

INDEPENDENT AUDITOR'S REPORT

To The Members of Jash Engineering Limited

Report on the Audit of the Special Purpose Financial Statement of Jash USA Inc.

We have audited the accompanying Special Purpose Financial Statements of Jash USA Inc. (the Company), which comprise the balance sheet as at March 31, 2023, and the statement of profit, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein stated as Special Purpose Financial Statements). These financial statements have been prepared solely for the purpose of Jash Engineering Limited ("the Holding Company") to prepare its Consolidated Financial Statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give the information required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standard) Rules, 2006 as amended ('Accounting Standard') and other accounting principles generally accepted in India to the extent not inconsistent with Group accounting policies, of the state of affairs of the company as at 31st March 2023, and its profit and cash flows for the year ended on that date.

Basis for Opinion

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the special purpose 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the special purpose financial statements.

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 Section 143(3) of the Act, based on our audit 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.



Restriction in Use

The report has been issued at the request of the Holding Company for the purpose of preparation of Consolidated Financial Statements for the financial year ended 31st March 2023. As a result, our report may not be suitable for any other purpose. Our report is intended solely for the information of and use of the Holding Company in relation to the preparation/ audit respectively of the Consolidated Financial Statements of the Holding Company for the year ended 31st March 2023 and is not intended to be and shall not be used by anyone other than these specific parties. We neither accept nor assume liability, responsibility, or duty of care to any other party or for any other purpose.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Pallavi Sharma
Pallavi Sharma
Partner

Membership No. 113861
UDIN: 23113861BGXTSK1404

Place: Mumbai
Date: 23 May 2023

Jash USA, Inc.**Standalone Balance Sheet as at 31 March 2023***(All amounts in United States Dollar, unless otherwise stated)*

| | Notes | As at 31 March 2023 | As at 31 March 2022 |
|--|--------|------------------------|------------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 4 | 12,33,453 | 8,69,001 |
| Capital work-in-progress | 5 | 70,573 | - |
| Intangible assets | 6 | 5,80,000 | 7,25,000 |
| Deferred tax assets (net) | 7 | 6,65,460 | 2,83,950 |
| Other non-current assets | 8 | 9,168 | 8,470 |
| Total non-current assets | | 25,58,654 | 18,86,421 |
| Current assets | | | |
| Inventories | 9 | 23,38,435 | 25,23,730 |
| Financial assets | | | |
| Trade receivables | 10 | 81,06,417 | 66,99,680 |
| Cash and cash equivalents | 11 | 6,66,555 | 3,55,505 |
| Other financial assets | 12 | 6,101 | 91,037 |
| Other current assets | 13 | 2,23,090 | 57,272 |
| Total current assets | | 1,13,40,598 | 97,27,224 |
| Asset held for sale | 14 | 10,50,000 | 10,50,000 |
| Total assets | | 1,49,49,252 | 1,26,63,645 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 15 | 74,12,648 | 74,12,648 |
| Other equity | 16 | (24,11,651) | (34,63,541) |
| Total equity | | 50,00,997 | 39,49,107 |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 17 (a) | 8,31,977 | 7,24,138 |
| Lease liabilities | 17 (b) | 25,857 | 47,951 |
| Total non-current liabilities | | 8,57,834 | 7,72,089 |
| Current liabilities | | | |
| Financial liabilities | | | |
| Borrowings | 18 (a) | 13,550 | - |
| Lease liabilities | 18 (b) | 81,984 | 66,720 |
| Trade payables | 19 | | |
| (a) total outstanding dues of micro enterprises and small enterprises | | 60,21,113 | 67,08,165 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | | 5,70,031 | 4,17,394 |
| Other financial liabilities | 20 | 8,577 | 1,18,930 |
| Other current liabilities | 21 | 23,59,182 | 6,23,226 |
| Current tax liabilities (net) | 22 | 35,984 | 8,014 |
| Total current liabilities | | 90,90,421 | 79,42,449 |
| Total liabilities | | 99,48,255 | 87,14,538 |
| Total equity and liabilities | | 1,49,49,252 | 1,26,63,645 |
| Summary of significant accounting policies | 3 | | |

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

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

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

Pallavi Sharma

Partner

Membership No. 113861

For and on behalf of Board of Directors of
Jash USA, Inc.**Pratik Patel**
Director**D. T. Manwani**
Director**Place:** Indore**Date:** 23 May 2023**Place:** Indore**Date:** 23 May 2023

Jash USA, Inc.**Standalone Statement of Profit and Loss for the year ended 31 March 2023***(All amounts in United States Dollar, unless otherwise stated)*

| | Notes | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------|-------------------------------------|-------------------------------------|
| Income | | | |
| Revenue from operations | 23 | 1,95,91,902 | 1,77,41,489 |
| Other income | 24 | 7,67,103 | 41,241 |
| Total income | | 2,03,59,005 | 1,77,82,730 |
| Expenses | | | |
| Cost of materials consumed | 25 | 1,02,08,750 | 97,67,056 |
| Changes in inventories of finished goods and work-in-progress | 26 | 5,67,650 | 4,28,259 |
| Employee benefits expense | 27 | 42,48,130 | 35,35,536 |
| Finance costs | 28 | 80,137 | 72,679 |
| Depreciation and amortisation expense | 29 | 4,36,876 | 4,13,412 |
| Other expenses | 30 | 41,29,087 | 32,04,349 |
| Total expenses | | 1,96,70,630 | 1,74,21,291 |
| Profit before tax | | 6,88,375 | 3,61,439 |
| Tax expense | 31 | | |
| Current tax | | 24,932 | 9,124 |
| Deferred tax | | (3,81,510) | (2,83,950) |
| Net profit for the year | | 10,44,953 | 6,36,265 |
| Earnings per equity share (in USD): | 32 | | |
| Basic | | 56.48 | 34.39 |
| Diluted | | 56.48 | 34.39 |
| Summary of significant accounting policies | 3 | | |

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

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

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

*Pallavi Sharma***Pallavi Sharma**

Partner

Membership No. 113861



For and on behalf of Board of Directors of

Jash USA, Inc.*Pratik Patel***Pratik Patel**

Director

*D. T. Manwani***D. T. Manwani**

Director

Place: Indore

Date: 23 May 2023

Place: Indore

Date: 23 May 2023

| | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------------------------------------|-------------------------------------|
| A CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before tax | 6,88,375 | 3,61,439 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 2,17,783 | 2,22,800 |
| Amortization of intangible assets | 2,19,093 | 1,90,612 |
| (Profit)/ loss on disposal of property, plant and equipment (net) | (1,700) | - |
| Interest income on bank deposits | (28) | - |
| Advances and other balance written off | 9,19,831 | 1,61,897 |
| Write off of capital work in progress | - | 35,000 |
| Employee stock options cost | 6,938 | 3,424 |
| Net gain arising on financial assets mandatorily measured at fair value | (679) | (646) |
| Finance cost | 70,114 | 64,373 |
| Operating profit before working capital changes | 21,19,727 | 10,38,899 |
| Change in operating assets and liabilities: | | |
| -(Increase)/ Decrease in trade receivables | (23,26,568) | (18,30,334) |
| -Decrease/ (Increase) in inventories | 1,85,295 | 86,674 |
| -(Increase)/ Decrease in other assets | (81,580) | 2,76,610 |
| -Increase/ (Decrease) in provisions | - | (61,128) |
| -Increase/ (Decrease) in financial and other liabilities | 15,65,605 | (6,27,009) |
| -(Decrease)/ Increase in trade payables | (5,34,415) | (11,37,433) |
| Cash generated from operations | 9,28,064 | (22,53,720) |
| Income taxes paid/refunds (net) | 3,038 | (7,584) |
| Net cash flow generated/ (used in) operating activities (A) | 9,31,102 | (22,61,304) |
| B CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment and intangible assets | (7,25,201) | (2,90,838) |
| Interest received | 707 | 646 |
| Net cash flow used in investing activities (B) | (7,24,494) | (2,90,192) |
| C CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from Equity Share Capital | - | 25,00,000 |
| Proceeds from long term borrowings (net) | 1,21,389 | - |
| Repayment of principal component of lease obligation (net) | (6,830) | (54,283) |
| Payment of interest on lease obligation | (10,117) | - |
| Net cash flow generated from financing activities (C) | 1,04,442 | 24,45,717 |
| Net increase/(decrease) in cash and cash equivalents (A+B+C) | 3,11,050 | (1,05,779) |
| Cash and cash equivalents at the beginning of the year | 3,55,505 | 4,61,284 |
| Cash and cash equivalents at the end of the year | 6,66,555 | 3,55,505 |
| Reconciliation of cash and cash equivalents as per cash flow statement | | |
| Cash in hand | 36,058 | 38,105 |
| Balances with banks- in current accounts | 6,30,497 | 3,17,400 |
| | 6,66,555 | 3,55,505 |

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

Note: The Standalone Statement of Cash Flows has been prepared in accordance with 'Indirect Method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No. 117366W/W-100018

Pallavi Sharma

Partner

Membership No. 113861



For and on behalf of Board of Directors of
Jash USA, Inc.

Pratik Patel

Director

D. T. Manwani

Director

Place: Indore

Date: 23 May 2023

Place: Indore

Date: 23 May 2023

Jash USA, Inc.

Statement of Changes In Equity for the year ended 31 March 2023

(All amounts in United States Dollar, unless otherwise stated)

A Equity share capital

Particulars

Balance as at 01 April 2021

Changes in equity share capital during the year

Total share capital as at 31 March 2022

Changes in equity share capital during the year

Total share capital as at 31 March 2023

Amount

1,85,000

-

1,85,000

-

1,85,000

Additional share capital

Balance as at 01 April 2021

Changes in additional share capital during the year

Total share capital as at 31 March 2022

Changes in additional share capital during the year

Total share capital as at 31 March 2023

47,27,648

25,00,000

72,27,648

-

72,27,648

(For the above additional capital, no share capital were issued, which is in accordance with the State Corporate statute)

Balance as at 31 March 2022

74,12,648

Balance as at 31 March 2023

74,12,648

B Other equity

Balance as at 01 April 2021

Profit for the year

Addition during the year

Balance as at 31 March 2022

Profit for the year

Addition during the year

Balance as at 31 March 2023

ESOP reserve

**Retained
earnings**

Total

6,764

(41,09,994)

(41,03,230)

-

6,36,265

6,36,265

3,424

-

3,424

10,188

(34,73,729)

(34,63,541)

-

10,44,953

10,44,953

6,937

-

6,937

17,125

(24,28,776)

(24,11,651)

This is the Standalone Statement of Changes in Equity referred to in our report of even date.

For Deloitte Haskins & Sells LLP

Chartered Accountants

Firm's Registration No. 117366W/W-100018

Pallavi Sharma

Partner

Membership No. 113861

UDIN:



For and on behalf of Board of Directors of

Jash USA, Inc.

Pratik Patel

Director

D. T. Manwani

Director

Place: Indore

Date: 23 May 2023

Place: Indore

Date: 23 May 2023

Notes to Financial Statements

(All amounts in United States Dollar, unless otherwise stated)

1. BACKGROUND AND PRINCIPAL ACTIVITIES

Jash USA, Inc. was incorporated on February 23, 2011, in the state of Delaware. It is a wholly owned subsidiary of Jash Engineering Limited. ("JEL" or "Jash India" or "Parent Company"), a company incorporated in India. JEL and Jash USA, Inc. are engaged in manufacture and trading of measuring tools, machine tools, water control gates and iron castings. Additionally, Jash USA, Inc. markets and trades these products in the United States for JEL.

During the year ended March 31, 2017, Jash USA, Inc. incorporated a wholly owned subsidiary company by the name of Rodney Hunt Inc. with no capital. Jash USA, Inc. and Rodney Hunt Inc. are collectively referred to as the Company.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The special purpose financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on an accrual basis. The Ind AS are prescribed under Section 133 of the Companies Act 2013 of India ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The special purpose financial statements have been prepared to facilitate the management of Jash Engineering Limited in preparation of its consolidated financial statements. The financial statements include the disclosures as required under Ind AS to the extent it facilitates and is applicable for preparation of JEL's consolidated financial statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements include the financial statements of Jash USA, Inc. and its subsidiary, Rodney Hunt Inc., which is 100% owned and controlled.

(b) Basis for consolidation

Rodney Hunt Inc. is a wholly owned subsidiary of Jash USA Inc, incorporated with no capital. As there are no transactions, the management has not maintained/prepared separate books of accounts of Rodney Hunt Inc. and hence, the management has prepared standalone books of accounts of Jash USA Inc. which includes nil transactions of Rodney Hunt Inc.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgement, and assumptions. These estimates, judgement and assumptions affect the application of 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 reported amounts of revenues and expenses during the period. Significant items subject to such estimates, judgement and assumptions include the useful lives of property, plant and equipment, revenue recognition, valuation of inventory, impairment of financial assets and intangible assets, expected credit losses, the measurement of lease liabilities and right-of-use (ROU) assets and other contingencies. Actual results could differ from those estimates. Appropriate changes in estimates



are made as management becomes aware of changes in circumstances surrounding the estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

(d) Going Concern

The Company has negative cash flows from operations for the year ended March 31, 2023, and accumulated losses of USD 2,411,653 as on March 31, 2023. The Company believes that cash flow from operations and borrowings from Parent Company will be sufficient to meet the Company's current anticipated cash needs for at least the next twelve months, including working capital needs and various contractual obligations. However, there is no assurance that cash balances and borrowings from Parent Company will be sufficient, and it is possible that the Company may require additional cash resources. If these current cash resources are insufficient to satisfy the Company's cash requirements, the Company may obtain additional equity financing from Parent Company.

(e) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities that are measured at fair value.

The Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values, which includes overseeing all significant fair value measurements, including Level 3 fair values by the management.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The management considers that the carrying amounts of financial assets and liabilities recognized in the financial statements approximate their fair value as on reporting date.

(f) Basis of presentation

(i) Functional and presentation currency

The functional currency and reporting currency of the Company is the United States Dollar (USD).

(ii) Classification of assets as current and non-current

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in



cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

a. Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realizable value. Scrap items, when determined, are valued at estimated net realizable value. Cost of raw materials and traded goods comprises cost of purchases and associated costs. Cost of work-in-progress and finished goods comprises direct materials, direct labor and an appropriate proportion of variable and fixed overhead expenditure. Fixed overheads are allocated based on normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. 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.

b. Cash and cash equivalents

Cash and cash equivalents include 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.

c. Revenue recognition

The Company recognizes revenue from sale of products and spares, whenever control over distinct goods or services is transferred to the customer, i.e., when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, noncash consideration, and consideration payable to the customer, if any.

Sale of goods and services

Revenue is measured at the fair value of the consideration received or receivable. The Company recognizes revenues on sale of products, net of discounts, sales incentives, rebates granted, returns, sales taxes and duties when the products are delivered to customer which is when title and risk and rewards of ownership pass to the customer.

Revenue from sales is recognized when control of the products has transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell/ consume the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract or the acceptance provisions have lapsed. The Company provides ancillary field services relating to its products for which the revenue is recognized at a point in time when the service is completed, and control of the service provided has been transferred to customer.



d. Property and equipment, net

Property and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on fixed assets is calculated using the straight-line method to allocate their cost, net of their residual values, over the estimated useful life of the asset as follows:

| Particulars | Useful life |
|-------------------------|-------------|
| Furniture and equipment | 5 years |
| Computers | 3 years |
| Plant and machinery | 5 years |
| Exhibition goods | 5 years |

These assets are acquired pursuant to prior business combination. Accordingly, the Company has estimated a lower useful life compared to the ones mentioned in schedule II of the Companies Act, 2013.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains (losses).

e. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Amortization is recognized on a straight-line basis over their estimated useful life which is as follows :

| Particulars | Useful life |
|-------------|-------------|
| Trademark | 10 years |

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

f. Assets held for sale

Non-current assets are classified as held for sale if their carrying value will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Such assets are not depreciated or amortized while they are classified as held for sale. Such assets classified as held for sale are presented separately from the other assets in the balance sheet.



g. Impairment of intangible assets and property and equipment

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets of a "Cash Generating Unit" (CGU) to determine whether there is any indication that those assets have suffered an impairment loss. Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount. The increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in the statement of profit and loss.

h. Financial instruments

a. Financial assets

i. Recognition, measurement and classification

Trade receivables are initially recognized when they are originated. All other financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is classified and measured at amortized cost. Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit and loss. Any gain or loss on derecognition is recognized in the statement of profit and loss.

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.



ii. Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities deposits, and bank balance.
- Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

b. Financial liabilities

i. Recognition, measurement and classification

All financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial liability is initially measured at fair value, in case of financial liability which are recognized at fair value through profit and loss (FVTPL), its transaction cost are recognized in the statement of profit and loss.

ii. Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other gains (losses).

c. Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i. Taxes on income

Tax expense recognized in profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based



on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax liabilities are generally recognized in full, although Ind AS 112, Income Taxes, specifies limited exemptions.

Changes in deferred tax assets or liabilities are recognized as a component of tax income or expense in profit or loss, except where they relate to items that are recognized in other comprehensive income (such as the revaluation of land) or directly in equity, in which case the related deferred tax is also recognized in other comprehensive income or equity, respectively.

j. Leases

The Company has adopted Ind AS 116 "Leases". The Company considers whether a contract is, or contains a lease. 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 the statement of profit and loss on a straight-line basis over the lease term.

k. Stock based compensation

The Company accounts for stock-based compensation expense relating to equity stock options ("ESOP") that will be settled in shares of Jash Engineering Limited, its parent company. Equity-settled plans are accounted at



fair value as at the grant date. The fair value of the share-based option is determined at the grant date using a market-based option valuation model (Black Scholes Option Valuation Model). The fair value of the option is recorded as compensation expense amortized over the vesting period of the options, with a corresponding increase in 'Other Equity' under the head 'ESOP Reserve'.

The Company recognized stock-based compensation for awards granted by the ultimate parent company, that are expected to vest on a straight-line basis over the requisite service period of the awards. In respect of awards that have a graded vesting schedule and with only service conditions, compensation cost is recognized on straight line basis over the requisite service period for each separately vesting portion of the award as if the award was-in-substance, multiple awards.

l. Earnings per share

In determining earnings per share, the Company considers the net income (loss) after tax. The number of shares used in computing basic earnings per share is the weighted average number of common shares outstanding during the period. The number of common shares used in computing diluted earnings per common share comprises the weighted average common shares considered for deriving basic earnings per share, and also the weighted average number of common shares that could have been issued on the conversion of all dilutive potential common shares.

m. Provisions & contingent liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources embodying economic benefits and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.



Jash USA, Inc.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in United States Dollar, unless otherwise stated)

4 Property plant and equipment

| | Right of use - land | Freehold land | Factory shed | Plant and equipments | Computers | Furniture and fixtures | Exhibition goods | Total |
|---|------------------------|---------------|--------------|-------------------------|-----------|---------------------------|---------------------|------------|
| Gross carrying value | | | | | | | | |
| Balance as at 31 March 2021 | 2,27,996 | - | 5,59,131 | 4,58,343 | 19,150 | 99,447 | 38,530 | 14,02,597 |
| Additions during the year | - | - | - | 2,78,861 | 9,609 | 1,722 | - | 2,90,192 |
| Disposals/adjustment during the year | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2022 | 2,27,996 | - | 5,59,131 | 7,37,204 | 28,759 | 1,01,169 | 38,530 | 16,92,789 |
| Additions during the year | 76,406 | 4,44,700 | - | 1,17,654 | 19,899 | 23,624 | - | 6,82,283 |
| Disposals/adjustment during the year | - | - | - | (67,527) | (11,366) | (24,319) | - | (1,03,211) |
| Balance as at 31 March 2023 | 3,04,402 | 4,44,700 | 5,59,131 | 7,87,331 | 37,292 | 1,00,474 | 38,530 | 22,71,861 |
| Accumulated depreciation | | | | | | | | |
| Balance as at 31 March 2021 | 79,766 | - | 1,53,765 | 2,28,220 | 13,191 | 50,597 | 29,838 | 5,55,377 |
| Depreciation charge for the year | 45,612 | - | 55,913 | 1,26,454 | 7,162 | 24,809 | 8,462 | 2,68,412 |
| Reversal on disposal/adjustment of assets | - | - | - | - | - | - | - | - |
| Balance as at 31 March 2022 | 1,25,378 | - | 2,09,678 | 3,54,674 | 20,353 | 75,406 | 38,300 | 8,23,789 |
| Depreciation charge for the year | 74,093 | - | 55,912 | 1,55,179 | 9,238 | 20,038 | 230 | 3,14,690 |
| Reversal on disposal/adjustment of assets | - | - | - | (67,526) | (10,082) | (22,464) | - | (1,00,071) |
| Balance as at 31 March 2023 | 1,99,471 | - | 2,65,590 | 4,42,328 | 19,509 | 72,980 | 38,530 | 10,38,408 |
| Net block | | | | | | | | |
| Balance as at 31 March 2022 | 1,02,618 | - | 3,49,453 | 3,82,530 | 8,406 | 25,763 | 230 | 8,69,001 |
| Balance as at 31 March 2023 | 1,04,931 | 4,44,700 | 2,93,541 | 3,45,003 | 17,783 | 27,494 | - | 12,33,453 |

Notes:

(i) Right of use assets

Refer note 36 for contractual commitments for lease payments.

(ii) Property, plant and equipment pledged as security

Refer note 17(a) for information on property, plant and equipment pledged as security by the Company.



Jash USA, Inc.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in United States Dollar, unless otherwise stated)

5 Capital work in progress (CWIP)

| | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|
|--|------------------------|------------------------|

70,573

Capital work in progress*

*Capital work in progress represents certain projects under installation.

CWIP ageing schedule as on 31 March 2023

| Capital Work in Progress | Amount in CWIP for a period of | | | | Total |
|-------------------------------|--------------------------------|-----------|-----------|----------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress | 70,573 | - | - | - | 70,573 |
| Project temporarily suspended | - | - | - | - | - |
| Total | 70,573 | - | - | - | 70,573 |

CWIP ageing schedule as on 31 March 2022

| Capital Work in Progress | Amount in CWIP for a period of | | | | Total |
|-------------------------------|--------------------------------|-----------|-----------|----------------------|----------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress | - | - | - | - | - |
| Project temporarily suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

Movement in Capital work in progress (CWIP) during the year:

As at 01 April 2021

Additions during the period

Disposal during the period

As at 31 March 2022

Additions during the period

Disposal during the period

As at 31 March 2023

| Capital WIP |
|---------------|
| 35,000 |
| - |
| 35,000 |
| - |
| 70,573 |
| - |
| 70,573 |



Jash USA, Inc.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in United States Dollar, unless otherwise stated)

6 Intangible asset

Gross block

Balance as at 31 March 2021

Additions during the year

Balance as at 31 March 2022

Additions during the year

Balance as at 31 March 2023

Accumulated Amortisation

Balance as at 31 March 2021

Amortisation for the year

Balance as at 31 March 2022

Amortisation for the year

Balance as at 31 March 2023

Net block

Balance as at 31 March 2022

Balance as at 31 March 2023

| Trademark | Total |
|-----------|-----------|
| 14,50,000 | 14,50,000 |
| - | - |
| 14,50,000 | 14,50,000 |
| - | - |
| 14,50,000 | 14,50,000 |
| 5,80,000 | 5,80,000 |
| 1,45,000 | 1,45,000 |
| 7,25,000 | 7,25,000 |
| 1,45,000 | 1,45,000 |
| 8,70,000 | 8,70,000 |
| 7,25,000 | 7,25,000 |
| 5,80,000 | 5,80,000 |

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7 Deferred tax assets (net)

Deferred Tax Asset

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 6,65,460 | 2,83,950 |
| 6,65,460 | 2,83,950 |

The Company has net operating loss carry forwards as of 31 March 2023 USD 1,179,722 (31 March 2022: USD 2,994,143) at federal level. The net operating loss (NOL) of USD 1,179,722 generated from the year 2018-19 onwards can be carried forward indefinitely.

The net operating loss carryforwards at state level as of 31 March 2023: USD 388,484 (31 March 2022: USD 1,021,698) which if unutilized will expire based on the statute of the states.

Movement in deferred tax assets**Tax effect of items constituting deferred tax liability**

Property and equipment

| As at 01 April 2022 | Recognized in P&L | As at 31 March 2023 |
|------------------------|----------------------|------------------------|
| (54,894) | 14,995 | (39,899) |
| (54,894) | 14,995 | (39,899) |

Tax effect of items constituting deferred tax Assets

Leases - Ind AS 116

Allowance for expected credit losses

Revaluation loss

Intangibles

Stock options expenses

Outstanding expenses-Rep Commission

Advance from customers

Disallowed interest

Net operating losses

| | | |
|-----------------|-------------------|-----------------|
| 3,778 | (3,070) | 708 |
| 68,313 | 1,75,633 | 2,43,946 |
| 27,656 | (638) | 27,018 |
| 60,089 | 10,357 | 70,446 |
| 2,533 | 1,627 | 4,160 |
| - | 12,146 | 12,146 |
| - | 10,346 | 10,346 |
| 55,731 | 12,785 | 68,516 |
| 6,88,645 | (4,20,572) | 2,68,073 |
| 9,06,745 | (2,01,386) | 7,05,359 |
| (5,67,901) | 5,67,901 | - |
| 2,83,950 | 3,81,510 | 6,65,460 |

Deferred tax assets not recognised

Net deferred tax asset

Movement in deferred tax assets**Tax effect of items constituting deferred tax liability**

Property and equipment

| As at 01 April 2021 | Recognized in P&L | As at 31 March 2022 |
|------------------------|----------------------|------------------------|
| (32,088) | (22,806) | (54,894) |
| (32,088) | (22,806) | (54,894) |

Tax effect of items constituting deferred tax Assets

Leases - Ind AS 116

Allowance for expected credit losses

Revaluation loss

Intangibles

Stock options expenses

Outstanding expenses-Rep Commission

Advance from customers

Disallowed interest

Net operating losses

| | | |
|-----------------|-----------------|-----------------|
| 3,273 | 505 | 3,778 |
| 68,551 | (238) | 68,313 |
| 27,729 | (73) | 27,656 |
| 48,198 | 11,891 | 60,089 |
| 1,686 | 847 | 2,533 |
| - | - | - |
| 19,056 | (19,056) | - |
| 42,506 | 13,225 | 55,731 |
| 7,53,664 | (65,019) | 6,88,645 |
| 9,64,663 | (57,918) | 9,06,745 |
| (9,32,575) | 3,64,674 | (5,67,901) |
| - | 2,83,950 | 2,83,950 |

Deferred tax assets not recognised

Net deferred tax asset

8 Other non-current assets

Rent deposit

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 9,168 | 8,470 |
| 9,168 | 8,470 |

9 Inventories

(Valued at lower of cost and net realisable value, unless otherwise stated)

Raw material

Work-in-progress

Finished goods

Goods in transit

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 13,88,437 | 10,06,082 |
| 2,89,333 | 1,07,150 |
| 1,79,724 | 8,03,134 |
| 4,80,941 | 6,07,364 |
| 23,38,435 | 25,23,730 |

Write-downs of inventories to net realisable value amounted to USD 760,808 (31 March 2022: USD Nil). These are recognised as an expense during the year and included in changes in value of inventories.



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10 Trade receivables

Unsecured, considered good
Less: Allowance for expected credit loss

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 91,10,660 | 69,74,420 |
| (10,04,243) | (2,74,740) |
| 81,06,417 | 66,99,680 |
| 98,992 | 1,85,586 |
| 80,07,425 | 65,14,094 |

Due from related party*
Due from others

*Refer note 35 for details about related party trade receivables.

Trade receivables ageing schedule as on 31 March 2023

| Particulars | As at 31 March 2023 | | | | | | |
|---|--|--------------------|-------------------|-----------------|---------------|-------------------|------------------|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 55,62,743 | 21,54,137 | 2,68,253 | 1,21,284 | - | - | 81,06,417 |
| (ii) Undisputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 20,000 | - | - | 6,49,426 | 40,628 | 2,94,190 | 10,04,243 |
| (iv) Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 55,82,743 | 21,54,137 | 2,68,253 | 7,70,710 | 40,628 | 2,94,190 | 91,10,660 |

Trade receivables ageing schedule as on 31 March 2022

| Particulars | As at 31 March 2022 | | | | | | |
|---|--|--------------------|-------------------|---------------|-----------------|-------------------|------------------|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 33,55,774 | 28,59,596 | 2,09,570 | - | - | - | 64,24,940 |
| (ii) Undisputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | 50,849 | 38,412 | 40,227 | 1,45,252 | - | 2,74,740 |
| (iv) Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| Total | 33,55,774 | 29,10,445 | 2,47,982 | 40,227 | 1,45,252 | - | 66,99,680 |

11 Cash and cash equivalents

Balances with banks:
- in current and cash credit accounts
Prepaid Cash Balance

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 6,30,497 | 3,17,400 |
| 36,058 | 38,105 |
| 6,66,555 | 3,55,505 |

12 Other financial assets (current)

Security deposits



| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 6,101 | 91,037 |
| 6,101 | 91,037 |

13 Other current assets

Advances to suppliers
Prepaid expenses

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 2,13,598 | 57,272 |
| 9,492 | - |
| 2,23,090 | 57,272 |

14 Asset held for sale

Asset held for sale*

| As at | As at |
|------------------|------------------|
| 10,50,000 | 10,50,000 |
| 10,50,000 | 10,50,000 |

*Jash USA Inc, a subsidiary company vide an agreement dated 25 July 2017, acquired factory shed and land from VAG USA LLC. Out of the assets acquired from VAG USA LLC., the subsidiary company intends to sell about 40 acres of land and factory shed. A proposal for the same has been given to Orange town committee to construct homes, subject to approval from committee. The company expects to complete the sale by 31 March 2024. The assets held for sale are valued at realizable value as on 31 March 2023.

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15 Equity share capital**Authorised**

Equity shares of USD10 each

| As at 31 March 2023 | | As at 31 March 2022 | |
|---------------------|-----------------|---------------------|-----------------|
| Number of shares | Amount | Number of shares | Amount |
| 18,500 | 1,85,000 | 18,500 | 1,85,000 |
| 18,500 | 1,85,000 | 18,500 | 1,85,000 |

Issued, subscribed and fully paid up

Equity shares of USD 10 each

| | | | |
|---------------|-----------------|---------------|-----------------|
| 18,500 | 1,85,000 | 18,500 | 1,85,000 |
| 18,500 | 1,85,000 | 18,500 | 1,85,000 |

Add: Additional capital

| | | | |
|---|------------------|---|------------------|
| - | 72,27,648 | - | 72,27,648 |
| | 74,12,648 | | 74,12,648 |

Total

(For the above additional capital, no share capital were issued, which is in accordance with the State Corporate statute)

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

Balance at the beginning of the year

Add: Shares issued during the year

Total shares capital outstanding at the end of the year

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 18,500 | 18,500 |
| - | - |
| 18,500 | 18,500 |

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

Jash Engineering Limited

| As at 31 March 2023 | | As at 31 March 2022 | |
|---------------------|--------------|---------------------|--------------|
| Number of shares | % of holding | Number of shares | % of holding |
| 18,500 | 100.00% | 18,500 | 100.00% |

c) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of USD 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

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

16 Other equity

ESOP reserve (refer note 38)

Retained earnings

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 17,125 | 10,188 |
| (24,28,776) | (34,73,729) |
| (24,11,651) | (34,63,541) |

(This space has been intentionally left blank)



17 (a) Non-current borrowings

Loans

- (i) - Loan from financial institution (Secured)
(ii) - Loan from related party (Unsecured)

| | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|
| | 63,469 | - |
| | 7,82,058 | 7,24,138 |
| | 8,45,527 | 7,24,138 |
| | (13,550) | - |
| | 8,31,977 | 7,24,138 |

Less : Current maturities of non-current borrowings (refer note 18 (a))

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

i) Loan from financial institution

The Company obtained a two loan from CIT Finance, One loan is of amounting to USD 26,999 on 19 August 2022 at 8.54% and another loan is of amounting to USD 40,749 on 09 March 2023 at 7.71% p.a. Repayment of both the loan in 60 equal monthly princial instalments of USD 642.03 and USD 940.80 respectively. Outstanding book balance of loan is USD 23,399 and USD 40,069 respectively (31 March 2022: USD Nil)

The aforesaid loan is secured by way of :

The aforesaid loan facility is secured by way of hypothecation on Forklifts

ii) Loan from Related Party

The company borrowed USD 500,000 for the business purpose from parent Company. This loan bears an interest of 8%. The loan was originally obtained in 2017 for a period for 2 years and the same was extended after the expiry of the term in 2019 for another period of 2 years and then 2021 for another period of 2 years. As at the year ended March 31, 2023, entire loan amount of USD 500,000 (March 31, 2022 : USD 500,000) is outstanding along with the accrued interest amounting to USD 282,058 (March 31, 2022 : USD 224,138).

17 (b) Lease liabilities

Lease liabilities (refer note 36)

Less : Current maturities of lease liabilities (refer note 18 (b))

| | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|
| | 1,07,841 | 1,14,671 |
| | (81,984) | (66,720) |
| | 25,857 | 47,951 |

18 (a) Current borrowings

Current maturities of non-current borrowings

-Term loans from banks (Secured)

| | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|
| | 13,550 | - |
| | 13,550 | - |

B) Reconciliation of liabilities arising from financing activities

As at 1 April 2021

Cash flows:

- Proceeds from borrowings (net)
Repayment of principal component of lease obligation (net)
Payment of interest on lease obligation

Non-cash:

As at 31 March 2022

Cash flows:

- Proceeds from borrowings (net)
Repayment of principal component of lease obligation (net)

Non-cash:

As at 31 March 2023

| | Non-current borrowings and Current maturities of non-current borrowings | Current borrowings | Total |
|--|---|-----------------------|-----------------|
| | 7,14,048 | 1,14,671 | 8,28,719 |
| | 58,041 | - | 58,041 |
| | - | (47,951) | (47,951) |
| | - | - | - |
| | 7,72,089 | 66,720 | 8,38,809 |
| | 92,575 | 28,814 | 1,21,389 |
| | (6,830) | - | (6,830) |
| | 8,57,834 | 95,534 | 9,53,368 |

18 (b) Lease liabilities

Lease liability

(Refer note 24(b))

| | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|
| | 81,984 | 66,720 |
| | 81,984 | 66,720 |

19 Trade payables

(a) total outstanding dues of micro enterprises and small enterprises

(b) total outstanding dues of creditors other than micro enterprises and small enterprises

| | As at 31 March 2023 | As at 31 March 2022 |
|--|------------------------|------------------------|
| | 60,21,113 | 67,08,165 |
| | 5,70,031 | 4,17,394 |
| | 65,91,144 | 71,25,559 |

Trade payables ageing schedule as on 31 March 2023

| Particulars | As at 31 March 2023 | | | | |
|------------------------------|--|---------------|-----------|-------------------|------------------|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed dues- MSME | 59,80,234 | 2,349 | - | 38,531 | 60,21,113 |
| (ii) Undisputed dues- Others | 5,61,160 | 8,871 | - | - | 5,70,031 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | - |
| Total | 65,41,394 | 11,219 | - | 38,531 | 65,91,144 |



Trade payables ageing schedule as on 31 March 2022

| Particulars | As at 31 March 2022 | | | | |
|----------------------------|--|-----------|---------------|-------------------|------------------|
| | 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) Undisputed- MSME | 66,86,500 | - | - | 21,664 | 67,08,165 |
| (ii) Undisputed- Others | 3,95,578 | - | 21,817 | - | 4,17,394 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | - |
| Total | 70,82,078 | - | 21,817 | 21,664 | 71,25,559 |

20 Other financial liabilities (Current)

Employee related payables

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 8,577 | 1,18,930 |
| 8,577 | 1,18,930 |

21 Other current liabilities

Advance from customers
Other payables

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 21,66,676 | 5,38,045 |
| 1,92,506 | 85,181 |
| 23,59,182 | 6,23,226 |

22 Current tax liabilities (net)

Provision for tax (net)

| As at 31 March 2023 | As at 31 March 2022 |
|------------------------|------------------------|
| 35,984 | 8,014 |
| 35,984 | 8,014 |

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23 Revenue from operations**Operating revenue***

Sale of products
Sale of services

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 1,95,12,267 | 1,76,56,502 |
| 79,635 | 84,988 |
| 1,95,91,902 | 1,77,41,489 |

*Refer note 37 for revenue related disclosure.

24 Other income

Interest from
Bank deposits (at amortised cost)
Other financial assets carried at amortised cost

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 28 | - |
| 679 | 646 |
| 35,417 | 7,083 |
| 1,700 | - |
| 5,32,265 | - |
| 1,97,014 | 33,512 |
| 7,67,103 | 41,241 |

* The Company applied under employee retention credit program by US US department of treasury and received successfully an amount of USD 532,265. This amount is non refundable and granted for not laying off any employee due to Covid downfall.

25 Cost of materials consumed**Opening stock**

Raw material
Add: Purchases made during the year

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 10,06,082 | 6,64,497 |
| 1,05,91,105 | 1,01,08,640 |
| 1,15,97,187 | 1,07,73,138 |

Less: Closing stock

Raw material

| | |
|--------------------|------------------|
| 13,88,437 | 10,06,082 |
| 1,02,08,750 | 97,67,056 |

26 Changes in inventories of finished goods and work-in-progress**Opening stock**

Work-in-progress
Finished goods
Goods in transit

Closing stock

Work-in-progress
Finished goods
Goods in transit

Changes in inventories

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 1,07,150 | 4,46,343 |
| 8,03,134 | 5,79,829 |
| 6,07,364 | 9,19,735 |
| 2,89,333 | 1,07,150 |
| 1,79,724 | 8,03,134 |
| 4,80,941 | 6,07,364 |
| 5,67,650 | 4,28,259 |

27 Employee benefits expense

Salaries and incentives
Post-employment pension benefits
Post-employment medical benefits
Share based payments to employees (refer note 38)
Staff welfare expenses

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 36,68,509 | 31,54,973 |
| 92,312 | 62,803 |
| 2,44,230 | 1,00,922 |
| 6,938 | 3,424 |
| 2,36,141 | 2,13,414 |
| 42,48,130 | 35,35,536 |



28 Finance costs

Interest on

Loans from financial institutions

Loans from related party

On lease obligations

Other borrowing costs

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 2,077 | - |
| 57,920 | 53,640 |
| 10,117 | 10,733 |
| 10,023 | 8,306 |
| 80,137 | 72,679 |

29 Depreciation and amortisation expense

Depreciation of property, plant and equipment (refer note 4)

Amortisation of intangible assets (refer note 6)

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 2,17,783 | 2,22,800 |
| 2,19,093 | 1,90,612 |
| 4,36,876 | 4,13,412 |

30 Other expenses

Advertisement and sales promotion expense

Bad Debts

Provision for doubtful debts

Office and Software

Commission and brokerage

Communication expenses

Freight/ loading/ unloading & packing charges

Insurance Expenses

Payment to auditors*

Legal and professional fees

Power, fuel and water

Rates and taxes

Rent

Repairs and maintenance

- on others

Sub-contracting/ manpower charges

Travelling expense

Miscellaneous expenses

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 2,04,552 | 51,983 |
| 1,90,328 | 1,61,897 |
| 7,29,503 | - |
| 1,24,689 | - |
| 6,39,267 | 6,89,422 |
| 41,634 | 41,707 |
| 6,70,943 | 9,85,505 |
| 1,84,710 | 2,16,482 |
| 6,150 | 58,113 |
| 2,52,244 | 1,61,577 |
| 3,39,701 | 2,50,737 |
| 2,61,969 | 1,21,136 |
| 4,570 | - |
| 1,38,106 | 76,915 |
| 97,164 | 56,225 |
| 1,70,091 | 93,519 |
| 73,465 | 2,39,131 |
| 41,29,087 | 32,04,349 |

*** Payment to the statutory auditor**

For statutory audit #

Taxation matters

Reimbursement of expenses

Total

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 5,000 | 31,000 |
| 400 | 26,875 |
| 750 | 238 |
| 6,150 | 58,113 |

#The statutory audit fees have been paid to preceding auditor

31 Tax expense

The income tax expense consists of the following:

Particulars

Current tax expense

Deferred tax credit

Total tax expense

| For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------------------------|-------------------------------------|
| 24,932 | 9,124 |
| (3,81,510) | (2,83,950) |
| (3,56,578) | (2,74,826) |

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 21% (previous year: 21%) and the reported tax expense in profit or loss are as follows:



| | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|--|-------------------------------------|-------------------------------------|
| Accounting profit before income tax | 6,88,375 | 3,61,438 |
| At USA statutory income tax rate of 21% (31 March 2022: 21%) | 1,44,559 | 75,901 |
| Tax effect of amounts which are not deductible (taxable) in calculating taxable income: | | |
| Permanent differences | (1,12,215) | (913) |
| State tax | 9,808 | 6,171 |
| State tax true-up | 9,843 | 1,312 |
| Federal tax-true up | (11,099) | - |
| State deferred tax impact | 11,063 | 7,361 |
| Change in net operating losses (NOL) | 1,48,301 | 16 |
| Effect of current year (income) losses for which no deferred tax asset is recognized | (5,67,901) | (3,64,674) |
| Others | 11,063 | - |
| Income tax (benefit) expense recognized in income (loss) from continuing operations | (3,56,578) | (2,74,826) |

The tax rate used for years ended March 31, 2023, and March 31, 2022, reconciliation above is the corporate federal tax rate of 21% payable by corporate entities in US on taxable profits under US Tax Laws.

Based on the recent history of profitability and future profitability projections, the management believes that the deferred tax assets will be realized during the foreseeable future. However, considering the prior year losses, the management has taken a prudent approach to recognize deferred tax asset of USD 381,510 has been recognized as on March 31, 2023 (March 31, 2022 USD 283,950)

32 Earnings per equity share

| | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------------------------------------|-------------------------------------|
| a) Net profit attributable to equity shareholders | 10,44,953 | 6,36,265 |
| b) Weighted average number of common equity shares for basic EPS | 18,500 | 18,500 |
| c) Weighted average number of common and dilutive common equivalent shares* | 18,500 | 18,500 |
| d) Nominal value of shares | 10 | 10 |
| e) Earnings per share | | |
| Basic earnings per share | 56.48 | 34.39 |
| Diluted earnings per share | 56.48 | 34.39 |

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33 Financial instruments

A Financial assets and liabilities

The carrying amounts of financial instruments as at 31 March 2023:

| | As at 31 March 2023 | | Fair values hierarchy | | |
|---|---------------------|----------|-----------------------|---------|---------|
| | Amortised Cost** | FVTPL*** | Level 1 | Level 2 | Level 3 |
| Measured at | | | | | |
| Trade receivables | 8,106,417 | - | - | - | - |
| Cash and cash equivalents | 666,555 | - | - | - | - |
| Other financial assets | 6,101 | - | - | - | - |
| Total | 8,779,073 | - | - | - | - |
| Measured at | | | | | |
| Borrowings (including current maturities of non-current borrowings) | 953,368 | - | - | - | - |
| Trade payables | 6,591,144 | - | - | - | - |
| Other financial liabilities | 8,577 | - | - | - | - |
| Total | 7,553,089 | - | - | - | - |

The carrying amounts of financial instruments as at 31 March 2022:

| | As at 31 March 2022 | | Fair values hierarchy | | |
|---|---------------------|----------|-----------------------|---------|---------|
| | Amortised Cost** | FVTPL*** | Level 1 | Level 2 | Level 3 |
| Measured at | | | | | |
| Trade receivables | 6,699,680 | - | - | - | - |
| Cash and cash equivalents | 355,505 | - | - | - | - |
| Other financial assets | 91,037 | - | - | - | - |
| Total | 7,146,222 | - | - | - | - |
| Measured at | | | | | |
| Borrowings (including current maturities of non-current borrowings) | 838,809 | - | - | - | - |
| Trade payables | 7,125,559 | - | - | - | - |
| Other financial liabilities | 118,930 | - | - | - | - |
| Total | 8,083,298 | - | - | - | - |

B Fair values hierarchy

The fair value of financial instruments as referred to in note (A) above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

The categories used are as follows:

Level 1: Quoted prices for identical instruments in an active market

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and

Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

** Fair value of financial assets and liabilities measured at amortised cost approximates their respective carrying values as the management has assessed that there is no significant movement in factor such as discount rates, interest rates, credit risk from the date of the transition. The fair values are assessed by the management using Level 3 inputs.

***The financial instruments measured at FVTPL represents the following items constitutes to level 1 category and other financial liability containing derivative liability has been valued using level 2 valuation hierarchy above.

C Financial Risk Management

Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

| Risk | Exposure arising from | Measurement | Management |
|-----------------------------|---|-----------------------------|---|
| Credit risk | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost | Ageing analysis | Diversification of asset base and specified credit limits. |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |
| Market risk - foreign | Recognised financial assets and liabilities not denominated in USD | Cash flow forecasting | Forward contract, if required |
| Market risk - price risk | Investments measured at fair value | Sensitivity analysis | Diversification of investment portfolio, strategic and systematic investments |
| Market risk - Interest rate | Long-term and short-term borrowings at variable rates | Sensitivity analysis | Negotiation of terms that reflect the market factors |

The Company's risk management is carried out by a finance department (of the Company) under policies approved by the Board of directors. The Board of directors provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

1 Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.



a) Credit risk management

(i) Credit risk rating

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk

(ii) Moderate credit risk

(iii) High credit risk

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Financial assets (other than trade receivables) that expose the entity to credit risk are managed and categorised as follows:

| Basis of categorisation | Asset class exposed to credit risk | Provision for expected credit loss |
|-------------------------|--|--|
| Low credit risk | Cash and cash equivalents, other bank balances, loans and other financial assets | 12 month expected credit loss |
| Moderate credit risk | Other financial assets | Other financial assets - 12 month expected credit loss, unless credit risk has increased significantly since initial recognition, in which case allowance is measured at lifetime expected credit loss |
| High credit risk | Other financial assets | Other financial assets - Life time expected credit loss (when there is significant deterioration) or specific provision, whichever is higher |

The Company recognises lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default (net of any recoveries from the insurance companies) relevant to each business segment based on the criteria defined above and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for).

Financial assets (other than trade receivables) that expose the entity to credit risk (Gross exposure):

| Particulars | As at 31 March 2023 | As at 31 March 2022 |
|---|---------------------|---------------------|
| - Low credit risk on financial reporting date | | |
| Cash and cash equivalents | 666,555 | 355,505 |
| Other financial assets | 6,101 | 91,037 |

Cash & cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Trade receivables and loans

Life time expected credit loss is provided for trade receivables. Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost includes export benefits receivables, bank deposits with maturity of more than 12 months and other receivables. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensure the amounts are within defined limits.

(ii) Expected credit losses

i) Financial assets (other than trade receivables)

Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.

- For cash & cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.

- For loans - Credit risk for loan given to subsidiaries are evaluated on an individual basis by the management after considering the future cash flows expected to be derived. Credit risk for security deposits and loans is considered low because the Company is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured. Credit risk in respect of other financial assets is considered as very low.

| As at 31 March 2023 | Gross carrying amount | Expected credit losses | Carrying amount net of impairment provision |
|---------------------------|-----------------------|------------------------|---|
| Cash and cash equivalents | 666,555 | - | 666,555 |
| Other financial assets | 6,101 | - | 6,101 |

| As at 31 March 2022 | Gross carrying amount | Expected credit losses | Carrying amount net of impairment provision |
|---------------------------|-----------------------|------------------------|---|
| Cash and cash equivalents | 355,505 | - | 355,505 |
| Other financial assets | 91,037 | - | 91,037 |



ii) Expected credit loss for trade receivables under simplified approach

The Company recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Company has defined percentage of provision by analysing historical trend of default based on the criteria defined below and such provision percentage determined have been considered to recognise life time expected credit losses on trade receivables (other than those where default criteria are met in which case the full expected loss against the amount recoverable is provided for). Further, the Company has evaluated recovery of receivables on a case to case basis where these related parties will be able to generate adequate positive cash flows for payment of their dues to the Company. Hence, no provision on account of expected credit loss model has been considered for such related party balances.

| As at 31 March 2023 | Gross carrying amount- trade receivables | Expected loss rate | Expected credit loss |
|-----------------------------|--|--------------------|----------------------|
| Unrelated | | | |
| Not Due | 5,582,743 | 0.36% | 20,000 |
| Less than 6 Months past due | 2,154,137 | 0.00% | - |
| 6 Months to 1 Year past due | 268,253 | 0.00% | - |
| 1 Year to 2 Year past due | 770,710 | 84.26% | 649,426 |
| 2 Year to 3 Year past due | 40,628 | 100.00% | 40,628 |
| More than 3 Years past due | 294,190 | 100.00% | 294,190 |
| Total | 9,110,660 | | 1,004,243 |

| As at 31 March 2022 | Gross carrying amount- trade receivables | Expected loss rate | Expected credit loss |
|-----------------------------|--|--------------------|----------------------|
| Unrelated | | | |
| Not Due | 3,355,774 | 0.00% | - |
| Less than 6 Months past due | 2,910,445 | 4.67% | 136,034 |
| 6 Months to 1 Year past due | 247,982 | 70.00% | 173,587 |
| 1 Year to 2 Year past due | 40,227 | 100.00% | 40,227 |
| 2 Year to 3 Year past due | 145,252 | 100.00% | 145,252 |
| Total | 6,699,680 | | 495,100 |

Reconciliation of loss allowance provision from beginning to end of reporting period:

| Reconciliation of loss allowance | Trade receivables |
|---|-------------------|
| Loss allowance on 01 April 2021 | 274,976 |
| Add: Changes in loss allowances due to recover from receivables | (236) |
| Loss allowance on 31 March 2022 | 274,740 |
| Add: Changes in loss allowances due to recover from receivables | 729,503 |
| Loss allowance on 31 March 2023 | 1,004,243 |

2 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) 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.

Refer note 36 for maturities of lease liabilities

| As at 31 March 2023 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|------------------|-----------|-----------|-------------------|-----------|
| Borrowings (including current maturities of non-current borrowings and excluding lease liabilities) | 13,550 | 795,608 | 13,550 | 22,819 | 845,527 |
| Trade payables | 6,591,144 | - | - | - | 6,591,144 |
| Other financial liabilities | 8,577 | - | - | - | 8,577 |
| Total | 6,613,271 | 795,608 | 13,550 | 22,819 | 7,445,248 |

| As at 31 March 2022 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|------------------|-----------|-----------|-------------------|-----------|
| Borrowings (including current maturities of non-current borrowings and excluding lease liabilities) | - | 724,138 | - | - | 724,138 |
| Trade payables | 7,082,078 | - | 21,817 | 21,664 | 7,125,559 |
| Other financial liabilities | 118,930 | - | - | - | 118,930 |
| Total | 7,201,008 | 724,138 | 21,817 | 21,664 | 7,968,627 |

3 Market risk

i) Foreign currency risk

Since majority of transactions are in USD, the Company is not significantly exposed to foreign currency risk.

4 Interest rate risk

i) Liabilities

Since the Company has no variable interest rate borrowings, the Company is not significantly exposed to interest rate risk.



34 Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

| (a) Debt equity ratio | | |
|---------------------------------|---------------------|---------------------|
| Particulars | As at 31 March 2023 | As at 31 March 2022 |
| Net debt* | 953,368 | 838,809 |
| Total equity | 5,000,997 | 3,949,107 |
| Net debt to equity ratio | 19.06% | 21.24% |

* Net Debts included borrowing and lease liability

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35 Related party transactions**

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

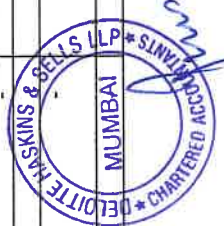
(i) Parent companies
Jash Engineering Limited

(ii) Subsidiary companies
Rodney Hunt Inc

(iii) Key management personnel
Mr. Pratik Patel, Director
Mr. D T Manwani, Director
Mr. Ranjit Nair, President

(iv) Transactions with related parties during the year

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested entity having significant influence over the Company | | Total | |
|--|----------------------|---------------|--|---------------|--|---------------|---------------|---------------|
| | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 |
| Managerial remuneration (refer note 42) | | | | | | | | |
| Ranjit Nair | | | 6,80,466 | 4,98,154 | - | - | 6,80,466 | 4,98,154 |
| | | | 6,80,466 | 4,98,154 | - | - | 6,80,466 | 4,98,154 |
| Purchase of Goods | | | | | | | | |
| Jash Engineering Limited | 66,74,130 | 58,35,219 | - | - | - | - | 66,74,130 | 58,35,219 |
| | 66,74,130 | 58,35,219 | | | | | 66,74,130 | 58,35,219 |
| Purchase of Fixed Assets | | | | | | | | |
| Jash Engineering Limited | - | 1,75,000 | - | - | - | - | - | 1,75,000 |
| | - | 1,75,000 | | | | | - | 1,75,000 |
| Re-work charges | | | | | | | | |
| Jash Engineering Limited | 2,34,890 | 2,49,145 | - | - | - | - | 2,34,890 | 2,49,145 |
| | 2,34,890 | 2,49,145 | | | | | 2,34,890 | 2,49,145 |
| Share options issued by parent company | | | | | | | | |
| Jash Engineering Limited | 6,938 | 3,424 | - | - | - | - | 6,938 | 3,424 |
| | 6,938 | 3,424 | | | | | 6,938 | 3,424 |
| Interest expense | | | | | | | | |
| Jash Engineering Limited | 57,920 | 53,640 | - | - | - | - | 57,920 | 53,640 |
| | 57,920 | 53,640 | | | | | 57,920 | 53,640 |
| Additional capital contribution from Parent Company | | | | | | | | |
| Jash Engineering Limited | - | 25,00,000 | - | - | - | - | - | 25,00,000 |
| | - | 25,00,000 | | | | | - | 25,00,000 |
| Expenses incurred by Parent company on behalf of related party | | | | | | | | |
| Jash Engineering Limited | 639 | - | - | - | - | - | 639 | - |
| | 639 | - | | | | | 639 | - |



** Transactions with related parties are at arm's length.

Jash USA, Inc.
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023
(All amounts in United States Dollar, unless otherwise stated)

35 Related party transactions (continued)

(vi) Year end balances

| Particulars | Parent Company 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 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 | 31 March 2023 | 31 March 2022 | 31 March 2022 |
| Trade receivables | | | | | | | | | |
| Jash Engineering Limited | 98,992 | 1,85,586 | - | - | - | - | 98,992 | 1,85,586 | 1,85,586 |
| | 98,992 | 1,85,586 | - | - | - | - | 98,992 | 1,85,586 | 1,85,586 |
| Borrowing (including interest accrued) | | | | | | | | | |
| Jash Engineering Limited | 7,82,058 | 7,24,138 | - | - | - | - | 7,82,058 | 7,24,138 | 7,24,138 |
| | 7,82,058 | 7,24,138 | - | - | - | - | 7,82,058 | 7,24,138 | 7,24,138 |
| Trade payables | | | | | | | | | |
| Jash Engineering Limited | 60,21,113 | 67,08,165 | - | - | - | - | 60,21,113 | 67,08,165 | 67,08,165 |
| | 60,21,113 | 67,08,165 | - | - | - | - | 60,21,113 | 67,08,165 | 67,08,165 |

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36 Lease related disclosures**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 | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|-------------------|-------------------------------------|-------------------------------------|
| Short-term leases | 4,570 | - |

B Total cash outflow for leases for the year ended 31 March 2023 was USD 80,116 (31 March 2022: USD 54,283).

C Maturity of lease liabilities

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

| Gross lease payments | Minimum lease payments due | | | | | | Total |
|----------------------|----------------------------|-----------|-----------|-----------|-----------|-------------------|----------|
| | Within 1 year | 1-2 years | 2-3 years | 3-4 years | 4-5 years | More than 5 years | |
| 31 March 2023 | 90,284 | 22,707 | - | - | - | - | 1,12,991 |
| 31 March 2022 | 42,634 | 39,922 | 9,527 | | | | 92,083 |

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37 Revenue from Contracts with Customers

The Company supplies various category of goods along with installation services. The revenue in respect of these is recognised on point in time basis when the control of goods is transferred to the customer. Following are the major category of products supplied by the Company.

Description of nature of goods sold

- (i) Castings
- (ii) Screening equipment
- (iii) Sluice gate
- (iv) Valves and valves components
- (v) Process Equipments
- (vi) Fabricated Gates

Sale of services includes installation charges in respect of sale of goods.

(a) Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by geography and timing of recognition.

For the year ended 31 March 2023

| Revenue from contracts with customers | Goods | Services | Total |
|---------------------------------------|-------------------|---------------|-------------------|
| Revenue by geography | | | |
| Domestic | 19,217,345 | 79,635 | 19,296,980 |
| Export | 294,922 | - | 294,922 |
| Total | 19,512,267 | 79,635 | 19,591,902 |
| Revenue by time | | | |
| Revenue recognised at point in time | 19,512,267 | 79,635 | 19,591,902 |
| Revenue recognised over time | - | - | - |
| Total | 19,512,267 | 79,635 | 19,591,902 |

For the year ended 31 March 2022

| Revenue from contracts with customers | Goods | Services | Total |
|---------------------------------------|-------------------|---------------|-------------------|
| Revenue by geography | | | |
| Domestic | 17,656,501 | 84,988 | 17,741,489 |
| Export | - | - | - |
| Total | 17,656,501 | 84,988 | 17,741,489 |
| Revenue by time | | | |
| Revenue recognised at point in time | 17,656,501 | 84,988 | 17,741,489 |
| Revenue recognised over time | - | - | - |
| Total | 17,656,501 | 84,988 | 17,741,489 |

(b) Assets and liabilities related to contracts with customers

| Description | As at 31 March 2023 | As at 31 March 2022 |
|--|---------------------|---------------------|
| | Current | Current |
| Contract liabilities related to sale of goods | | |
| Advance from customers* | 2,166,676 | 538,045 |

*Advance from customers are contract liabilities, where Invoice has been issued and performance obligations are not yet satisfied.

(c) Significant change in contract liabilities

| Description- Advance from customers | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------------------------------------|-------------------------------------|
| Opening | 538,045 | 1,095,380 |
| Less: Goods and services delivered during the period against opening contract liabilities | (3,447,079) | (3,855,629) |
| Add: Advances received during the period | 5,075,710 | 3,298,294 |
| Closing balance | 2,166,676 | 538,045 |

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(d) Reconciliation of revenue recognised in Statement of Profit and Loss with Contract price

| Description | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------------------------------------|-------------------------------------|
| Contract price | 19,591,902 | 17,741,489 |
| Revenue from operations as per Statement of Profit and Loss | 19,591,902 | 17,741,489 |

- (e) Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to Statement of Profit and Loss.
- (f) At the end of the financial year, there are no unsatisfied performance obligation for the contracts with original expected period of satisfaction of performance obligation of more than one year.

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38 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.

The date of grant for the above-mentioned options is February 14, 2020, and the exercise price of the same is INR 118.64.

Set out below is a summary of options granted under the plan:

| | For the year ended 31 March 2023 | | For the year ended 31 March 2022 | |
|---------------------------|---|-------------------|--|-------------------|
| | Average exercise price per share option (INR) | Number of options | Average exercise price per share option (INR) | Number of options |
| Opening balance | 118.64 | 11,900 | 118.64 | 15,300 |
| Granted during the year | - | 5,100 | - | 3,400 |
| Exercised during the year | - | 5,100 | - | 3,400 |
| Lapsed during the period | - | - | - | - |
| Closing balance | | 6,800 | | 11,900 |
| Vested and exercisable | - | - | - | - |

(b) 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:

| Particulars | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------------------------------------|-------------------------------------|
| Employee option plan | 6,938 | 3,424 |
| Total employee share-based payment expense | 6,938 | 3,424 |

On the basis of the pronouncements of Ind AS 102, the Company has an option to either record the same as liability, payable to the parent company or the same should be considered as contribution to reserves by the parent company. The Company elects to consider the same as contribution made by the parent company. As a result of which, there has been an addition to reserves amounting to USD 6,938 and USD 3,424 during the year ended March 31, 2023, and March 31, 2022, respectively.

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Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in United States Dollar, unless otherwise stated)

39 Ratios to disclosed as per requirement of Schedule III to the Act

| Particulars | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|--|-------------------------------------|-------------------------------------|
| a. Current ratio | | |
| Current assets (Numerator) | 1,13,40,598 | 97,27,224 |
| Current liabilities (Denominator) | 90,90,421 | 79,42,449 |
| Current ratio | 1.25 | 1.22 |
| % Change as compared to the preceding year | 1.86% | -13.91% |
| b. Debt-equity ratio | | |
| Total debt (Numerator) | 9,53,368 | 8,38,809 |
| Shareholder's equity (Denominator) | 50,00,997 | 39,49,107 |
| Debt-equity ratio | 0.19 | 0.21 |
| % Change as compared to the preceding year | -10.25% | 3.56% |
| c. Debt service coverage ratio | | |
| Earnings available for debt service (Numerator) * | 14,94,022 | 10,60,410 |
| Debt service (Denominator) # | 84,396 | 54,283 |
| Debt service coverage ratio | 17.70 | 19.53 |
| % Change as compared to the preceding year | -9.38% | -14.40% |
| * Earning for Debt Service = Net Profit after taxes + Interest expense + Depreciation | | |
| # Debt service = Interest and Lease payments + Principal repayments | | |
| d. Return on equity ratio | | |
| Profit / (loss) for the period/year (Numerator) | 10,44,953 | 6,36,265 |
| Shareholder's equity (Denominator) | 50,00,997 | 39,49,107 |
| Return on equity | 0.21 | 0.16 |
| % Change as compared to the preceding year | 29.69% | -20.96% |
| Explanation for change in the ratio as compared to the preceding year: | | |
| During the year company received Employee retention credit from US federal government resulting in higher return on equity | | |
| e. Inventory turnover ratio | | |
| On Raw material | | |
| Cost of goods sold (Numerator) | 1,02,08,750 | 97,67,056 |
| Average inventory of raw materials and stores and spares (Denominator) * | 11,97,260 | 8,35,290 |
| Inventory turnover ratio | 8.53 | 11.69 |
| % Change as compared to the preceding year | -27.08% | 33.45% |
| Explanation for change in the ratio by more than 25% as compared to the preceding year: | | |
| Higher raw material maintained by the company to cater higher US made products demand. | | |
| On Finished goods and Work in progress | | |
| Revenue from operations (Numerator) | 1,95,91,902 | 1,77,41,489 |
| Average inventory of finished goods and work in progress (Denominator) * | 12,33,823 | 17,31,778 |
| Inventory turnover ratio | 15.88 | 10.24 |
| % Change as compared to the preceding year | 55.00% | 13.96% |
| * Average inventory = (Opening balance + Closing balance / 2) | | |
| Explanation for change in the ratio by more than 25% as compared to the preceding year: | | |
| Last year India Made FG was kept at a higher value however its marketability and use has been evidently reduced resulting to a lower valuation | | |
| g. Trade receivables turnover ratio | | |
| Net sales (Numerator) | 1,95,91,902 | 1,77,41,489 |
| Average trade receivable (Denominator) * | 74,03,048 | 58,65,462 |
| Trade receivables turnover ratio | 2.65 | 3.02 |
| % Change as compared to the preceding year | -12.51% | 10.65% |
| * Average trade receivables = (Opening balance + Closing balance / 2) | | |
| h. Trade payables turnover ratio | | |
| Purchases (Numerator) | 1,05,91,105 | 1,01,08,640 |
| Average trade payable (Denominator) * | 68,58,352 | 76,94,276 |
| Trade payables turnover ratio | 1.54 | 1.31 |
| % Variance | 17.54% | 14.40% |
| * Average trade payables = (Opening balance + Closing balance / 2) | | |



Jash USA, Inc.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in United States Dollar, unless otherwise stated)

| Particulars | For the year ended 31 March 2023 | For the year ended 31 March 2022 |
|---|-------------------------------------|-------------------------------------|
| i. Net capital turnover ratio | | |
| Net sales (Numerator) | 1,95,91,902 | 1,77,41,489 |
| Working capital (Denominator) * | 22,50,178 | 17,84,775 |
| Net capital turnover ratio | 8.71 | 9.94 |
| % Change as compared to the preceding year | -12.41% | 34.10% |
| * Working capital = Total Current assets - Total Current liabilities | | |
| Explanation for change in the ratio by more than 25% as compared to the preceding year: | | |
| j. Net profit ratio | | |
| Profit / (loss) for the period/year (Numerator) | 10,44,953 | 6,36,265 |
| Net sales (Denominator) | 1,95,91,902 | 1,77,41,489 |
| Net profit ratio | 0.05 | 0.04 |
| % Change as compared to the preceding year | 48.72% | -24.54% |
| Explanation for change in the ratio by more than 25% as compared to the preceding year: | | |
| Sales have increased in current year showcasing healthy conversion of increased order booking. However, there is also an offset of revenue increase by increase in expense like marketing expense and employee benefit expense. During the year company also received Employee retention credit from US federal government resulting in higher return on equity | | |
| k. Return on capital employed | | |
| Earning before interest and taxes (Numerator) | 7,48,372 | 4,34,117 |
| Capital employed (Denominator)* | 58,46,523 | 47,87,916 |
| Return on capital employed | 0.13 | 0.09 |
| % Change as compared to the preceding year | 41.18% | -23.83% |
| * Capital Employed = Total equity + Total debt | | |
| Explanation for change in the ratio as compared to the preceding year: | | |
| During the year company received Employee retention credit from US federal government resulting in higher return on equity | | |
| l. Return on investment | | |
| Profit before taxes (Numerator) | 6,88,375 | 3,61,438 |
| Total Assets (Denominator) | 1,49,49,252 | 1,26,63,645 |
| Return on investment | 0.05 | 0.03 |
| % Change as compared to the preceding year | 61.34% | -27.06% |
| Explanation for change in the ratio by more than 25% as compared to the preceding year: | | |
| During the year company received Employee retention credit from US federal government resulting in higher return on equity | | |

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40 Segment Reporting

The Company has opted to provide segment information in its consolidated Ind AS financial statement in accordance with para 4 of Ind AS 108 - Operating Segments.

41 Additional regulatory information not disclosed elsewhere in the financial statements

- a) The Company does not have any Benami property and no proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- b) The Company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.
- c) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
- d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- f) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- g) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- h) The Company does not have any transactions with struck off companies.
- i) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- j) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- k) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) 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
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- l) The Company has not any banking facility which required to file returns or statements of current assets

42 Directors remuneration:

| Description | 31 March 2023 | 31 March 2022 |
|---------------------------|-----------------|-----------------|
| Salaries, wages and bonus | 6,80,466 | 4,98,154 |
| Total | 6,80,466 | 4,98,154 |

- 43 Rodney Hunt Inc. is a wholly owned subsidiary of Jash USA Inc, incorporated with no capital. As there are no transactions, the management has not maintained/prepared separate books of accounts of Rodney Hunt Inc. and hence, the management has prepared standalone books of accounts of Jash USA Inc. which includes nil transactions of Rodney Hunt Inc. Therefore, It is impracticable to disclose the above note separately for Rodney Hunt Inc. Hence, the disclosure for Rodney Hunt Inc. has been included with Jash USA Inc.

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(All amounts in United States Dollar, unless otherwise stated)

- 44** The financial statements of the Company for the year ended March 31, 2022, were audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 25, 2022.
- 45** The Company has evaluated subsequent events and transactions that occurred after the balance sheet date up to May 23, 2023, the date the financial statements were available to be issued. Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

This is a Summary of Significant accounting policies and other explanatory information referred to in our report of even date

For **Deloitte Haskins & Sells LLP**

Chartered Accountants

Firm's Registration No. 117366W/W-100018

Pallavi Sharma

Pallavi Sharma

Partner

Membership No. 113861

Place: Indore

Date: 23 May 2023



For and on behalf of Board of Directors of
Jash USA, Inc.

Pratik Patel

Pratik Patel

Director

Place: Indore

Date: 23 May 2023

D. T. Manwani

D. T. Manwani

Director