

**INDEPENDENT AUDITORS' REPORT**

TO,  
THE MEMBERS,  
SHIVPAD ENGINEERS PRIVATE LIMITED,  
INDORE.

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **SHIVPAD ENGINEERS PRIVATE LIMITED** (the "Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "The Financial Statements")

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, and its profit/loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our Responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section to our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountant of India together with the ethical requirement that are relevant to our audit of the financial statement under the provision of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these



requirements and the code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

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

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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.

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

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



## **Auditor's Responsibility for the Audit of Financial Statement.**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained





up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

### **Report on Other Legal and Regulatory Requirements**

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

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 purposes 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in Annexure "B".
- (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 does not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether



recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The final dividend proposed in the previous year, declared and paid by the company during the year is in accordance with section 123 of the Act, as applicable.

For Arora Banthia & Tulsiyan  
Chartered Accountants  
Firm No: 007028C

  
CA Kapil Shah  
Partner



Membership No. : 402549  
UDIN: 22402549AJ&PLC2333  
Indore, 25/05/2022

**ANNEXURE "A" REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING OF "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF SHIVPAD ENGINEERS PRIVATE LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2022**

1. (a) (i) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;  
  
(ii) The company is maintaining proper records showing full particulars of intangible assets;  
  
(b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.  
  
(c) The company does not have any immovable property for the year ended 31.03.2022.  
  
(d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.  
  
(e) No proceedings have been initiated or are pending against the company for holding any Benami property under the "Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.
2. (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management and the coverage and procedure of such verification by the management is appropriate; no discrepancies of 10% or more in the aggregate for each class of inventory were noticed.  
  
(b) According to the information and explanations given to us and relevant records produced the company has been sanctioned working capital limits of Rs.6.5 Crores (Rs. 5,50,00,000) in aggregate. Copies of quarterly statements and return, furnished to bank have also been made available for our verification. We have verified the same and found the same in agreement with books of account. Discrepancies noticed during such verification were reasonably explained by the management.
3. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has not granted any loans,





secured or unsecured, to Companies, Firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act, 2013. Consequently, the provisions of class 3 (a) (b) and (c) of the order are not applicable to the Company.

4. The company has complied with the provisions of section 185 and 186 of Companies Act, 2013 in respect of loans, investments, guarantees and securities, as applicable.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public.
6. We are informed that maintenance of cost records has not been prescribed by the Central Government under section 148 of The Companies Act 2013, in respect of the activities carried on by the companies.
7. (a) As per the records of the Company, the company is generally regular in depositing the statutory dues including provident fund, employees' state insurance, income tax, goods and service tax sales tax, cess and any other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amount in respect of income tax, goods and service tax, applicable to it, is outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable, except for the following instances:

Statute In which pending	Financial Year	Forum at which pending	Amount involved
Income Tax	2018-19	Income Tax- CPC	24,48,730/-
Income Tax	2018-19	Income Tax- CPC	2,71,434/-

- (b) According to the information and explanations given to us and on the basis of examination of records of the Company there is no provident fund, goods and service tax, income tax, cess which have not been deposited on account of dispute.
8. The Company does not have any transactions to be recorded in the books of accounts that has been surrendered or disclose as income during the year in the text assessment under the income tax act, 1961 (43 of 1961)





9. (a) According to the information and explanations and as verified from books of accounts the company has not defaulted in repayment of loans and interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared willful defaulter by any bank or financial institution or government or government authority.
- (c) The company has not obtained any term loan during the year.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- (e) According to the information and explanations given to us and on an overall examination of financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
10. (a) According to the information and explanation given to us and the record examined by us, the Company has not raised any money by way of initial public offer or further public offer. Hence, clause 3(ix) of the order is not applicable.
- (b) According to the information and explanation given to us and the record examined by us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
11. (a) Based upon the audit procedures performed and information and explanations given by the management, we report that no material fraud on or by the Company has been noticed or reported during the period covered by our audit.
- (b) Based on our Audit procedures, we report that no reporting under sub-Section (12) of Section 143 of the Companies Act is required to be filed.
- (c) Further, no whistle-blower complaint has been received during the year by the Company.



12. The Company is not Nidhi Company. Hence clause 3(xii) of the order is not applicable.
13. According to the information and explanation given to us and the record examined by us, all the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in financial statements etc., as required by the applicable Indian Accounting Standards.
14. (a) The company has an internal audit system commensurate with the size and nature of its business.  
(b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.
15. The Company has complied with the provisions of section 192 of Companies Act, 2013 in respect of non-cash transactions with directors or persons connected with him.
16. The Company is not required to register under 45-IA of the Reserve Bank of India Act, 1934.
17. The Company has not incurred cash losses in the Financial Year and in the immediately preceding financial year.
18. There has not been any resignation of the statutory auditors during the year.
19. We are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
20. The company is not covered u/s 135 of the Companies Act, 2013. Hence, clause 3(XX) of the order is not applicable.
21. There have not been any qualifications or adverse remarks by us in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the financial statements.



For Arora Banthia & Tulsiyan  
Chartered Accountants  
Firm No.: 007028C

CA Kapil Shah  
Partner

Membership No. : 402549

UDIN: 22402549AJ4PLC2333

Indore, 25/05/2022





## SHIVPAD ENGINEERS PRIVATE LIMITED

CIN : U33112MP19949TC035611

Standalone Balance Sheet as at 31 March 2022

(All amounts in Rupees)

Particulars	Notes	As at 31 March 2022	As at 31 March 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2	27,70,295	39,86,500
Intangible assets	3	6,43,456	3,27,845
Financial assets			
Loans	4	5,13,211	4,63,689
Non Current tax assets (net)	5	81,61,383	51,87,941
Deferred tax assets (net)	6	16,81,336	15,87,011
<b>Total non-current assets</b>		<b>1,37,69,681</b>	<b>1,15,52,986</b>
<b>Current assets</b>			
Inventories	7	98,65,878	1,24,08,785
Financial assets			
Trade receivables	8	8,02,18,215	5,30,48,429
Cash and cash equivalents	9	67,43,559	1,18,075
Other Bank balances	10	7,88,11,929	6,97,22,427
Other current assets	11	11,01,285	6,64,527
<b>Total current assets</b>		<b>17,67,40,866</b>	<b>13,59,62,243</b>
<b>Total assets</b>		<b>19,05,10,547</b>	<b>14,75,15,229</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	13,50,300	13,50,300
Other equity	13	12,59,87,996	10,51,27,213
<b>Total equity</b>		<b>12,73,38,296</b>	<b>10,64,77,513</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease Liabilities	14	5,85,043	14,86,711
Provisions	15	33,62,811	28,94,451
<b>Total non-current liabilities</b>		<b>39,47,854</b>	<b>43,81,162</b>
<b>Current liabilities</b>			
Financial liabilities			
Trade payables			
(a) Dues of MSME	16	3,03,75,455	1,71,70,019
(b) Dues of creditors other than MSME		1,76,78,804	56,68,001
Lease Liabilities	17	11,73,838	12,09,060
Other financial liabilities	17	8,193	52,863
Other current liabilities	18	85,38,373	1,12,33,246
Provisions	19	14,49,733	13,23,364
Current tax liabilities (net)	20	-	-
<b>Total current liabilities</b>		<b>5,92,24,397</b>	<b>3,66,56,554</b>
<b>Total liabilities</b>		<b>6,31,72,251</b>	<b>4,10,37,716</b>
<b>Total equity and liabilities</b>		<b>19,05,10,547</b>	<b>14,75,15,229</b>

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

The accompanying notes form an integral part of the financial statements.

For Arora Banthia &amp; Tulsian

Chartered Accountants

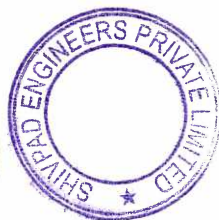
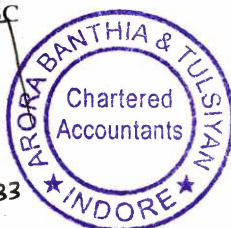
Firm Registration No: 007028C

(CA Kapil Shah)  
Partner

Membership No. 402549

UDIN: 22402549AJ4PLC2333

Indore, 25/05/2022



Dharmendra Jain  
Director

DIN : 08886019

For and on behalf of Board

Pratik Patel  
Director

DIN : 00780920

## SHIVPAD ENGINEERS PRIVATE LIMITED

CIN : U33112MP19949TC035611

## Standalone Statement of Profit and Loss for the year ended 31 March 2022

(All amounts in Rupees)

Particulars	Notes	Year ended 31 March 2022	Year ended 31 March 2021
<b>Total Income</b>			
Revenue from operations	21	23,23,76,674	19,21,21,546
Other income	22	39,77,115	34,50,905
<b>Total income</b>		<b>23,63,53,789</b>	<b>19,55,72,451</b>
<b>Expenses</b>			
Cost of materials consumed	23	14,64,51,302	11,47,99,391
Changes in inventories of finished goods and work-in-progress	24	13,94,305	19,85,522
Employee benefits expense	25	1,78,12,725	1,64,53,002
Finance costs	26	19,75,706	17,20,590
Depreciation and amortisation expense	27	14,64,068	17,59,880
Other expenses	28	1,31,18,731	1,02,65,478
<b>Total expenses</b>		<b>18,22,16,837</b>	<b>14,69,83,863</b>
<b>Profit before tax</b>		<b>5,41,36,952</b>	<b>4,85,88,587</b>
<b>Tax expense</b>			
Current Tax		1,37,60,189	1,24,56,328
Deferred tax		(1,01,256)	(4,61,716)
Taxes for earlier years		(1,55,759)	(59,910)
<b>Total Tax Expense</b>		<b>1,35,03,174</b>	<b>1,19,34,702</b>
<b>Net profit for the year</b>		<b>4,06,33,779</b>	<b>3,66,53,885</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Re-measurement gains/ (losses) on defined benefit obligations		27,536	(1,16,152)
Income tax relating to these items		(6,931)	29,235
<b>Other comprehensive income/ (loss) for the year</b>		<b>20,605</b>	<b>(86,917)</b>
<b>Total comprehensive income for the year</b>		<b>4,06,54,384</b>	<b>3,65,66,968</b>
<b>Earning per equity share (Nominal value of equity share INR 10 each)</b>			
Basic		301.08	270.81
Diluted		301.08	270.81

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

The accompanying notes form an integral part of the financial statements.

For Arora Banthia &amp; Tulsiyan

Chartered Accountants

Firm Registration No: 007028C

(CA Kapil Shah)

Partner

Membership No. 402549

UDIN: 22402549AJQP LC2333

Indore, 25/05/2022



For and on behalf of Board

Dharmendra Jain

Director

DIN : 08886019

Pratik Patel

Director

DIN : 00780920

**SHIVPAD ENGINEERS PRIVATE LIMITED**  
Cash flow statement for the year ended 31st March 2022

(All amount in Rs. unless stated otherwise)

	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,41,36,952	4,85,88,587
<b>Adjustments for:</b>		
Depreciation and amortization expenses	14,64,068	17,59,880
Profit on disposal of property, plant and equipment (net)	-	(558)
Interest income on bank deposits	(38,77,237)	(32,71,870)
Interest income on other financial assets measured at amortised cost	(49,522)	(44,743)
Re-measurement gains/ (losses) on defined benefit obligations	20,605	(86,917)
Share based payments to employees	4,60,899	5,29,960
Finance Cost	19,75,706	17,20,590
<b>Operating profit before working capital changes</b>	<b>5,41,31,472</b>	<b>4,91,94,930</b>
<b>Movement in working capital</b>		
(Increase)/ Decrease of trade receivables	(2,71,69,786)	(1,33,18,811)
(Increase)/ Decrease of Inventory	25,42,907	17,67,564
(Increase)/Decrease of financial and other assets	(74,474)	(1,70,211)
Increase of provisions	5,94,729	7,84,385
Increase/(Decrease) of financial and other liabilities	(27,74,765)	30,71,053
Increase/(Decrease) of trade payables	2,52,16,240	55,390
<b>Cash flow from operations</b>	<b>5,24,66,322</b>	<b>4,13,84,300</b>
Income-tax paid (net of refunds)	(1,65,70,941)	(1,42,81,535)
<b>Net cash flow from operating activities (A)</b>	<b>3,58,95,381</b>	<b>2,71,02,765</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment and intangible assets	(5,63,474)	(3,34,295)
Proceeds from sale of property, plant and equipment	-	14,592
Investment in bank deposits	(90,89,502)	(2,16,55,775)
(Purchase)/ Proceed from investment	(4,11,806)	-
Interest received	39,26,759	33,16,613
<b>Net cash used from investing activities (B)</b>	<b>(61,38,023)</b>	<b>(1,86,58,865)</b>
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of principal component of lease obligation	(9,01,668)	(9,36,827)
Payment of interest on lease obligation	(2,36,534)	(3,27,107)
Other Interest Paid	(17,39,172)	(13,93,483)
Dividend paid (including DDT)	(2,02,54,500)	(67,51,500)
<b>Net cash used in financing activities (C)</b>	<b>(2,31,31,875)</b>	<b>(94,08,916)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>66,25,483</b>	<b>(9,65,016)</b>
Cash and cash equivalents at the beginning of the year	1,18,075	10,83,092
<b>Cash and cash equivalents at the end of the year</b>	<b>67,43,559</b>	<b>1,18,075</b>
<b>Reconciliation of cash and cash equivalents as per cash flow statement</b>		
Cash in hand	2,549	18,075
Balances with banks- in current and cash credit accounts	67,41,010	1,00,000
Bank deposits with original maturity less than three months		
	<b>67,43,559</b>	<b>1,18,075</b>

The accompanying notes are integral part of these standalone financial statements.

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

For Arora Banthia & Tulsian

Chartered Accountants

Firm Registration No: 007028C

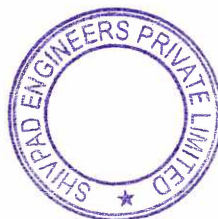
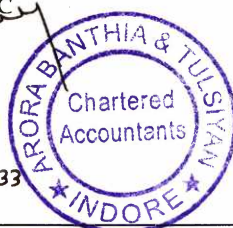
(CA Kapil Shah)

Partner

Membership No. 402549

UDIN: 22402549AJPLC2333

Indore, 25/05/2022



For and on behalf of Board

Dharmendra Jain

Director

DIN : 08886019

Pratik Patel

Director

DIN : 00780920



## SHIVPAD ENGINEERS PRIVATE LIMITED

### Notes forming part of Financial Statement

#### BACKGROUND

Shivpad Engineers Private Limited (the Company), incorporated under the Companies Act, 1956, in the year 1994, is 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. The Company is a wholly owned subsidiary of Jash Engineering Limited and its nominees, based in Indore MP.

#### NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

##### 1) Basis of preparation of financial statements:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) as recognized by Ministry of Companies Affairs and the Institute of Chartered Accountants of India (ICAI) and the relevant provisions of the Companies Act, 2013 as applicable, besides the pronouncements/guidelines of the Institute of Chartered Accountants of India (ICAI).

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies. All income and expenditure having material bearing are recognized on accrual basis except where otherwise stated.

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period in which the result materialized.



## 2) Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, considering contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. Revenue from the sale is measured at the fair value of the consideration received or receivable, after considering expected credit losses if any, excluding excise duty, GST, net of returns and allowances, trade discounts, all directly attributable expenses like freight charges and volume rebates. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Interest income is recognized in the Statement of Profit and Loss using the effective interest method except for financial instruments.

## 3) Income taxes:

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

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. 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. As per Ind AS 12, tax expenses is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

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



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

#### **4) Cash and Cash Equivalent:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### **5) Property, plant and equipment ("PPE"):**

PPE are stated at acquisition cost less accumulated depreciation and cumulative impairment losses, if any. The cost comprises purchase price, including import duties and non-refundable purchase taxes, borrowing costs if recognition criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met, that is:-

(a) it is probable that economic benefits associated with the item will flow to the entity in future; and

(b) the cost of the item can be measured reliably.

All upgradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

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





and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

#### **Depreciation methods, estimated useful lives and residual value**

Depreciation is calculated using the straight-line method as specified in Schedule II of the Companies Act, 2013 to allocate their cost, net of their residual values, over their estimated useful lives. The estimated useful lives of property, plant and equipment of the Company are as follows:

<b>Name of assets</b>	<b>Useful live considered</b>
Plant and equipment	3 to 10 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	10 years

Leasehold improvements are depreciated over the primary lease period.

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

#### **6) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization impairment losses, if any.

#### **Recognition:**

The costs of intangible asset are recognised as an asset if, and only if:

- it is probable that future economic benefits associated with the item will flow to the entity; and
- the cost of the item can be measured reliably.

The useful life of an intangible asset is considered finite where the rights to such assets are limited to a specified period of time by contract or law (e.g. trademarks)



or the likelihood of technical, technological obsolescence (e.g. computer software). If, there are no such limitations, the useful life is taken to be indefinite.

Intangible assets that have finite lives are amortized over their estimated useful lives by the straight-line method unless it is practical to reliably determine the pattern of benefits arising from the asset.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each financial year end and adjusted prospectively, if appropriate treating them as changes in accounting estimates. The maintenance expenses on intangible assets with finite lives is recognised in the statement of profit and loss, unless such expenditure forms part of carrying value of an asset and satisfies recognition criteria.

Gains/(losses) arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is de-recognised.

### **Amortisation methods and periods**

The company amortises intangible assets with a finite useful life using the straight-line method over the following periods:

- Trademarks 4 years
- Computer software 3 years

### **7) Inventories**

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw Materials, stores and spares are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.



Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition based on normal operating capacity.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost are assigned to individual items of inventory on the basis of first-in first-out basis.

Net Realizable Value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

## **8) Financial instruments**

### **Recognition, initial measurement and derecognition**

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument, and, except for trade receivables which do not contain a significant financing component, these are measured initially at:

- fair value, in case of financial instruments subsequently carried at fair value through profit or loss (FVTPL);
- fair value adjusted for transaction costs, in case of all other financial instruments.

Subsequent measurement of financial assets and financial liabilities is described below:

### **Financial Assets**

Financial assets include Investments, Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Trade Receivables, Advances, Security Deposits, Cash and Cash equivalents etc. are classified for measurement at amortised cost.





## **Financial liabilities**

The Group's financial liabilities include borrowings, trade and other payables and other financial liability.

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when the underlying obligation specified in the contract is discharged, cancelled or expires.

### **9) Borrowing Costs**

General and specific borrowing costs directly attributed to the acquisition, construction or production of a qualifying asset are capitalised up to the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

All other borrowing costs are expensed in the period in which they occur or accrue. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

### **10) Provisions and Contingent liabilities**

Provisions for legal claims, warranties, onerous contracts or other claims are recognized when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the



liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

## **11) Employment benefits**

### **Post-employment benefits plans**

The company operates the following post-employment schemes:

- defined benefit plans such as gratuity, pension, post-employment medical plans; and
- defined contribution plans such as provident fund.

### **Gratuity obligations**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets.

Management estimates the defined benefit obligation annually with the assistance of independent actuaries. This is based on standard rates of inflation, salary growth rate and mortality. Discount factors are determined close to each year-end by reference to high quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related gratuity liability.

Service cost on the Group's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in finance costs. Gains and losses resulting from re-measurements of the net defined benefit liability are included in other comprehensive income.



### **Defined contribution plans**

The company pays provident fund contributions to publicly administered provident funds as per local regulations. The group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

### **Bonus plans**

The company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

### **Leave Encashment**

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. The Company records the liability based on actuarial valuation.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

## **12) Share Based Payments**

The company offers equity-based award plans to its employees, officers and directors through its parent company, Jash Engineering Limited (the "Parent"). [The 'Jash Engineering Employee Stock Option Scheme 2019' (Jash Scheme 2019). ]

Where employees are rewarded using share-based payments, the fair value of employees services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions).

The company does not have an obligation to settle the transaction with its parent company, therefore, all share-based remuneration is ultimately recognised as an





expense in profit or loss with a corresponding increase in equity as contribution from Parent Company.

If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

The parent company administers the plan through a irrevocable trust established specifically for this purpose, called the Jash Group Employees ESOP Trust. The ESOP Trust shall acquire equity shares of the parent company using the proceeds from the loan obtained from the parent company or loan through a financial institution. The trust administers the ESOP scheme under the guidance, advice and direction of Compensation Committee of the parent company.

The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year respectively from the date of grant for employees. The option was granted in FY 2019-20, thereafter the option can be exercised during the FY 2020-21, FY 2021-22, FY 2021-23 and FY 2023-24 for the respective proportion. The conditions for number of options granted include service terms and performance grade of the employees.

### **13) Leases**

The Company has adopted Ind AS 116 "Leases" effective 1 April 2018 (the date of transition) and applied the standard to its Leases using the modified retrospective approach and has taken the cumulative adjustment to retained earnings, on the date of initial application. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

#### **Classification of leases**

The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

#### **Recognition and initial measurement**

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs





incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

### **Subsequent measurement**

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in statement of profit and loss on a straight-line basis over the lease term.

### **14) Dividend and TDS u/s 194**

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors. The company declares and pays dividends in Indian rupees and are subject to taxes. From FY 2020-21, the company is liable to deduct tax at source i.e TDS u/s 194 of the Income Tax Act, 1961 on such dividend payments to the shareholders and deposit it to the credit of government.



## SHIVPAD ENGINEERS PRIVATE LIMITED

Note : 2 &amp; 3 - Non Current Assets - Property, Plant and Equipment

S.No	Property, Plant & Equipment	Gross Block				Accumulated Depreciation				Net Block	
		Bal as at 01-Apr-21	Additions	Deductions	Bal as at 31-Mar-22	Bal as at 01-Apr-21	Depreciation on Charge	Deduction/ Adjustment	Bal as at 31-Mar-22	Bal as at 31-Mar-22	Bal as at 31-Mar-21
1	<b>Computers</b>										
	Computer	14,79,689	53,474	-	15,33,163	12,91,220	94,680	-	13,85,900	1,47,263	1,88,469
	Computer & Telephone Networking	2,10,082	-	-	2,10,082	1,98,215	1,001	-	1,99,216	10,866	11,867
	Stablizer	3,900	-	-	3,900	1,888	371	-	2,259	1,641	2,012
	Portable Hard Disc Drive	4,500	-	-	4,500	4,275	-	-	4,275	225	225
2	<b>Vehicles</b>										
	Motor Bike	47,084	-	-	47,084	12,426	4,473	-	16,899	30,185	34,658
	Ciaz Sigma - Car	10,63,011	-	-	10,63,011	3,75,860	1,01,179	-	4,77,039	5,85,972	6,87,151
3	<b>Electrical Equipments</b>										
	Inverter	1,88,458	-	-	1,88,458	1,35,877	17,043	-	1,52,920	35,538	52,581
	Refrigerator	15,700	-	-	15,700	11,783	1,368	-	13,151	2,549	3,917
	Measuring Instrument	35,264	-	-	35,264	18,660	3,351	-	22,011	13,253	16,604
	Airconditioner	79,600	-	-	79,600	22,008	7,562	-	29,570	50,030	57,592
4	<b>Furniture &amp; Fixtures</b>										
	Furniture	13,94,060	-	-	13,94,060	8,42,783	1,23,868	-	9,66,651	4,27,409	5,51,277
	Sofa	35,136	-	-	35,136	11,798	3,620	-	15,418	19,718	23,338
5	<b>Office Equipments</b>										
	Fax Machine	7,000	-	-	7,000	6,650	-	-	6,650	350	350
	Camera & Speakerphone	88,983	-	-	88,983	57,040	16,907	-	73,947	15,036	31,943
	Telephone Instrument	36,350	-	-	36,350	13,719	6,907	-	20,626	15,724	22,631
	Television	39,235	-	-	39,235	24,207	7,455	-	31,662	7,573	15,028
	Cell Phone	24,636	-	-	24,636	23,405	-	-	23,405	1,231	1,231
	Induction Stove	2,190	-	-	2,190	2,081	-	-	2,081	109	109
6	<b>Plant &amp; Machinery</b>										
	Fire Extinguisher	8,782	-	-	8,782	7,137	650	-	7,787	995	1,645
	Testing Equipments	86,970	-	-	86,970	17,890	8,262	-	26,152	60,818	69,080
	Measurement Device	4,533	-	-	4,533	1,454	538	-	1,992	2,541	3,079
	Bio Metric Attendance	19,892	-	-	19,892	17,765	1,132	-	18,897	995	2,127
	Water Cooler	8,400	-	-	8,400	7,504	475	-	7,979	421	896
7	<b>Right of use(Lease)*</b>	48,17,454			48,17,454	26,08,765	8,68,837	-	34,77,602	13,39,852	22,08,689
	<b>Total</b>	<b>97,00,909</b>	<b>53,474</b>	<b>-</b>	<b>97,54,383</b>	<b>57,14,409</b>	<b>12,69,679</b>	<b>-</b>	<b>69,84,088</b>	<b>27,70,295</b>	<b>39,86,500</b>
	<i>Previous Year</i>	<i>97,14,761</i>	<i>21,795</i>	<i>35,647</i>	<i>97,00,909</i>	<i>44,89,160</i>	<i>12,46,862</i>	<i>21,613</i>	<i>57,14,409</i>	<i>39,86,500</i>	<i>52,25,601</i>
b)	<b>Intangible Assets</b>										
	Software	19,64,325	5,10,000	-	24,74,325	16,36,480	1,94,389	-	18,30,868	6,43,456	3,27,845
	Trade Mark	1,12,780	-	-	1,12,780	1,12,780	-	-	1,12,780	(0)	(0)
	<b>Total</b>	<b>20,77,105</b>	<b>5,10,000</b>	<b>-</b>	<b>25,87,105</b>	<b>17,49,260</b>	<b>1,94,389</b>	<b>-</b>	<b>19,43,649</b>	<b>6,43,456</b>	<b>3,27,845</b>
	<i>Previous Year</i>	<i>17,64,605</i>	<i>3,12,500</i>	<i>-</i>	<i>20,77,105</i>	<i>12,36,241</i>	<i>5,13,018</i>	<i>-</i>	<i>17,49,260</i>	<i>3,27,845</i>	<i>5,28,363</i>

\* Refer Note 31 for contractual commitments for lease payments



S.No. Particulars	Year ended 31 March 2022	Year ended 31 March 2021
4 Loans (Non-current) Unsecured, considered good Security deposits	5,13,211 <u>5,13,211</u>	4,63,689 <u>4,63,689</u>
5 Non current tax assets (net) Tax Assets (Net of Provision)	81,61,383 <u>81,61,383</u>	51,87,941 <u>51,87,941</u>
6 Deferred tax assets (net) Deferred Tax Asset arising on account of Temporary difference on depreciation and amortisation of fixed assets Tax effect of adjustments Financial assets and liabilities at amortised cost Recognition of lease liability Provision for employee benefits	1,97,160 12,11,221 3,794 1,09,002 1,60,160 <u>16,81,336</u>	2,01,486 10,61,540 4,537 1,52,358 1,67,090 <u>15,87,011</u>

Movement in deferred tax assets for the year ended 31st March 2022

Particulars	1st April 2021	Deferred tax (charge)/credit in profit and loss	Deferred tax (charge)/credit in OCI	31st March 2022
Deferred Tax Asset arising on account of				
Temporary difference on depreciation and amortisation of fixed assets	2,01,486	(4,326)		1,97,160
Tax effect of adjustments	10,61,540	1,49,681		12,11,221
Financial assets and liabilities at amortised cost	4,537	(743)		3,794
Recognition of lease liability	1,52,358	(43,357)		1,09,002
Provision for employee benefits	1,67,090		(6,931)	1,60,160
Total	15,87,011	1,01,256	(6,931)	16,81,336

Movement in deferred tax assets for the year ended 31 March 2021

Particulars	1st April 2020	Deferred tax (charge)/credit in profit and loss	Deferred tax (charge)/credit in OCI	31st March 2021
Deferred Tax Asset arising on account of				
Temporary difference on depreciation and amortisation of fixed assets	1,12,514	88,972		2,01,486
Tax effect of adjustments	6,67,308	3,94,232		10,61,540
Financial assets and liabilities at amortised cost	4,076	461		4,537
Recognition of lease liability	1,74,306	(21,948)		1,52,358
Provision for employee benefits	1,37,855	-	29,235	1,67,090
Total	10,96,059	4,61,717	29,235	15,87,011



S.No. Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>7 Inventories</b> (Valued at lower of cost and net realisable value, unless otherwise stated)		
Raw materials	22,71,290	34,19,892
Work-in-progress	56,81,786	28,61,954
Finished goods	19,12,802	61,26,939
	<u>98,65,878</u>	<u>1,24,08,785</u>
<b>8 Trade receivables</b>		
Trade receivables		
- Unsecured, considered good	8,02,18,215	5,30,48,429
	<u>8,02,18,215</u>	<u>5,30,48,429</u>
#Refer Note 39 (3) for ageing of Trade Receivables		
<b>9 Cash and cash equivalents</b>		
Balances with banks:		
- in current and cash credit accounts	67,41,010	1,00,000
Cash in hand	2,549	18,075
	<u>67,43,559</u>	<u>1,18,075</u>
<b>10 Other Bank Balances</b>		
FD and Margin money Deposits with bank	7,88,11,929	6,97,22,427
	<u>7,88,11,929</u>	<u>6,97,22,427</u>
<b>11 Other current assets</b>		
Advances to suppliers	3,27,584	2,58,185
Prepaid expenses	2,14,735	1,26,342
Advances given to employees	1,47,160	2,80,000
Other Advances	4,11,806	-
	<u>11,01,285</u>	<u>6,64,527</u>





## SHIVPAD ENGINEERS PRIVATE LIMITED

CIN : U33112MP19949TC035611

Notes To Financial Statements For The Year ended 31st March 2022

## Note no : 12

## Equity Share Capital

Refer note 12A for details

Particulars	Number	Amount
Year Ended		
As at 31st March 2020	1,35,030	13,50,300
Changes in Equity Share Capital		
As at 31st March 2021	1,35,030	13,50,300
Changes in Equity Share Capital		
As at 31st March 2022	1,35,030	13,50,300

## Note no : 13

## Other Equity

(All amounts in Rupees)

Particulars	General Reserve	Retained Earning	Contribution from Holding Company (ESOP)	Total
Closing Balance as at 31st March 2020	1,50,04,323	5,96,44,586	1,32,877	7,47,81,786
Add : Net Profit for the current period		3,66,53,884		
Less: Declared Dividend		(67,51,500)		
(Amount of Dividend Per Share, Rs 50/- )		-		
Less: Interim Dividend Declared		-		
Dividend tax on Declared and Interim Dividend		-		
Transfer to General Reserve		-		
Remeasurement benefit of defined benefit plans		(86,917)		
Other comprehensive income for the year		-		
ESOP granted by holding to employees			5,29,960	
Closing Balance as at 31st March 2021	1,50,04,323	8,94,60,053	6,62,837	10,51,27,213
Add : Net Profit for the current period		4,06,33,779		
Less: Declared Dividend		(2,02,54,500)		
(Amount of Dividend Per Share, Rs 150/- )		-		
Less: Interim Dividend Declared		-		
Dividend tax on Declared and Interim Dividend		-		
Transfer to General Reserve		-		
Remeasurement benefit of defined benefit plans		20,605		
Other comprehensive income for the year		-		
ESOP granted by holding to employees			4,60,899	
Closing Balance as at 31st March 2022	1,50,04,323	10,98,59,937	11,23,736	12,59,87,996



# SHIVPAD ENGINEERS PRIVATE LIMITED

## Notes To Financial Statements For The Year Ended 31st March 2022

Note No.	Particulars	31-Mar-22		31-Mar-21	
		Number	Rs.	Number	Rs.

### 12A Shareholder's Funds - Share Capital

<b>Authorised</b>					
Equity Shares of Rs. 10/- each		2,00,000	20,00,000	2,00,000	20,00,000
<b>Issued</b>					
Equity Shares of Rs.10/- each		1,35,030	13,50,300	1,35,030	13,50,300
<b>Subscribed &amp; Fully paid-up</b>					
Equity Shares of Rs. 10/- each		1,35,030	13,50,300	1,35,030	13,50,300
<b>Total</b>		<b>1,35,030</b>	<b>13,50,300</b>	<b>1,35,030</b>	<b>13,50,300</b>

i) Disclosure of number of shares outstanding for each class of shares as at

Particulars	Equity Shares		Equity Shares	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	1,35,030	13,50,300	1,35,030	13,50,300
Shares outstanding at the end of the year	1,35,030	13,50,300	1,35,030	13,50,300

- b) 135030 Equity Shares (Previous Year - 135030 Equity Shares) are held by M/s. Jash Engineering Limited, the holding company (Ultimate Holding Company) and its Nominees.
- c) Terms and Rights attached to Equity Shares

The Company has only one class of Equity Share having a par value of Rs. 10/- per share. Each holder of Equity Share 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 amount of remaining assets of the Company, after distribution of all preferential amounts. The distribution shall be in proportion to the equity shares held by the shareholders.

- d) The Board of Directors of the company recommends a final dividend of 1500% on Face Value of fully paid up Shares i.e., Rs. 150 per share of Rs. 10/- each aggregating to Rs. 202.545 lakhs for Financial Year 2021-22, subject to approval of shareholders at the Annual General Meeting of the company
- e) Disclosure of more than 5% shareholding

Name of the Shareholder	31-Mar-22		31-Mar-21	
	No. of Shares	% of Holding	No. of Shares	% of Holding
M/s. Jash Engineering Limited (JEL)	1,35,010	99.98%	1,35,010	99.98%
Late Mr. Laxmi Nandan Amin, Nominee of JEL	-	-	10	0.01%
Mr. Pratik Patel, Nominee of JEL	10	0.01%	10	0.01%
Mr. Suresh Patel, Nominee of JEL	10	0.01%	-	-
	<b>1,35,030</b>	<b>100.00%</b>	<b>1,35,030</b>	<b>100.00%</b>



## SHIVPAD ENGINEERS PRIVATE LIMITED

Notes To Financial Statements For The Year ended 31st March 2022

(All amounts in Rupees)

S.No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
14	<b>Lease Liabilities</b>		
	Lease Liability	17,58,881	26,95,771
		<b>17,58,881</b>	<b>26,95,771</b>
	<b>Less : Amount disclosed under the head "other current liabilities"</b>		
		(11,73,838)	(12,09,060)
		<b>5,85,043</b>	<b>14,86,711</b>
15	<b>Provisions (non-current)</b>		
	Provision for employee benefits		
	Gratuity	24,88,362	20,61,853
	Leave Encashment	8,74,449	8,32,598
		<b>33,62,811</b>	<b>28,94,451</b>
16	<b>Trade payables</b>		
	Trade Payables		
	(a) Dues of MSME	3,03,75,455	1,71,70,019
	(b) Dues of creditors other than MSME	1,76,78,804	56,68,001
		<b>4,80,54,260</b>	<b>2,28,38,020</b>
	<i>#Refer Note 39 (2) for ageing of Trade Payables</i>		
		<b>As at 31 March 2022</b>	<b>As at 31 March 2021</b>
	a) The principal amount remaining unpaid to any supplier at the end of the year	3,03,75,455	1,71,70,019
	b) Interest due remaining unpaid to any supplier at the end of the year	-	-
	c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
	d) 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 the MSMED Act, 2006	-	-
	e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
	f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-



(All amounts in Rupees)

S.No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
17	<b>Other financial liabilities (Current)</b>		
	lease Liability	11,73,838	12,09,060
	Bank Over draft	8,193	52,863
		<b>11,82,031</b>	<b>12,61,923</b>
18	<b>Other current liabilities</b>		
	Advance from customers	34,84,557	56,55,042
	Payable to statutory authorities	21,38,760	31,34,681
	Payable to Employees	8,75,211	7,72,022
	Outstanding Expense	20,39,845	16,71,501
		<b>85,38,373</b>	<b>1,12,33,246</b>
19	<b>Provisions</b>		
	<b>Provision for employee benefits</b>		
	Bonus	11,57,853	10,65,316
	Gratuity - Current Portion	1,87,019	1,57,390
	Leave encashment - Current Portion	1,04,861	1,00,658
		<b>14,49,733</b>	<b>13,23,364</b>
20	<b>Current tax liabilities (net)</b>		
	Provision for tax	-	-
		-	-



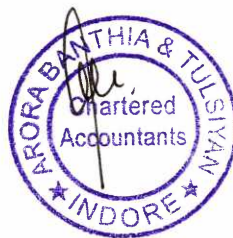


## SHIVPAD ENGINEERS PRIVATE LIMITED

Notes To Financial Statements For The Year ended 31st March 2022

(All amounts in Rupees)

S.No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
21	<b>Revenue from operations</b>		
	<b>Operating revenue</b>		
	Sale of Products		
	- Domestic	21,09,80,745	18,97,84,356
	- Export	1,99,15,000	17,68,500
	<b>Other operating revenues</b>		
	Service Charges Received	11,95,629	5,68,690
	Freight, Packing & Handling Charges Received	2,85,300	-
		<b>23,23,76,674</b>	<b>19,21,21,546</b>
22	<b>Other income</b>		
	<b>Interest from</b>		
	Bank deposits	38,77,237	32,71,870
	Financial assets measured at ammortized cost	49,522	44,743
	Sundry balances written back	50,356	-
	Net Gain on sale of fixed assets	-	558
	Miscellaneous income	-	1,33,734
		<b>39,77,115</b>	<b>34,50,905</b>
23	<b>Cost of materials consumed</b>		
	<b>Opening stock of Raw Materials</b>		
	Stores, spares and other consumables	34,19,892	32,01,934
	Add: Purchases made during the year	14,53,02,700	11,50,17,349
		<b>14,87,22,592</b>	<b>11,82,19,283</b>
	<b>Less: Closing stock of Raw Materials</b>		
	Stores, spares and other consumables	22,71,290	34,19,892
	Packing material		
		<b>14,64,51,302</b>	<b>11,47,99,391</b>
24	<b>Changes in inventories of finished goods and work-in-progress</b>		
	<b>Opening stock</b>		
	Work-in-progress	28,61,954	59,07,138
	Finished goods	61,26,939	50,67,277
	<b>Closing stock</b>		
	Work-in-progress	56,81,786	28,61,954
	Finished goods	19,12,802	61,26,939
	<b>Change in inventories</b>	<b>13,94,305</b>	<b>19,85,522</b>
25	<b>Employee benefits expense</b>		
	Salary, wages and bonus	1,59,57,552	1,46,87,243
	Contributions to provident and other funds	9,39,677	8,95,136
	Share Based payments to employees	4,60,899	5,29,960
	Staff welfare expenses	4,54,597	3,40,663
		<b>1,78,12,725</b>	<b>1,64,53,002</b>



## SHIVPAD ENGINEERS PRIVATE LIMITED

Notes To Financial Statements For The Year ended 31st March 2022

(All amounts in Rupees)

S.No.	Particulars	Year ended 31 March 2022	Year ended 31 March 2021
26	<b>Finance costs</b>		
	Interest on		
	- Overdraft facility	4,37,924	1,06,049
	- On lease obligations	2,36,534	3,27,107
	Bank charges	13,01,248	12,87,434
		<b>19,75,706</b>	<b>17,20,590</b>
27	<b>Depreciation and amortisation expense</b>		
	Depreciation and amortisation expenses	12,69,679	12,46,862
	Amortisation of intangible assets	1,94,389	5,13,018
		<b>14,64,068</b>	<b>17,59,880</b>
28	<b>Other expenses</b>		
	Audit Fees*		
	- Statutory Fees	1,60,000	1,55,000
	- Tax Audit Fees	35,000	30,000
	- Others	1,20,000	1,20,000
	Bad debt written off	46,775	-
	Car Hire charges	1,19,138	87,551
	Commission and brokerage	-	3,65,241
	Communication expenses	82,089	87,735
	Freight charges	58,39,925	51,78,737
	Housekeeping and security expense	2,25,835	74,250
	Insurance	2,65,341	3,07,531
	labour charges	42,29,135	21,91,039
	Legal and professional fees	1,72,425	1,71,750
	Postage & Telegram	14,103	19,671
	Power, fuel and water charges	3,82,455	3,62,176
	Printing & Stationery	1,08,758	1,12,242
	Rates and taxes	13,096	4,500
	Registration & Renewal Charges	79,729	67,167
	Rent	60,000	60,000
	Repairs and maintenance	3,81,002	4,02,273
	Travelling and conveyance	7,22,575	3,46,360
	Miscellaneous expenses	61,350	1,22,256
		<b>1,31,18,731</b>	<b>1,02,65,478</b>



**Shivpad Engineers Private Limited**  
**Notes To Financial Statements For The Year Ended 31st March 2022**

**29 Employee benefits**

In order to comply with Ind AS 19, Employee Benefits in the financial Statements of the company, the company has accounting policy of recognizing gratuity and leave encashment as per determination of actuarial valuation.

**A Gratuity**

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

**(i) Amount recognised in the balance sheet is as under:**

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Gratuity	1,87,019	24,88,362	1,57,390	20,61,853

**(ii) Amount recognised in the statement of profit and loss is as under:**

Description	31 March 2022	31 March 2021
Current service cost	3,54,171	3,14,173
Net interest cost	1,29,503	1,05,723
<b>Net impact on profit (before tax)</b>	<b>4,83,674</b>	<b>4,19,896</b>
Actuarial loss/(gain) recognised during the year	27,356	1,16,152
<b>Amount recognised in the statement of profit and loss</b>	<b>5,11,030</b>	<b>5,36,048</b>

**(iii) Breakup of actuarial (gain)/loss:**

Description	31 March 2022	31 March 2021
Actuarial (gain)/loss on arising from change in demographic assumption	-	-
Actuarial (gain)/loss on arising from change in financial assumption	(50,512)	56,116
Actuarial (gain)/loss on arising from experience adjustment	22,976	60,036
<b>Total actuarial (gain)/loss</b>	<b>(27,536)</b>	<b>1,16,152</b>

**(iv) Actuarial assumptions**

Description	31 March 2022	31 March 2021
Discount rate	6.40%	6.05%
Future salary increase	10.00%	10.00%
Expected average remaining working lives of employees (years)	60/70 years	60/70 years

The gratuity benefit is provided through unfunded plan and annual contributions are charged to the statement of profit and loss. Under the scheme, the settlement obligation remains with the Company. Company accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Company's obligation towards the same is actuarially determined based on the projected unit credit method as at the Balance Sheet date.

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2012-14) Ultimate table.

These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year-end by reference to government bonds and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.



(v) Sensitivity analysis for gratuity liability

Description	31 March 2022	31 March 2021
<b>Impact of the change in discount rate</b>		
Present value of obligation at the end	26,75,381	22,19,243
- Impact due to increase of 0.5 %	26,06,315	21,57,050
- Impact due to decrease of 0.5 %	27,48,113	22,84,764
<b>Impact of the change in salary increase</b>		
Present value of obligation at the end	26,75,381	22,19,243
- Impact due to increase of 0.5 %	27,34,563	22,73,402
- Impact due to decrease of 0.5 %	26,18,077	21,66,839

The above sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied which was applied while calculating the defined benefit obligation recognised in the balance sheet.

**B Compensated absences (unfunded)**

The leave obligations cover the company's liability for sick and earned leaves. The company does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current.

Particulars	31 March 2022		31 March 2021	
	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	1,04,861	8,74,449	1,00,658	8,32,598

**C Defined contribution plans**

The Company makes Provident Fund contributions and New Pension Scheme contributions to defined contribution plans for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.





**Shivpad Engineers Private Limited**

**Notes To Financial Statements For The Year Ended 31st March 2022**

**30 Financial instruments**

**A Financial assets and liabilities**

The carrying amounts of financial instruments by category are as follows:

Measured at	As at 31 March 2022		As at 31 March 2021	
	Amortised Cost*	FVTPL	Amortised Cost*	FVTPL
Investment*	-	-	-	-
Trade receivables	8,02,18,215		5,30,48,429	
Loans	5,13,211		4,63,689	
Cash and cash equivalents	67,43,559		1,18,075	
Other bank balances	7,88,11,929		6,97,22,427	
Other financial assets	-		-	
<b>Total</b>	<b>16,62,86,913</b>	<b>-</b>	<b>12,33,52,620</b>	<b>-</b>
Trade payables	4,80,54,260		2,28,38,020	
Lease liabilities	11,73,838		12,09,060	
Other financial liabilities	8,193		52,863	
<b>Total</b>	<b>4,92,36,291</b>	<b>-</b>	<b>2,40,99,943</b>	<b>-</b>

\*Fair value of instruments measured at amortised cost above is approximate to the fair value.

**Ageing (excluding holding company balance)**

	As at 31 March 2022	As at 31 March 2021
Not Due		
0-90 days past due	6,53,15,445	5,13,35,480
91-180 days past due	43,26,755	5,56,892
181-270 days past due	41,595	1,43,284
271-365 days past due	4,33,517	3,32,050
More than 365 days past due	60,993	1,17,599
<b>Total</b>	<b>7,01,78,305</b>	<b>5,24,85,305</b>

**Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.



a) **Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Floating rate	As at 31 March 2022	As at 31 March 2021
- Expiring within one year (cash credit and other facilities)	1,49,38,944	1,49,47,137
- Expiring beyond one year (bank loans)	-	-
<b>Total</b>	<b>1,49,38,944</b>	<b>1,49,47,137</b>

The cash credit and other facilities may be drawn at any time and may be terminated by the bank without notice.

b) **Maturities of financial liabilities**

The tables below analyse the Company's financial liabilities into relevant maturity based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

As at 31 March 2022	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables	4,80,54,260				4,80,54,260
Lease liabilities	11,73,838	5,85,043	-	-	17,58,881
Other financial liabilities	8,193	-	-	-	8,193
<b>Total</b>	<b>4,92,36,291</b>	<b>5,85,043</b>	<b>-</b>	<b>-</b>	<b>4,98,21,333</b>

As at 31 March 2021	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Trade payables	2,28,38,020				2,28,38,020
Lease liabilities	12,09,060	11,73,838	3,12,873		26,95,771
Other financial liabilities	52,863				52,863
<b>Total</b>	<b>2,40,99,943</b>	<b>11,73,838</b>	<b>3,12,873</b>	<b>-</b>	<b>2,55,86,654</b>

As at 31 March 2019	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings	3,14,613				3,14,613
Trade payable	2,28,38,020				2,28,38,020
Other financial liabilities	52,863				52,863
<b>Total</b>	<b>2,41,54,661</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,41,54,661</b>

As at 01 April 2018	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Borrowings	2,88,765				2,88,765
Trade payable	0				0
Other financial liabilities	0				0
<b>Total</b>	<b>2,59,19,734</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,59,19,734</b>



**Shivpad Engineers Private Limited**  
**Notes To Financial Statements For The Year Ended 31st March 2022**

**31 Lease related disclosures**

The Company has leases for office building. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security.

**A Lease payments not included in measurement of lease liability**

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	31-Mar-22	31-Mar-21
Leases of low value assets	60,000	60,000

**B Total cash outflow for leases for the year ended 31 March 2022 was Rs. 11,73,838 (31 March 2021 Rs. 11,22,000).**

**C Maturity of lease liabilities**

The lease liabilities are secured by the related underlying assets. Future minimum lease payments were as follows:

31-Mar-22	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	12,34,200	6,68,525					19,02,725
Interest expense	1,26,375	17,470	-	-	-	-	1,43,845
<b>Total</b>	<b>13,60,575</b>	<b>6,85,995</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>20,46,570</b>

31-Mar-21	Minimum lease payments due						
	Within 1 year	1-2 years	2-3 years	3-4 years	4-5 years	More than 5 years	Total
Lease payments	11,73,425	12,34,200	6,68,525	-	-	-	30,76,150
Interest expense	2,36,553	1,26,375	17,470	-	-	-	3,80,398
<b>Total</b>	<b>14,09,978</b>	<b>13,60,575</b>	<b>6,85,995</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,56,548</b>



**32 Share Based Payments**  
**a) Employee option plan**

The company offers equity-based award plans to its employees, officers and directors through its parent company, Jash Engineering Limited (the "Parent"). [The 'Jash Engineering Employee Stock Option Scheme 2019'(Jash Scheme 2019). ]

The options under this grant would vest to the employees as 10%, 20%, 30% and 40% of the total grant at the end of first, second, third and fourth year respectively from the date of grant for employees. The option was granted in FY 2019-20, thereafter the option can be exercised during the FY 2020-21, FY 2021-22, FY 2021-23 and FY 2023-24 for the respective proportion. The conditions for number of options granted include service terms and performance grade of the employees.

Set out below is a summary of options granted under the plan:				
	For the year ended		For the year ended	
	31-Mar-22		31-Mar-21	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	118.64	20,000	118.64	35,000
Granted during the year	-	-	-	-
Options exercised during the year	-	-	-	-
Options lapsed/ forfeited during the year	-	-	118.64	15,000
Closing Balance		20,000		20,000
Vested and Exercisable	-	4,000	-	2,000

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price	Fair value of options	Share options	
		(INR)	(INR)	As at 31 March 2022	As at 31 March 2021
14-Feb-20	14-Mar-21	118.64	61.8	2,000	2,000
14-Feb-20	14-Mar-22	118.64	71.33	4,000	4,000
14-Feb-20	14-Mar-23	118.64	80.68	6,000	6,000
14-Feb-20	14-Mar-24	118.64	87.43	8,000	8,000
Total				20,000	20,000

**Expense arising from share-based payment transactions**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

	For the year ended	For the year ended
Particulars	31-Mar-22	31-Mar-21
Employee option plan	4,60,899	5,29,960
Total employee share-based payment expense	4,60,899	5,29,960





**Shivpad Engineers Private Limited**

**Notes To Financial Statements For The Year Ended 31st March 2022**

**33. Contingent Liabilities**

	As at 31 March 2022	As at 31 March 2021
BG Outstanding	2,26,85,400	1,98,71,645
Income Tax Demands	27,20,164	27,20,164
<b>Total</b>	<b>2,54,05,564</b>	<b>2,25,91,809</b>

**34. Segment Reporting:** The Company operates in a single segment and therefore the disclosure requirements as per IND AS 108 "Operating Segment" are not applicable to the Company.

**35. Impairment of Assets:** Management has made an assessment on the impairment of assets and observed that there are no assets whose value got impaired.

**36.** Figures of previous year have been reclassified / regrouped and shown in bracket where ever required.

**37.** In the opinion of the Management, Current Assets and Loans and Advances have the value at which these are stated in the Balance Sheet, if, realised in the ordinary course of business, unless otherwise stated and adequate provisions for all known liabilities have been made and are not in excess of the amount reasonably required.

**38.** Disclosure of Trade Payables under Current Liabilities is based on the information available with the Company regarding the status of the suppliers as defined under the "Micro, Small and Medium Enterprises Development Act, 2006". The company is yet to receive information in this regards from various creditors. As per the company there are no delays in payment made to such suppliers and there is no overdue amount outstanding as at the Balance Sheet date .



Shivpad Engineers Private Limited  
Notes Forming Part of Financial Statement for the year ended 31st March 2022  
39. Additional Regulatory information

1 Details of Promoters :Shares held by promoters at the end of the Year

Details of Promoters :		Shares held by promoters at the end of the Year 31.03.2022				
S. No.	Promoter's Name	No. of Shares 31.03.2022	% of total shares 31.03.2022	No. of Shares 31.03.2021	% of total shares 31.03.2021	% Change during the Year
1	M/s. Jash Engineering Limited (JEL)	1,35,010	99.98%	1,35,010	99.98%	0.00%
2	Mr. Pratik Patel, Nominee of JEL	10	0.01%	10	0.01%	0.00%
3	Mr. Suresh Patel, Nominee of JEL	10	0.01%	-	0.00%	0.01%
4	Late Shri Laxmi Nandan Amin, Nominee of JEL	-	0.00%	10	0.01%	-0.01%
Total		1,35,030	100%	1,35,030		

2 Ageing Schedule for Trade Payables

(A) Ageing Schedule for Trade Payables for the current year ended on 31st March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	3,03,75,455	-	-	-	3,03,75,455
(ii) Others	1,76,78,804	-	-	-	1,76,78,804
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

(B) Ageing Schedule for Trade Payables for the Previous year ended on 31st March 2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	1,71,70,019	-	-	-	1,71,70,019
(ii) Others	56,68,001	-	-	-	56,68,001
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-



3 Ageing Schedule for Trade Receivables

(A) Ageing Schedule for Trade Receivables for the current year ended on 31st March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivable - Considered good	7,46,82,837	50,99,145	4,36,232	-	-	8,02,18,214
(ii) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-

(B) Ageing Schedule for Trade Receivables for the Previous year ended on 31st March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivable - Considered good	5,24,55,496	5,92,933	-	-	-	5,30,48,429
(ii) Undisputed Trade Receivables - Considered Doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables - Considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered doubtful	-	-	-	-	-	-

4. The company has not granted any Loans or Advances granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.

5. The company do not own any immovable property

6. Details of borrowings from banks or financial institutions on the basis of security of current assets:

S.no	Detail of current asset	As per Stock Statement Submitted to Bank (31.03.2022)	As per Books (31.03.2022)	As per Stock Statement Submitted to Bank (31.12.2021)	As per Books (31.12.2021)	As per Stock Statement Submitted to Bank (30.09.2021)#	As per Books (30.09.2021)#	As per Stock Statement Submitted to Bank (30.06.2021)	As per Books (30.06.2021)
1	Debtors*	7,00,36,823	8,02,18,214.50	2,55,91,830.31	3,20,53,114.50	3,21,90,800.00	3,57,65,686.05	3,89,45,778.00	2,71,68,475.67
2	WIP	56,81,786	56,81,786	74,12,240	74,12,240	69,77,171	69,77,171	36,44,871	36,44,871
3	Raw Material	22,71,290	22,71,290	37,32,292	37,32,292	34,94,767	34,94,767	31,05,080	31,05,080
4	Finished Stock	19,12,802	19,12,802	80,98,340	80,98,340	22,99,177	33,57,177	24,12,752	24,12,752

\* There is variance as debtors as per stock statement does not include balances of holding company and certain other nominal variations which are not material.

# The variance of Rs. 10,58,000/- in stock of finished goods reported to bank during the 2nd quarter is on account of goods not dispatched till 30.09.2021. Hence, the possession of goods not being transferred till 30.09.2021 has been included in closing stock in books, the respective sale has been duly recorded in next quarter, no impact in overall position.



7. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

8. There is no tangible assets(Capital-work-in progress) under development.

9. The company do not have any Intangible asset under development.

10. No proceeding have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made

**11 Registration of charges or satisfaction with Registrar of Companies**

Nature of Loan	Security Provided	Whether Charge Registered with ROC(Yes/No)	Date of registraion of charge (Yes/No)
Working Capital Facility	Current Assets	Yes	11/12/2007

12. The company has not revalued its Property, Plant and Equipment.

13.(a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) No funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

14. The company has not entered into transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

15. The company is not declared wilful defaulter by any bank or financial Institution or other lender.

16. The company has not applied for any Scheme of Arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

17. The company does not have any subsidiary.





Shivpad Engineers Private Limited  
Notes To Financial Statements For The Year Ended 31st March 2022  
40. Analytical Ratios

S. No.	Ratios	Formula	2021-22	2020-21	% Change	Remarks
(a)	Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	2.98	3.71	-19.54	Adverse - The variation is normal under the routine course of business.
(b)	Debt-Equity Ratio	$\frac{\text{Total Debt}}{\text{Shareholder's Equity}}$	0.000064	0.000496	-87.04	Favourable - The company has utilised nominal overdraft / credit card facility as on 31st March 22. Hence the Debt-Equity Ratio improved.
(c)	Debt Service Coverage Ratio	$\frac{\text{Earning Available for Debt Services}}{\text{Debt Service}}$	98.26	250.50	-60.77	The company has utilised nominal overdraft / credit card facility as on 31st March 22 in the current year. The same was nominal previous year as well, though
(d)	Return on Equity Ratio	$\frac{\text{Net profits after taxes}}{\text{Shareholder's Equity}}$	0.32	0.34	-7.30	The major variation is due to IND AS adjustments in the other equity of the company. - The variation is normal under the routine course of business.
(e)	Inventory Turnover ratio	$\frac{\text{Cost of Goods Sold or Sales}}{\text{Average Inventory}}$	13.27	8.79	51.09	Favourable - Cost of material consumed has increased during the year & Inventory has comparatively reduced therefore leading to
(f)	Trade Receivables Turnover ratio	$\frac{\text{Total sales}}{\text{Total Accounts receivable}}$	2.90	3.62	-20.01	The increase in trade receivables is due to increase in sales of the company. The variation is normal under the routine course of business.
(g)	Trade Payables Turnover ratio	$\frac{\text{Total purchases}}{\text{Average Accounts payables}}$	4.10	5.04	-18.70	Favourable. The increase in trade payables is due to increase in purchases of the company. The variation is normal under the routine course of business.
(h)	Net Capital Turnover ratio	$\frac{\text{Net Sales}}{\text{Working capital}}$	1.98	1.93	2.21	Favourable - The variation is normal under the routine course of business.
(i)	Net Profit ratio	$\frac{\text{Net profit}}{\text{Net sales}}$	0.17	0.19	-8.35	Adverse - The variation is normal under the routine course of business.
(j)	Return on Capital Employed	$\frac{\text{Earning before Tax+Interest}}{\text{Capital employed}}$	0.44	0.47	-6.52	The variation is normal under the routine course of business.
(k)	Return on Investment	$\frac{\text{Earning before Tax+Interest}}{\text{Total Net Assets}}$	0.43	0.45	-5.60	The variation is normal under the routine course of business.

Explanation to items included in denominator and numerator :

	Particulars	2021-22	2020-21
a)	Current Assets = Inventories+ Trade receivables+ Cash and cash equivalents+ Other current assets	17,67,40,866	13,59,62,243
b)	Current Liabilities = Trade payables + Lease liabilities + Other financial liabilities + Provisions + Current tax liability + Other current liabilities	5,92,24,397	3,66,56,554
c)	Net Profit after Tax	4,06,33,779	3,66,53,885
d)	Debt service= Interest paid + Closing borrowing	4,46,117	1,58,912
e)	Shareholder's Equity = closing equity	12,73,38,296	10,64,77,513
f)	Shareholder's Equity = Equity Share capital + Other Equity	12,73,38,296	10,64,77,513
g)	Net sales= Total Sales - Returns	23,23,76,674	19,21,21,546
h)	Working Capital = Current Assets - Current Liabilities	11,75,16,469	9,93,05,689
i)	Capital Employed = Equity + Long Term Debt	12,73,38,296	10,64,77,513
j)	Total Net Assets = Total Assets - Current Liabilities	13,12,86,150	11,08,58,675
k)	Total Debt = Short term Borrowings+Long Term Borrowings	8,193	52,863
l)	Cost of Goods sold= Opening inventory + Purchases during year - Closing inventory	14,78,45,607	11,67,84,913
m)	Average inventory= (Opening inventory + Closing inventory)/ 2	1,11,37,332	1,32,92,567
n)	Total Sales	23,23,76,674	19,21,21,546
o)	Closing accounts receivable	8,02,18,215	5,30,48,429
p)	Total Purchases	14,53,02,700	11,50,17,349
q)	Average accounts payable = (Opening payables + Closing payables) / 2	3,54,46,140	2,28,10,325
r)	Earning before Tax+ Interest & Other Bank Cost	5,58,76,125	4,99,82,070
s)	Earnings available for debt services =Earnings after tax + Non-cash operating expenses like depreciation and other amortizations + Interest & Other Bank Cost	4,38,37,019	3,98,07,248



Shivpad Engineers Private Limited  
Notes To Financial Statements For The Year ended 31st March 2022  
(All amount in Rs. unless stated otherwise)

41 Related party transactions

Related party disclosures, as required by Indian Accounting Standard 24 - Related Party Disclosures is as under:

(i) Holding Company

Jash Engineering Limited

(ii) Key management personnel

Mr. Pratik Patel, Managing Director

Mr. Dharmendra Jain, Director

Mr. Suresh Kumar Ramakrishnan, Director

(iii) Transactions with related parties during the Period

Particulars	Holding 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 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Managerial remuneration</b>	-	-	54,04,988	44,34,940	-	-	54,04,988	44,34,940
Pratik Patel	-	-	-	-	-	-	-	-
Dharmendra Jain	-	-	-	-	-	-	-	-
Sureshkumar Ramakrishnan	-	-	54,04,988	44,34,940	-	-	54,04,988	44,34,940
<b>Sale of goods</b>	81,45,625	61,40,780	-	-	-	-	81,45,625	61,40,780
Jash Engineering Limited	81,45,625	61,40,780	-	-	-	-	81,45,625	61,40,780
<b>Purchase of goods</b>	74,45,960	41,79,743	-	-	-	-	74,45,960	41,79,743
Jash Engineering Limited	74,45,960	41,79,743	-	-	-	-	74,45,960	41,79,743
<b>Sale of services</b>	11,30,733	5,30,101	-	-	-	-	11,30,733	5,30,101
Jash Engineering Limited	11,30,733	5,30,101	-	-	-	-	11,30,733	5,30,101



Dividend for the year (excluding dividend distribution tax)	2,02,51,500	67,50,500	1,500	1,000	-	-	2,02,54,500	67,51,500
Pratik Patel	-		1,500	500	-	-	1,500	500
Suresh Patel			1,500	-	-	-	1,500	-
Late Shri L.D. Amin	-		-	500	-	-	-	500
Jash Engineering Limited	2,02,51,500	67,50,500	-	-	-	-	2,02,51,500	67,50,500
Expenses incurred/paid on behalf of Company	15,55,171	2,18,253	-	-	-	-	15,55,171	2,18,253
Jash Engineering Limited	15,55,171	2,18,253	-	-	-	-	15,55,171	2,18,253
Expenses incurred by Company on behalf of related parties	-	15,000	-	-	-	-	-	15,000
Jash Engineering Limited	-	15,000	-	-	-	-	-	15,000
Share options issued to employees by Holding companies	11,23,736	6,62,837	-	-	-	-	11,23,736	6,62,837
Jash Engineering Limited	11,23,736	6,62,837	-	-	-	-	11,23,736	6,62,837
Corporate guarantees/letter of credit given/(settled) on behalf of company	4,50,00,000	3,50,00,000	-	-	-	-	4,50,00,000	3,50,00,000
Jash Engineering Limited	4,50,00,000	3,50,00,000	-	-	-	-	4,50,00,000	3,50,00,000

For Arora Banthia & Tulsian  
Chartered Accountants  
Firm Registration No: 007028C

(CA Kapil Shah)  
Partner

Membership No. 402549  
UDIN: 22402549AJ0PLC23384  
Indore, 25/05/2022



For and on behalf of Board



Dharmendra Jain  
Director  
DIN : 08886019

*(Signature)*  
Pratik Patel  
Director  
DIN : 00780920