>L. D. Amin</i>	2,091,072	2,397,953	-	-	2,091,072	2,397,953
<i>Schutte Meyer Industries Private Limited</i>	129,131	110,442	-	-	129,131	110,442
<i>Schutte Meyer India Private Limited</i>	-	-	242,708	-	242,708	-
<i>Harsh patel</i>	-	52,691	200,546	-	200,546	-
<b>Stipend expense</b>						
<i>Harsh Patel</i>	-	140,000	-	-	-	140,000
<b>Loan taken</b>						
<i>Pratik Patel</i>	8,000,000	11,743,394	13,000,000	-	21,000,000	11,743,394
<i>L. D. Amin HUF</i>	8,000,000	8,800,000	-	-	8,000,000	8,800,000
<i>Bhairavi Patel</i>	-	1,743,394	-	-	-	1,743,394
<i>Harsh Patel</i>	-	400,000	-	-	-	400,000
<i>Patamin Investments Private Limited</i>	-	800,000	-	-	-	800,000
	-	-	13,000,000	-	13,000,000	-
<b>Loan repaid/adjusted</b>						
<i>Pratik Patel</i>	27,249,441	10,793,394	19,066,401	-	46,315,842	10,793,394
<i>Late Mrs. Jyotsna Amin</i>	23,504,644	9,050,000	-	-	23,504,644	9,050,000
	-	1,393,394	-	-	-	1,393,394

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<i>Bhairavi Patel</i>	418,793	-	-	-	418,793	-
<i>Harsh Patel</i>	837,587	-	-	-	837,587	-
<i>L. D. Amin HUF</i>	2,488,417	350,000	-	-	2,488,417	350,000
<i>Patamin Investments Private Limited</i>	-	-	19,066,401	-	19,066,401	-
<b>Year end balances</b>						
<b>Trade receivables</b>						
<i>Jash Precision Tools Limited</i>	-	-	23,768,787	50,241,623	23,768,787	50,241,623
<i>Schutte Industrieservice GmbH</i>	-	-	15,346,412	28,154,812	15,346,412	28,154,812
<i>Micro-Flat Datums Private Limited</i>	-	-	1,471,911	7,327,711	1,471,911	7,327,711
	-	-	6,950,463	14,759,100	6,950,463	14,759,100
<b>Loans and advances</b>						
<i>Jash Flowcon Engineers</i>	-	-	-	55,719	-	55,719
	-	-	-	55,719	-	55,719
<b>Current account payable</b>						
<i>Pratik Patel</i>	-	-	180,411	132,403	180,411	132,403
<i>L. D. Amin HUF</i>	-	-	146,490	132,403	146,490	132,403
	-	-	33,921	-	33,921	-
<b>Trade payables</b>						
<i>Schutte Meyer Ashwath Alloys Private Limited</i>	-	-	14,335,811	1,746,789	14,335,811	1,746,789
<i>Jash Flowcon Engineers</i>	-	-	9,603,984	935,757	9,603,984	935,757
<i>Schutte Industrieservice GmbH</i>	-	-	4,095,234	201,902	4,095,234	201,902
<i>Schutte Meyer India Private Limited</i>	-	-	636,593	416,939	636,593	416,939
	-	-	-	192,191	-	192,191
<b>Long term borrowings</b>						
<i>Pratik Patel</i>	-	18,891,024	-	8,655,995	-	27,547,019
	-	17,634,644	-	-	-	17,634,644

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
<i>Patamin Investments Private Limited</i>	-	-	-	6,286,803	-	6,286,803
<i>Bhairavi Patel</i>	-	418,793	-	-	-	418,793
<i>LD Amin HUF</i>	-	-	-	2,369,192	-	2,369,192
<i>Harsh Patel</i>	-	837,587	-	-	-	837,587
<b>Short term borrowings</b>	<b>2,139,164</b>	-	-	-	<b>2,139,164</b>	-
<i>Pratik Patel</i>	<i>2,139,164</i>	-	-	-	<i>2,139,164</i>	-
<b>Security deposits</b>	-	-	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>	<b>2,500,000</b>
<i>Patamin Investments Private Limited</i>	-	-	2,500,000	2,500,000	2,500,000	2,500,000
<b>Remuneration payable</b>	<b>266,031</b>	<b>417,723</b>	-	-	<b>266,031</b>	<b>417,723</b>
<i>Pratik Patel</i>	<i>134,837</i>	<i>267,767</i>	-	-	<i>134,837</i>	<i>267,767</i>
<i>L.D. Amin</i>	<i>131,194</i>	<i>126,174</i>	-	-	<i>131,194</i>	<i>126,174</i>
<i>Harsh Patel</i>	-	<i>23,782</i>	-	-	-	<i>23,782</i>

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**45. Segment reporting:**

The business activities of the Group is predominantly fall within a single primary business segment viz “Manufacturing and trading of varied engineering products for general engineering industry, water and waste water industry and bulk solids handling industry”. There is no separate reportable business segment.

As part of secondary reporting for geographical segments, the Group operates in two principal geographical areas i.e. in India, its home country, and other countries. The following table presents revenue from operations, segment assets and capital expenditure regarding geographical segments :-

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)
<b>Segment revenue from external customers</b>		
Within India	1,361,166,454	1,468,657,687
Outside India	384,243,993	111,199,823
<b>Income from operations</b>	<b>1,745,410,447</b>	<b>1,579,857,510</b>
<b>Segment Assets</b>		
Within India	1,881,402,929	1,645,619,707
Outside India	439,632,332	252,669,477
<b>Total assets</b>	<b>2,321,035,261</b>	<b>1,898,289,184</b>
<b>Capital expenditure</b>		
Within India	109,791,395	53,435,873
Outside India	71,310,491	183,101,857
<b>Total capital expenditure</b>	<b>181,100,886</b>	<b>236,537,730</b>

46. During the year ended 31 March 2018, the classification of operations of Jash USA Inc., a wholly owned subsidiary company has been changed from integral foreign operation, to non-integral foreign operation, as per the guidance in Accounting Standard 11, The Effects of Changes in Foreign Exchange Rates. The operations of Jash USA Inc. increased significantly and there was greater autonomy in the operations of this subsidiary company, which has led to a change in the classification. The impact of the change in classification on shareholders' funds is Nil. Had the change in classification been done in the previous year ended 31 March 2017, the net profit for the year ended 31 March 2018 and 31 March 2017 would have been higher by Nil and ? 3,967,555 respectively.

47. Revenue for the year ended 31 March 2018 is net of Goods and Service Tax (GST) which is applicable from 1 July 2017, however, revenue for the year ended 31 March 2017 is net of VAT but gross of excise duty. Accordingly, revenue for the year ended 31 March 2018 is not comparable with the previous periods presented in these financial statements.

48. In the opinion of the board of directors, assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made. All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.

49. Prior period adjustments of one of the subsidiary company, Jash USA Inc, relating to employee benefits expense aggregating to ? 21,981,410, depreciation expense aggregating to ? 705,792 and other incomes aggregating to ? 264,052, have been included under the respective heads in the above financial results.

50. The previous year figures have been re-grouped/re-classified wherever considered necessary, to make them comparable.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

For **Walker Chandiook & Co LLP**  
Chartered Accountants

Sd/-  
per **Neeraj Sharma**  
Partner

Place : Indore  
Date : 29th May 2018

Sd/-  
**L.D. Amin**  
Chairman and Managing Director  
DIN 00007735

Sd/-  
**Dharmendra Jain**  
Chief Financial Officer

For and on behalf of the Board of Directors of  
**Jash Engineering Limited**

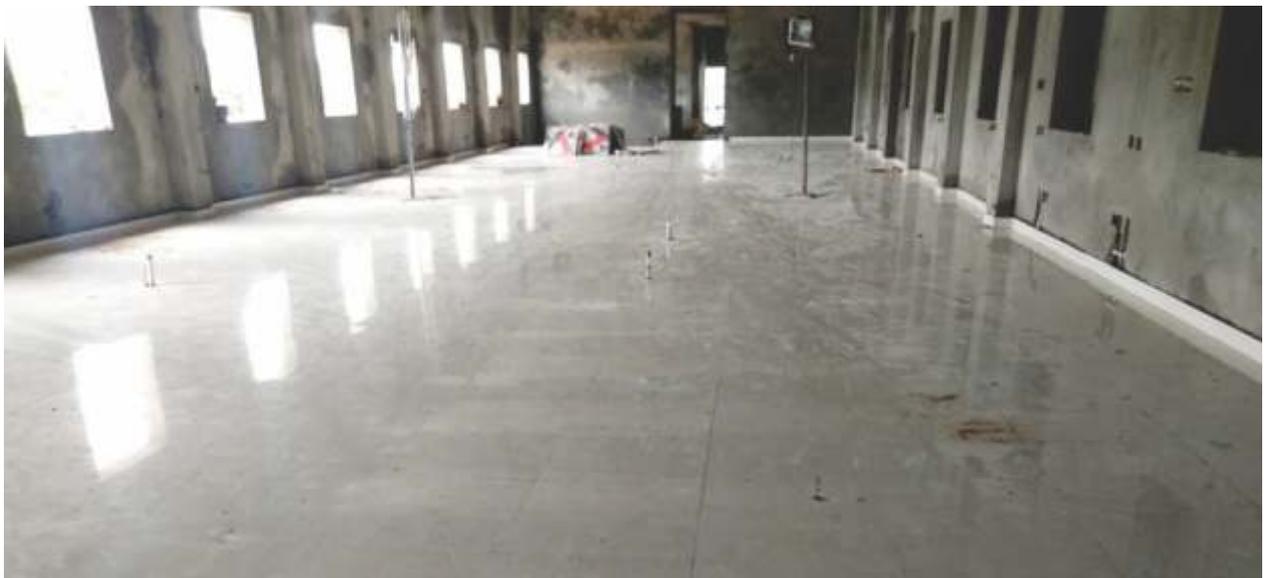
Sd/-  
**Pratik Patel**  
Managing Director  
DIN-00780920

Sd/-  
**Tushar Kharpade**  
Company Secretary  
Membership No. - A30144

## MANUFACTURING UNITS



UNIT -4 SEZ PLANT (UNDER CONSTRUCTION)



UNIT -3 SEZ PLANT (NEW OFFICE AREA UNDER CONSTRUCTION)



UNIT -3 SEZ PLANT (CANTEEN AREA UNDER CONSTRUCTION)

## MANUFACTURING UNITS



UNIT -1 CAST PRODUCTS PLANT  
BUILD UP AREA 125,000 SQ. FT. ( TOTAL PLOT AREA 300,000 SQ. FT.)



UNIT -2 FABRICATED PRODUCTS PLANT  
BUILD UP AREA 155,000 SQ. FT. ( TOTAL PLOT AREA 400,000 SQ. FT.)



UNIT -3 SEZ PLANT  
BUILT UP AREA : 50,000 SQ. FT. (TOTAL PLOT AREA 125,000 SQ. FT.)

## PRODUCTS AT A GLANCE



**Penstocks / Sluice Gates**



**Open Channel Gates**



**Downward Opening  
Weir Gates**



**Flap Gates /  
Automatic Drainage Gates**



**Stop Logs**



**Mono Series Knife  
Gate Valve**



**"ZFP" Series  
Knife Gate Valve**



**Zero Velocity Valve**



**Air Cushion Valve**



**Energy  
Dissipating Valve**



**Trash Rack**



**Suspended Trash  
Rake Screen**



**"JMR" Multi-rake Screen**



**Mahr Maschinenbau  
mm2mm  
Multi-rake Screen**



**Screenmat Step Screen**



**Rotoclean Rotary  
Drum Screen**



**Mahr Maschinenbau  
Per-Scalator  
Filter Band Screen**



**Travelling Band Screen**



**Rotobrush Rotary Screen**



**Hyperhole  
Static Screen**



**Flat Belt  
Conveyor**



**Screw Conveyor  
With Wash Compactor**



**Jet Breaker  
Washer Compactor**



**Archimedean Screw  
Turbine**



**Archimedean  
Screw Pumps**

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