

47th ANNUAL REPORT 2020-21



CONTRIBUTING TO A SUSTAINABLE ENVIRONMENT

JASH ENGINEERING LIMITED





JASH ENGINEERING LIMITED

CIN : L28910MP1973PLC001226

Board of Directors

Mr. Pratik Patel (Chairman & Managing Director)
Mr. Suresh Patel (Executive Director)
Mr. Axel Schutte (Director)
Mr. Vishwapati Trivedi (Independent Director)
Mr. Durgalal Tuljaram Manwani (Independent Director)
Mr. Brij Mohan Maheshwari (Independent Director)
Mr. Sunil Choksi (Independent Director)
Ms. Sunita Kishnani (Independent Director)
Mr. Dharmendra Jain (Chief Financial Officer)
Mr. Tushar Kharpade (Company Secretary)

Bankers

State Bank of India
Commercial Branch, GPO, Indore - 452 001 (M.P.)
HDFC Bank Ltd.
South Tukoganj Branch,, Indore - 452 001 (M.P.)
AXIS Bank Ltd.
Yashwant Niwas Road, Indore - 452 001 (M.P.)

Statutory Auditors

Walker Chandiook & Co. LLP
(Formerly Walker Chandiook & Co.)
Chartered Accountants
21st Floor, DLF Square, Jacaranda Marg
DLF Phase-II, Gurgaon-122 002. India

Internal Auditors & Corporate Advisors

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

Cost Auditors

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

Secretarial Auditor

CS Ankit Joshi
15/5, Snehlataganj,
Indore 452 001

Registrar and Share Transfer Agent

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

47th Annual General Meeting

at 11:00 am on Thursday, 16th September, 2021
At the Registered Office of the Company

CHAIRMAN'S SPEECH



Dear Shareholders,

I warmly welcome you all to the 47th Annual General Meeting of Jash Engineering Limited. I hope you and your family are keeping well and taking the necessary measures to protect yourselves during these unprecedented times induced by the COVID-19 pandemic. On behalf of the Board of Directors, it is my privilege to present to you our Annual Report for the fiscal year ended March 31, 2021.

Despite a challenging economy, the Company delivered a healthy performance by focusing on margins and export business. We are glad that the improvement in profitability was in line with the guidance provided by us before. The Company has reported Revenue and EBITDA of Rs. 302 crore and Rs. 55 crore in FY 2020-21 as against Rs. 286 crore and Rs. 46 crore respectively for FY 2019-20. Consolidated net profit stood at Rs. 31 crore against the previous year's profit of Rs. 20 crore. Our US subsidiary Rodney Hunt has reported substantial growth of 24% over last year by achieving close to \$14 million in revenue. Though we have reported minor losses at Rodney Hunt, we are sure of becoming profitable in the coming fiscal year.

The Company has maintained its leadership position and continues to have a strong order book on the back of a robust demand environment for its products globally. As on August 1, 2021, the total outstanding consolidated order book position is Rs. 468.00 crore, out of which orders worth Rs. 174.00 crore are for the Indian market and orders worth Rs. 294.00 crore are for markets outside India. In addition to these consolidated orders worth Rs. 43.29 crore have been negotiated with clients and formal purchase orders are awaited.

In the current financial year, the Company has decided to strongly focus on Disc Filter which is a new product recently added by it in its product portfolio. Disc Filters gives the Company entry into the growing business of equipment for improved wastewater quality before discharge of waste water & effluents to water bodies. I am glad to inform you that the Company has already received brand approval for Disc Filters in 6 cities of India and is expected to receive brand approval in 6 more cities before the end of the fiscal year 2021-22. I am pleased to inform that the company has also received the first order for two machines for a project in the city of Ranchi. These machines will be made in India and with this the Company will become the first producer of this equipment in India.

Furthermore, Infrastructural and production facility enhancement in Unit 1 Unit 2 which was scheduled to be completed by June 2021, will now be completed by Sept 2021. Phase 1 expansion at SEZ Unit 3 will now be over by Oct. 2021. The delays are on account of shutdown in MP due to covid in April and May 2021, during which all civil works were banned. Phase 2 expansion at SEZ Unit 3 comprising the construction of assembly and paint plant is expected to complete by November 2021 as scheduled. These expansions and facility enhancement will tremendously boost the manufacturing capability in export as well as domestic plants and significantly reduce the dependency of export business on domestic manufacturing facility. This would in future pave way for domestic as well as export business to independently plan their growth.

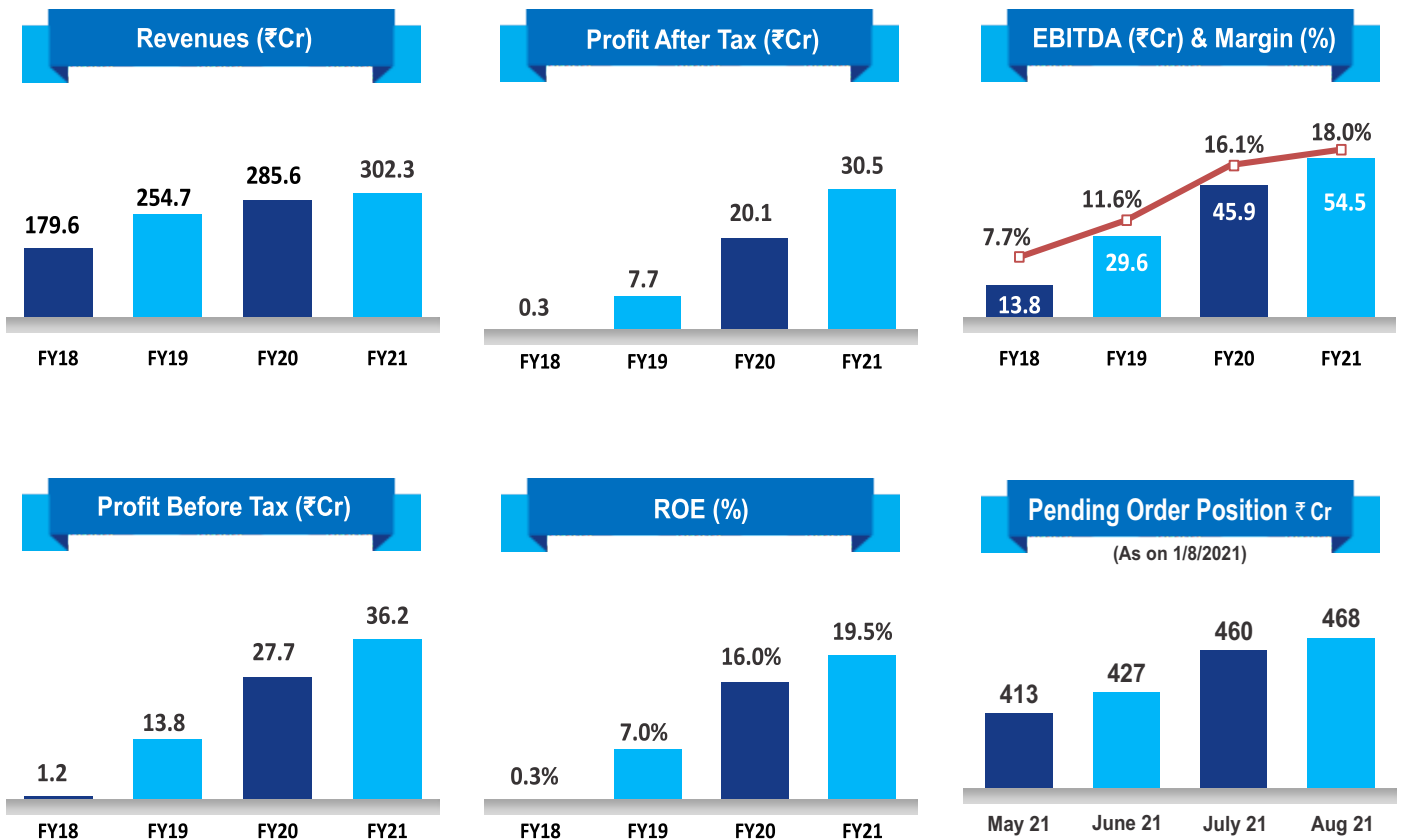
To summarize, despite seven weeks stoppage due to the pandemic, the Company could achieve healthy performance. Though the current pandemic situation and the second wave has been more terrible than the first one, I expect a better outlook for FY 2021-22. I hope the current crisis subsides and that normalcy return by the end of this calendar year as the vaccination rate picks up in the country.

I would also like to bring to your notice that the Company has come with ESOP plan for its employees and now 120 employees are partners to the organization. With their involvement in the Company's growth we are looking for significant improvement in all aspects of the Company.

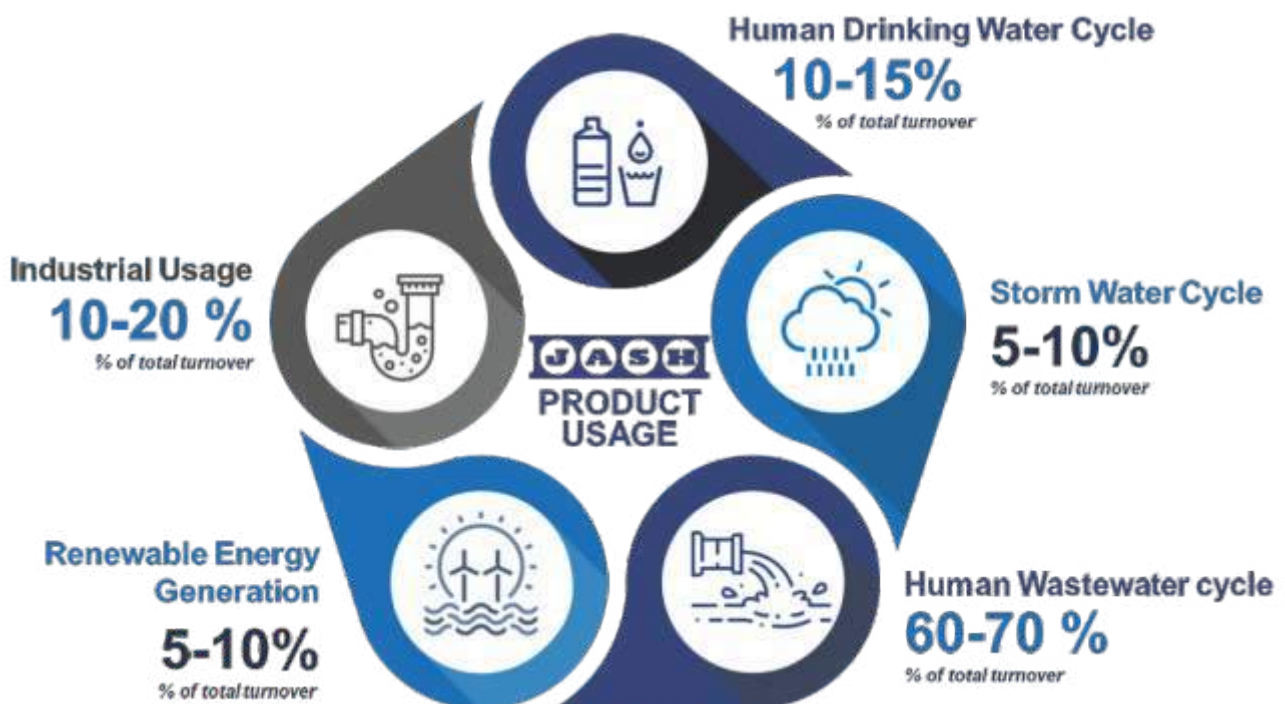
I would like to show my gratitude towards the Board and the entire team for their continued support and belief. I would also like to take this opportunity to thank all our investors, customers, banks, vendors and all other stakeholders for their constant support.

With best regards,
Mr. Pratik Patel
Chairman & Managing Director

CONSOLIDATED FINANCIAL SNAPSHOT



PRODUCT USAGE



NOTICE

NOTICE is hereby given that the Forty Seventh Annual General Meeting (“47th AGM”) of Jash Engineering Limited will be held on Thursday, 16th September, 2021 at 11.00 A.M (IST), through Video Conferencing / Other Audio-Visual Means (“VC” / “OAVM”) Facility to transact the following business(es):

Ordinary Businesses:

1. To receive, consider and adopt:
 - a. Audited standalone financial statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors’ and Auditor’s thereon;
 - b. Audited consolidated financial statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditor’s thereon.
2. To consider and declare Final Dividend of 32% on the face value of equity shares for the year 2020-21.
3. To ratify the appointment M/s Walker Chandiook & Co. LLP, Chartered Accountants (Firm Reg. No. 001076N/N500013), Gurgaon as Auditors of the Company for the period commencing from the conclusion of this Annual General Meeting till the conclusion of the 48th Annual General Meeting and to fix their remuneration.

In this connection if thought fit, to consider and pass the following resolution:

“RESOLVED THAT pursuant to provisions of section 139, 142 and all other provisions if any of Companies Act, 2013 & rules framed thereunder as amended from time to time. The company hereby ratifies the appointment of M/s Walker Chandiook & Co. LLP Chartered Accountants, Gurgaon (Firm Reg. No. 001076N/N500013) as auditors of the company for the financial year 2021-22 and to hold office from the conclusion of this Annual General Meeting up to the conclusion of the 48th Annual General Meeting and that the Board of Directors be and are hereby authorised to fix the remuneration that may be paid in respect of the audit.”

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

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

Special Businesses:

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

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) subject to any modification and re-enactment thereof and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), approval, the consent, sanction, permission or approval as the case may be of the members of the company be and is hereby accorded to the board of directors to enter into any contract or arrangements with related parties on behalf of Jash Engineering Limited and its subsidiary as defined under the Act with respect to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or reimbursement of any transaction or any other transaction of whatever nature with related parties as per details shared in the Enclosure II to this Notice and Explanatory Statement attached thereto, for the period commencing from the date of the 47th AGM and ending at the date of the 48th AGM.

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

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

"RESOLVED that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of the Cost Auditors for the Company, made by the Board of Directors of the Company, to conduct the audit of the cost records of the company for the financial year ending March 31, 2022, be and is hereby ratified and approved and the cost auditors for the said audit, be paid the remuneration as set out in the statement annexed to the Notice convening this Meeting. "

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

7. To consider re-appointment of Mr. Pratik Patel, Managing Director (DIN 00780920) of the company and if thought fit, pass the following resolution as an Special Resolution, with or without modification(s):

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions if any, read with Schedule V of the Companies Act, 2013 ('Act') and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended and other applicable provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard and the relevant provision of Article of Association of the Company, pursuant to recommendation of the Nomination and Remuneration Committee, approval of Shareholders of the Company, be and is hereby accorded for re-appointment of Mr. Pratik Patel, as a Managing Director (DIN 00780920) of the Company for a period of five (5) years, with effect from 1st March, 2022 upto 28th February 2027 on the terms and conditions as annexed in this Notice and specifically approved with powers to alter, amend, vary and modify the terms and conditions as they deem fit in such manner and within the limits prescribed under Schedule V to the said Act or any statutory amendment(s) and/or modification(s) thereof."

"RESOLVED FURTHER THAT notwithstanding to the above, in the event of any loss or inadequacy of profits in any financial year of the Company during the tenure of Mr. Pratik Patel as a Managing Director (DIN 00780920) of the Company, the remuneration payable to him shall be in accordance with the limits prescribed in Schedule V read with Sections 196 and 197 to the Companies Act, 2013 and subject to the approval of the Central Government / Members at the General Meeting, if required, as amended from time to time subject to the compliance of provisions thereof but in any event shall not exceed the remuneration payable as provided in the terms and conditions and/or Agreement when the profits of the Company are adequate."

"RESOLVED FURTHER THAT Mr. Pratik Patel, Managing Director (DIN 00780920) of the Company be and is hereby authorised, empowered and vested with the substantial powers of the Management of the Company for carrying out the affairs and activities of the Company subject to the superintendence, control and direction of the Board of Directors of the Company."

"RESOLVED FURTHER THAT the Board of Directors (which term shall, unless repugnant to the context or meaning thereof, be deemed to include a duly authorised 'Committee' thereof) be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

FURTHER RESOLVED THAT a copy of the above resolutions be furnished to the all concerned authorities certified as true copy by Mr. Tushar Kharpade Company Secretary of the Company and that the concerned authorities are authorised to act and rely upon these resolutions."

8. Continuation of directorship of Mr. Durgalal Tuljaram Manwani, Independent Director (DIN: 07114081) in terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. To consider, and if thought fit, to pass, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable provisions of the Companies Act, 2013 and relevant Rules framed thereunder (including any statutory modification(s) / amendment(s) / re-enactment(s) thereto), Mr. Durgalal Tuljaram Manwani (DIN: 07114081), Non-Executive Independent Director of the Company, will attained the age of 75 years on 1st March, 2022, whose present term of office is for 5 (five) years,

approved by the members of the Company at their Extra Ordinary General Meeting held on August 28, 2017 till August 24, 2022, and whose continuation of office requires approval of Members by way of Special Resolution being more than 75 years of age w.e.f. March 01, 2022, approval of the Members of the Company be and is hereby accorded for the continuation of directorship of Mr. Durgalal Tuljaram Manwani as a 'Non-Executive Independent Director' of the Company, to hold office for his remaining term with effect from March 01, 2022 upto August 24, 2022, not liable to retire by rotation."

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

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

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

**Date: 13 August 2021
Place: Indore**

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its Circular No. 02/2021 dated January 13, 2021 read with Circular No. 20 dated May 05, 2020, Circular No. 14 dated April 08, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as 'MCA Circulars') permitted the holding of Annual General Meeting through Video Conference (VC) or Other Audio-Visual Means (OAVM) without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.
2. The relative explanatory statement pursuant to Sec. 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of Notice.
3. Pursuant to the provisions of the Companies Act, 2013, a member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote thereat instead of himself, on a poll. However, this AGM is being held pursuant to the MCA Circulars through VC/OAVM, the physical attendance of Members has been dispensed with. Accordingly the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to ankitjoshi0811@gmail.com with a copies marked to the Company at info@jashindia.com and to the Registrar and Transfer Agent at rnt.helpdesk@linkintime.co.in.
5. In terms of Section 101 of the Act and Rule 18 of the Companies (Management and Administration) Rules, 2014, the Notice of AGM and other documents including the Annual Report are being sent in electronic mode by e-mail to those shareholders who have furnished their e-mail address in their demat accounts. However, Members may please note that they will be entitled to a hard copy of the Annual Report of the company and all attachments thereto upon receipt of a requisition, free of cost. Members interested to receive the documents in physical form may please give the intimation to the Company's Registrar Link Intime India Pvt. Ltd. at the earliest, duly quoting the demat A/c details. Alternatively, the request, duly quoting the Demat A/c details, may be sent by email at email id rnt.helpdesk@linkintime.co.in. The company would also make available these documents on the Company's website viz., www.jashindia.com for perusal and download by the shareholders. Also, the physical copies of Annual Report would be available at the Registered Office of the Company for inspection during office hours.
6. Book Closure and Record Date: The Register of Members and the Share Transfer Books of the Company will be closed from Friday, September 10th, 2021 to Thursday, September 16th, 2021 (both days inclusive). The dividend, if declared at the AGM, will be paid in accordance of the Act, Regulations to those persons:
 - (a) whose names appear as beneficial owners at the end of the business hours on Thursday, September 9th, 2021 in the list of beneficial owners to be furnished by the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form; and
 - (b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer Agents on or before Thursday, September 9th, 2021.
7. Company will be making the dividend payment by electronic mode wherever possible and by dividend warrant/ Bank demand drafts in other cases. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership details furnished by the Depositories (NSDL & CDSL) as at the close of business hours on Thursday, September 9th, 2021 for this purpose. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant of the Members. Members who have changed their bank account after opening the Depository Account and want to receive dividend in an account other than the one specified while opening the Depository Account, are requested to change / correct their bank account details (including the nine digit Bank code) with their Depository Participant, before Thursday, September 9th, 2021.
8. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the

prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2021 and amendments thereof. The shareholders are requested to update their PAN with the Company/Link Intime (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H or Lower Withholding Certificate (if obtained from the Tax department), to avail the benefit of non-deduction/ lower deduction of tax at source by writing an email to Jashdivtax@linkintime.co.in on or before 11:59 p.m. IST on September 7th, 2021. The shareholders are requested to note that in case their PAN is not registered/ updated the tax will be deducted at a higher rate of 20% (plus Surcharge and Cess as applicable).

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment (PE) and Beneficial Ownership Declaration, Tax Residency Certificate (TRC), Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to Jashdivtax@linkintime.co.in. The aforesaid declarations and documents need to be submitted by the shareholders on or before 11:59 p.m. IST on September 7th, 2021. The formats of No Permanent Establishment Declaration (including beneficial ownership) and Form 10F are available on Link Intime's website at <https://www.linkintime.co.in/client-downloads.html>. Tax Residency Certificate (TRC) needs to be obtained by the shareholder from the Tax Department of their country of residence. Non-resident shareholders shall also furnish the lower/nil withholding certificate, if obtained from the Tax Department.

9. Unclaimed Dividend: Transfer to Investor Education and Protection Fund: Members are hereby informed that under the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ("the Fund") established by the Central Government. Further, pursuant to the provisions of section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividend remain unpaid / unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period.
10. Change of particulars including address, bank mandate & nomination for shares held in demat form, should be notified only to the respective Depository Participants where the member has opened his demat account. The Company or its Share Transfer Agent will not be able to act on any direct request from these Members for change of such details. However, for any change in particulars in respect of shares held in physical form should be sent to the Registrar & Share Transfer Agents of the Company i.e., Link Intime India Private Limited at following address:

Link Intime India Private Limited
C 101, 247 Park,
L. B. S. Marg, Vikhroli (West),
Mumbai, Maharashtra, 400 083
11. Non- Resident Indian Shareholders are requested to inform the Company immediately the change in the residential status on return to India for permanent settlement.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Sundays and Public Holidays) during business hours up to the date of the Meeting.
13. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agents, Link Intime India Private Limited for assistance in this regard.
14. Members desirous of getting any information about the accounts and operations of the Company are requested to send their query to info@jashindia.com on or before 7th September, 2021.
15. In compliance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020 and January 15, 2021, Notice of the Annual General Meeting along with the Annual Report for the Financial year 2020-21 is being sent only by electronic mode to those Members whose email addresses are registered with the

Company/Depositories. Members may note that the Notice of Annual General Meeting and Annual Report for the Financial year 2020-21 will also be available on the Company's website www.jashindia.com websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd at www.nseindia.com respectively and on the website of Link Intime India Private Limited at <https://instavote.linkintime.co.in/>.

- Members holding Shares in Physical Form are requested to update their E-mail address with the Company/Registrar & Share Transfer Agent so as to receive Annual Report and other communication electronically.
 - Members holding Shares in Demat Form are requested to update their E-mail address with their respective Depository Participant so as to receive Annual Report and other communication electronically.
16. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only. Members attending the meeting through VC/OAVM shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.
17. Since the AGM will be held through VC/OAVM, the route map is not annexed to this Notice.
18. The details of Directors seeking appointment/reappointment at this Annual General Meeting as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards on General Meetings issued by The Institute of Company Secretaries of India is annexed hereto.
- 19. Instructions for Voting through electronic mode:**
- a) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the members are provided with the facility to exercise their right to vote electronically, through the e-voting services provided by M/s Link Intime (India) Pvt. Ltd, i.e. facility of casting the votes by the members using an electronic voting system from a place other than the venue of AGM (remote e-voting) on all the resolutions set forth in this Notice.
- Pursuant to SEBI circular dated December 9, 2020, issued by the SEBI on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post June 9, 2021.
- b) The voting period begins on Monday, September 13th, 2021 (09.00 a.m.) and ends on, Wednesday, September 15th, 2021 (5.00 p.m.). During this period members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, 9th September 2021 may cast their vote electronically. The e-voting module shall be disabled by M/s. Link Intime India Pvt. Ltd. through remote e-voting beyond the said time and date. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- c) The Board has appointed Mr. Ankit Joshi, Practicing Company Secretaries, as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner. The results declared along with the Scrutinizer's Report, will be placed on the website of the Company www.jashindia.com and on the website of <https://instavote.linkintime.co.in/>. immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed viz., National Stock Exchange of India Limited. The results shall also be displayed on the notice board at the Registered Office of the Company.
- d) The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
- e) The Members attending the AGM through the VC Facility who have not cast their votes by remote e-voting shall only be able to exercise their voting rights during the AGM.
- f) Shareholders are advised to update their mobile number and email ID in their demat accounts to access e-Voting facility.

❖ The details of the process and manner for remote e-voting are explained herein below:

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with NSDL</p>	<p>1. Register on NSDL IDeAS facility in the manner given below:</p> <ol style="list-style-type: none"> i. Open NSDL e-Services website: https://eservices.nsd.com in web browser and select option “Register Online for IDeAS” available on the left hand panel on the home page; ii. Fill in the requested DP ID and Client ID, mobile No. and verification code and click on submit; iii. Authenticate your demat account by selecting One-time Password (OTP) option or with your bank account details linked with your demat account; iv. Create your User ID and password and confirm your account details and submit; v. A confirmation message of successful registration will appear on your screen. <p>2. After registering or if you are already registered for NSDL IDeAS facility cast your votes through NSDL IDeAS platform or the e-voting platform in manner given below:</p> <ul style="list-style-type: none"> • NSDL IDeAS Platform (By single Login) <ol style="list-style-type: none"> i. Visit the NSDL e-Services: https://eservices.nsd.com ii. Once the home page is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open; iii. Enter your User ID and Password; iv. After successful authentication and login, you will be able to see e-Voting services on left hand panel. v. Click on “Access to e-Voting” under e- Voting services and you will be able to see e-Voting page. vi. Click on option available against Company Name or e-Voting services provider name i.e. LINK IN TIME and you will be re-directed to e- Voting service provider website for casting your vote during the remote e voting period or joining virtual meeting & voting during the meeting. <ul style="list-style-type: none"> • Through NSDL e-voting platform: <ol style="list-style-type: none"> i. Visit the e-voting website of NSDL.: https://www.evoting.nsd.com/ ii. Once the home page of e-voting system is launched, click on the icon “Login” which is available under “Shareholder/ Member” section. A new screen will open. iii. Login using your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. iv. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page v. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-voting period or to join the AGM through VC/OAVM facility and cast your votes during the AGM.
<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<ol style="list-style-type: none"> 1. Register on CDSL myeasi portal by clicking on the link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration (New e-voting platform to enable Shareholders to cast their votes across all Companies, where they are Members) 2. Existing users who have already registered for Easi/Easiest, they can login through their user id and password. 3. Option will be made available to reach e-Voting page without any further authentication. 4. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 5. After successful login or if you are already registered for Easi/Easiest the user will be also able to see the E-Voting Menu. The Menu will have link of e-Voting service provider i.e, LINKINTIME. Click on “LINKINTIME” service provider name to cast your vote.

	<ul style="list-style-type: none"> Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
<p>Individual Shareholders (holding securities in Demat mode) & login through their Depository participants (“DP”)</p>	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINK IN TIME and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders holding securities in Physical mode & E-voting service provider is Link Intime.</p>	<ol style="list-style-type: none"> Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ol style="list-style-type: none"> Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> User ID: Shareholders/ members holding shares in physical form shall provide Event No. + Folio Number registered with the Company. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company. <p>* Shareholders/ members holding shares in physical form but have not recorded information under ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above.</p> Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter). Click “confirm” (Your password is now generated). Click on ‘Login’ under ‘SHARE HOLDER’ tab. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon. E-voting page will appear. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.
<p>Institutional shareholders:</p>	<p>Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at https://instavote.linkintime.co.in and register themselves as ‘Custodian / Mutual Fund / Corporate Body’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/ power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.</p>

<p>In case Individual Shareholders holding securities in Physical mode & E-voting service Provider is Link Intime, have forgotten the password:</p>	<ul style="list-style-type: none"> • Click on 'Login' under 'SHAREHOLDER' tab and further Click 'forgot password?' • Enter User ID, select Mode and Enter Image Verification (CAPTCHA) Code and Click on 'Submit'. • In case shareholders/ members have valid email address, Password will be sent to his / her registered e-mail address. • Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. • The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
<p>Individual Shareholders holding securities in demat mode with NSDL/ CDSL who have forgotten their password:</p>	<ul style="list-style-type: none"> • Shareholders/ Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website. • It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. • For Shareholders/ Members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice. • During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case Shareholders/ Members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at: 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & E-voting service provider is Link Intime.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: -

Tel: 022 –4918 6000
Insta Vote Support Desk
Link Intime India Private Limited

General Guidelines for shareholders:

- In case of joint holders attending the AGM, only such joint holder(s) who is/are higher in the order of names will be entitled to vote.
- Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.

- Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the AGM i.e. Thursday, 16th September, 2021.
- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after dispatch of this notice and holds shares as of the cut-off date i.e. 9th September, 2021, may obtain the login id and password by sending a request at info@jashindia.com or rnt.helpdesk@linkintime.co.in by mentioning their Folio No./ DP ID and Client ID.
- Shareholders holding multiple folios/ demat account shall choose the voting process separately for each of the folios/ demat account.

20. **Instructions for attending the Annual General Meeting through InstaMeet:**

- Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

♦ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No

♦ Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**

♦ Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

♦ Shareholders/members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

♦ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the Insta Meet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, email id, mobile number with the Company at e-mail info@jashindia.com from Wednesday, 8th September, 2021 to Sunday 12th September, 2021.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “**speaking serial number**” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “**Cast your vote**”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘**Submit**’.
3. After successful login, you will see “**Resolution Description**” and against the same the option “**Favour/ Against**” for voting.
4. Cast your vote by selecting appropriate option i.e. “**Favour/Against**” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘**Favour/Against**’.

5. After selecting the appropriate option i.e. **Favour/Against** as desired and you have decided to vote, click on “**Save**”. A confirmation box will be displayed. If you wish to confirm your vote, click on “**Confirm**”, else to change your vote, click on “**Back**” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: -

Tel: 022-49186175
InstaMeet Support Desk
Link Intime India Private Limited

The Board has appointed Mr. Ankit Joshi, Practicing Company Secretaries, as the Scrutinizer to scrutinize the voting during the AGM and remote e-voting process in a fair and transparent manner. The results declared along with the Scrutinizer's Report, will be placed on the website of the Company www.jashindia.com and on the website of <https://instavote.linkintime.co.in> immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed viz., National Stock Exchange of India Limited. The results shall also be displayed on the notice board at the Registered Office of the Company.









Annexure :

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET:

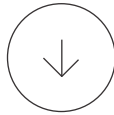
For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html> and following the instructions as below in boxes:

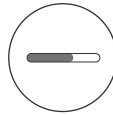
Step 1: -

 Webex Meetings Looking for real time video conferencing? HD video for face-to-face meetings Flexible audio-only conference call options Easy screen sharing Meet across any device   	 Webex Teams Looking for messaging and team collaboration? One-on-one or group messaging Digital two-way whiteboarding Rich content and file sharing Video calling  Download Teams VDI  
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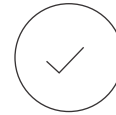
Step 2: -



Step 1
Double-click the webexapp.msi file you downloaded



Step 2
The Webex Meetings setup wizard will launch. Follow the instructions to set up.

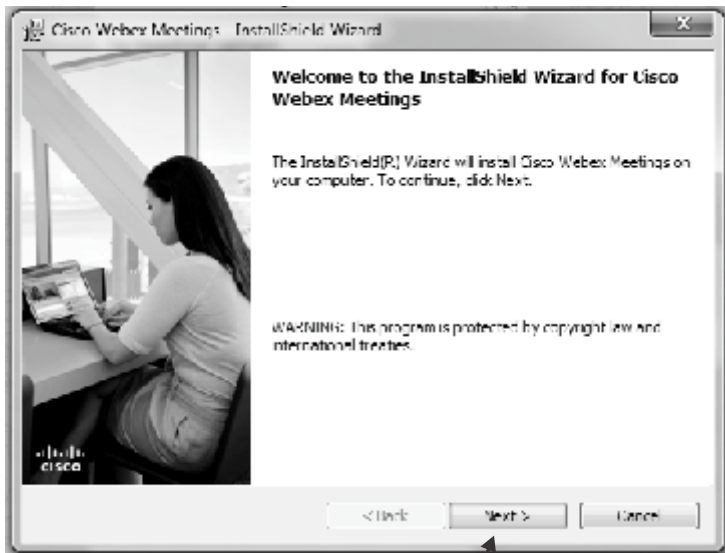


Step 3
Once installed the app will launch automatically.

To open the app double-click the Webex Meetings icon on your desktop.



Step 3: -



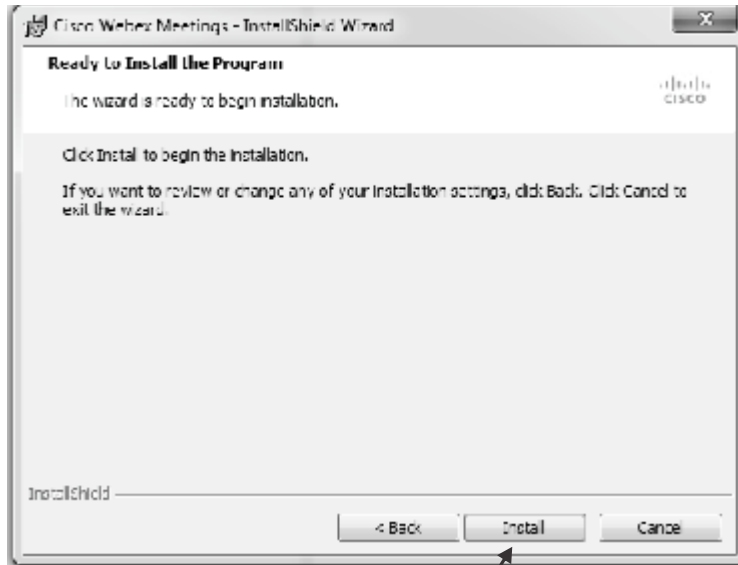
(Kindly select Next> TAB)

Step 4: -



(Kindly select I accept Button)

Step 5: -



(Kindly select Install TAB)

(Or)

- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1(A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1(B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <u>Run a temporary application</u> . Click on <u>Run a temporary application</u> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now.

Event Information :

Event status :
Date and time :
Duration :
Description :

Join Event Now

You cannot join the event now because it has not started

First name :

Last name :

Email address :

Event password :

← Mention your first name, Last name and email address

By joining the event, you are accepting the Cisco Webex Terms of Service and Privacy Statement.

←

Join by browser NEW

If you are the host . start your event.

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

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

**Date: 13 August 2021
Place: Indore**

ANNEXURE TO THE NOTICE

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

Item No. 5

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

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

None of the Directors and Key Managerial Personnel of the Company except Mr. Pratik Patel (DIN: 00780920), Mr. Suresh Patel (DIN: 00012072), or their relatives are concerned or interested in the said resolution save and except to the extent contracts or arrangements will pertain to related parties.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for all its existing manufacturing units for manufacture of Steel Products and Machinery and Mechanical appliances during the financial year ending March 31, 2022 as per the following details:

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

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

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at item no. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2022. Hence, your Directors recommend the above resolution for approval of the Shareholders as an Ordinary Resolution.

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

Item No. 7

Mr. Pratik Patel (DIN: 00780920) was appointed as the Managing Director of the Company, not liable to retire by rotation, as per agreed terms with effect from 1st March, 2017 for a period of 5 years ending on 28th February 2022, by special resolution passed by the members at in AGM held on 27th September 2016. Accordingly, the present term appointment comes on end on 28th February, 2022.

Board of Directors of Company, in its Board Meeting held on 13th August 2021 had approved, subject to approval of Members in Annual General Meeting, re-appointed Mr. Pratik Patel as Managing Director of the Company for further Five (5) years with effect from 1st March, 2022. The Board has taken this decision on the basis of recommendation of Nomination and Remuneration Committee. Justification thereof for re-appointment indicated in the explanatory statement annexed to the Notice for such re-appointment.

Subject to review and recommendation of the Nomination Committee Members approved the revision of following terms and conditions of re-appointment of Mr. Pratik Patel as a Managing Director of the company:

1. Remuneration:

i. Basic Salary: up to a maximum of Rs. 10,00,000/- per month with increments as may be decided by the Board of Directors from time to time.

ii. Perquisites and allowances: In addition to the salary, Mr. Pratik Patel shall also be entitled to the perquisites and allowances like conveyance allowance, medical reimbursement, leave travel allowance, special allowance, payment of gratuity, leave encashment at the end of tenure and such other perquisites and allowances, bonus in accordance with the rules of the Company. The nature and breakup of the perquisites and allowances will be determined in accordance with the schemes/policies/rules of the Company or may be decided by the Board of Directors from time to time.

iii. Commission: In addition to the salary, perquisites and allowances payable, a commission, as may be decided by the Board of Directors at the end of each financial year calculated with reference to the net profits of the Company,

subject to the overall ceiling stipulated in Sections 197, 198 read with Schedule V of the Companies Act, 2013 (including any subsequent amendment / modification in the Rules, Act and/or applicable laws in this regard) shall also be payable.

2. Minimum Remuneration: The Minimum Remuneration is subject to the limit of 5% of the Annual Net Profits of the Company and subject to the overall limit of 10% of the Annual Net Profits of the Company on the remuneration of Managing Directors / Whole-Time Director / Manager of the Company taken together as per Section 197 of the Companies Act, 2013 and Rules made thereunder or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). Provided, however, that in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Managing Director, the payment of salary, allowances, perquisites and all other payments shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013 or any subsequent amendments or modifications made thereto, as may be decided by the Board of Directors, subject to necessary sanctions and approvals, if required.

3. Overall Remuneration: Aggregate of salary, perquisites, allowances and commission in any one financial year, as maybe decided by the Board of Directors, i.e. total remuneration may exceed 5% of the net profits of the Company as calculated under Section 198 of the Companies Act, 2013, however the remuneration payable by the Company shall be within the prescribed limits of total managerial remuneration payable to Managing Director /Whole-Time Director / Manager in aggregate under Section 197 read with Schedule V of the Companies Act, 2013 or such higher percentage of net profits of the Company as may be prescribed from time to time (including any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard). The total managerial remuneration payable by the Company, to the directors, including Managing director and whole-time director and manager in respect of any financial year may exceed 11% of the net profits of the Company as calculated under Section 198 of the Companies Act, 2013, subject to necessary approvals as prescribed under Section 197 of the Companies Act, 2013 and Rules made thereunder and any subsequent amendment(s) and/or modification(s) in the Rules, Act and/or applicable laws in this regard.

Other Terms and Conditions:

- a. Mr. Pratik Patel, shall be vested with substantial powers of the management subject to the supervision, control and direction of the Board.
- b. As long as Mr. Pratik Patel functions as Managing Director of the Company, no sitting fees will be paid to him for attending the meetings of the Board of Directors or Committee thereof.
- c. The terms and conditions of the said re-appointment and/or agreement may be altered, amended, varied and modified from time to time by the Board or Committee thereof as it may be permissible and if deem fit, within the limits prescribed in Schedule V to the Companies Act, 2013 or any subsequent amendments or modifications made thereto.”

None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested in the proposed resolution. The Board recommends the Special Resolution as set out in Item No. 7 of this Notice for approval of Members.

Item No. 8

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), with effect from April 1, 2019, no listed company shall appoint or continue the directorship of a Non-Executive Director who has attained the age of 75 (Seventy Five) years, unless a Special Resolution is passed to that effect and justification for continuation of directorship thereof is indicated in the explanatory statement annexed to the Notice for such appointment.

The Members of the Company, at their Extra Ordinary General Meeting held on August 28, 2017, had granted approval for appointment of Mr. Durgalal Tuljaram Manwani (DIN: 07114081), as Non-Executive, Independent Directors of the Company for a term of 5 (five) years, w.e.f. August 25, 2017 upto August 24, 2022, not liable to retire by rotation. Mr. Durgalal Tuljaram Manwani (DIN: 07114081), Non-Executive Independent Director of the Company, will attained the age of 75 years on 01st March, 2022.

Accordingly, the continuation of Mr. Durgalal Tuljaram Manwani as Non-Executive Independent Directors on the Board Company with effect from March 1st, 2022 shall require approval of the Members by way of passing Special Resolution, on following reasonable grounds: -

The Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the continuation of Mr. Durgalal Tuljaram Manwani as “Independent Directors” of the Company, considering their rich experience, expertise and valuable contribution made to the Board of Directors of the Company. Their presence on the Board adds more value and gives confidence to the Board in its decisions.

The aforementioned Non-Executive Independent Directors fulfill all conditions specified by applicable laws for the position of an Independent Director of the Company. The Company has also received necessary declarations from them that they meet the criteria of independence as prescribed under the Act and Listing Regulations, presently applicable. Further, they have also confirmed that they are not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013.

A brief of the said Directors, the nature of their expertise in specific functional areas, names of the companies in which they are holding Directorships, Committee Memberships / Chairmanships, their shareholding etc. are separately annexed in terms of Regulation 36(3) of the Listing Regulations.

The Members are, therefore, requested to grant their approval by way of passing Special Resolutions for the continuation of directorship Mr. Durgalal Tuljaram Manwani, as Non-Executive, Independent Directors of the Company upto August 24, 2022, not liable to retire by rotation.

None of the Directors, Key Managerial Personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the aforementioned resolutions.

The Board of Directors recommend the Special Resolutions set forth in Item No. 8 of the Notice for approval of the Members.

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

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

**Date: 13 August 2021
Place: Indore**

Enclosure I to Notice of AGM 2021

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

1	Name in Full	Durgalal Tuljaram Manwani	Pratik Patel	Axel Schutte
2	DIN	07114081	00780920	02591276
3	Age	74 Years	57 years	67 years
4	Father's name/ Husband name in full	Late Shri Tulja Ram Manwani	Late Shri Navinchandra Patel	Mr. Alfred Hans Schutte
5	Business occupation	Business	Business	Business
6	Present nationality	Indian	Indian	Germany
7	Nationality of origin	Indian	Indian	Germany
8	No. of shares held in the company	-	19,93,921 Eq. Shares	7,70,000 Eq. Shares
9	Educational Qualification	BE, MBA (FINANCE), PHD	B.E. (Mechanical), MBA (FINANCE)	B.A. (Economics)
10	Expertise/Experience in specific functional areas	He has over 35 years of experience in manufacturing companies and is a visiting faculty member in various management institutes across India He has worked in HAL, Nucon Fluidomat and is presently Managing Director in Quantile Analytics Private Limited, Indore	He has over 32 years of experience in Engineering Industry. Under his leadership company has seen drastic level of growth in sales, sustained level of profitability, dividend payout ratio. Area of his expertise are marketing, management, product development & designing.	He has wide business experience in many countries and is on the board since 1995 He has experience of over 37 years in the Engineering Industry and is an expert on Knife gate and bulk solids handling valves
11	Date of first Appointment on the Board	Appointed as Independent Director w.e.f. 25/08/2017	Since 1995	30th September 1995
12	Remuneration Last Drawn	-	72,55,460/-	-
13	Relationship with other Directors, manager and Key Managerial Personnel of the company	-	Nephew of Mr. Suresh Patel	Not relative of other Directors, manager and Key Managerial Personnel of the company
14	List of outside Company's directorships/ Membership/ Chairmanship of Committees of other boards	1. Quantile Analytics Private Limited 2. Jash USA Inc	1. Shivpad Engineers Pvt. Ltd 2. Patamin Investments Pvt. Ltd. 3. Jash USA Inc 4. Engineering and Manufacturing Jash Ltd.	-

Enclosure II To Notice of AGM 2021**PROPOSED RELATED PARTY TRANSACTIONS 2021-22**

Sr.	Name of The Related Parties	Nature of Contracts/ Arrangement/ Transaction	Name of the Directors key managerial who is related, if any	Nature of Relationship	Proposed Duration of the Contracts/ Arrangements/ Transactions During the FY 2021-22	Salient Terms of the Contracts or Arrangement or Transactions	Monetary Value
1	Shivpad Engineers Pvt. Ltd.	Sale	Mr. Pratik Patel Mr. Dharmendra Jain	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	50,00,00,000/-
2	Jash USA Inc. DBA Rodney Hunt	Sale	Mr. Pratik Patel	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	60,00,00,000/-
3	Mahr Maschinenbau Ges.m.b.h	Sale	-	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
4	Engineering and Manufacturing Jash Ltd.	Sale	Mr. Pratik Patel	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
5	Micro Flat Datums Pvt. Ltd.	Sale	Mr. Pratik Patel Mr. Suresh Patel	a private company in which a director or his relative is a member or director	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-
6	Shivpad Engineers Pvt Ltd.	Purchase	Mr. Pratik Patel Mr. Dharmendra Jain	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	2,00,00,000/-
7	Jash USA Inc. DBA Rodney Hunt	Purchase	Mr. Pratik Patel	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	5,00,00,000/-

8	Jash USA Inc. DBA Rodney Hunt Inc.	Job Work	Mr. Pratik Patel	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	2,00,00,000/-
9	JASH Flowcon Engineers	Job Work	Mr. Pratik Patel	A firm, in which a director, manager, or his relative is a partner	Continuous	As per agreed terms & on Arm's Length and in ordinary course of business	1,00,00,000/-
10	Patamin Investments Pvt Ltd.	Lease	Mr. Pratik Patel Mr. Suresh Patel	a private company in which a director or his relative is a member or director	Continuous	As per agreed terms & on Arm's Length basis.	2,00,00,000/-
11	Mahr Maschinenbau Ges.m.b.h	Services	-	Wholly Owned Subsidiary	Continuous	As per agreed terms & on Arm's Length basis	1,00,00,000/-

DIRECTORS' REPORT

To,
The Members of
JASH ENGINEERING LIMITED

Your Directors have pleasure in presenting the 47th Directors' Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended March 31, 2021.

1. FINANCIAL HIGHLIGHTS

The financial statements of the Company are in accordance with the Indian Accounting Standard – IND AS and as per the provision of Section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Accounts) Rules, 2014 and amendments thereof. The standalone and consolidated financial highlights of the Company for the financial year ended March 31, 2021 are summarized below:

(Rs. in Lacs)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Sales and other Income	21,937.63	21,433.48	30,228.96	28,564.13
Expenditure other than financial charges and depreciation	17,231.91	17,121.74	24,775.03	23,974.06
Gross Profit before Interest Depreciation & Taxes	4,705.72	4,311.74	5,453.93	4,590.07
Less: Interest & Financial Charges	929.67	963.76	981.70	1,033.50
Depreciation	565.14	517.60	855.38	782.22
Less: Earlier years adjustments	-	-	-	-
Net profit before tax for the year	3,210.91	2,830.38	3,616.85	2,774.35
Provisions for tax	441.03	648.67	564.98	764.67
Net Profit after Tax	2,769.88	2,181.71	3,051.87	2,009.67
Less: Other Comprehensive Income	38.05	44.72	44.99	52.89
Total Comprehensive Income	2,731.83	2,137.02	3,096.86	1,956.78
No. of Equity Shares	11,836,598	11,836,598	11,836,598	11,836,598
Equity Shares held In ESOP Trust	34,570	-	34,570	-
Earnings Per Share	23.40	18.43	25.78	16.98
Diluted EPS	23.35	18.43	25.73	16.98

2. STATE OF AFFAIRS OF THE COMPANY:

A. BUSINESS ACTIVITIES OF THE COMPANY

Your company is involved in the business of design and manufacture of a wide range of equipment for Water Intake Systems, Water and Waste Water Pumping Stations and Treatment Plants, Storm Water Pumping Stations, Water Transmission Lines, Power, Steel, Cement, Paper & Pulp, Petrochemicals, Chemical, Fertilizers and other process plants. These equipments are Water control gates, Mechanized screening systems, Screening conveying and washing systems, Knife gate valves, Water hammer control valves, Energy dissipating valves, Archimedes screw pumps, Micro hydro turbines, Clarifiers, Clariflocculators, Flash Mixers, Degriters, Aerators, Thickeners, Gravity Decanters, Trickling Filters, Digester Mixers, DAF Units and solid handling valves. The company has added new product line of Disc Filters and Air Vessels to augment its product offering.

Your company offers a single stop solution under one roof including Design, Casting, Fabrication, Assembly & Testing and provides the most varied range of these products in largest possible sizes. To ensure this, the company is continuously investing in its manufacturing capability as well as in development of new products & technologies either on its own or through collaboration with suitable technology partners and leaders in the trade.

The company is a market leader in India for most of the products that it manufactures and is also among the first 5 in the world in the Water control gates business. Various brands belonging to the company and its subsidiaries are approved and registered in most of the countries and this ensures availability of wide export market for the company. Over 59% of company revenue comes from sales outside India and the company aims to increase this to nearly 65% in next 2 year's time so as to become a truly Indian Multinational company with majority of revenue coming from outside India.

B. YEAR IN RETROSPECT

(i) PERFORMANCE

In the financial year 2020-21, the company achieved moderate growth in its consolidated turnover as well as profit. The Consolidated total revenue of the Company for the year at Rs. 30,228.96 lacs (Rs. 3,022.89 million) shows a growth of approximately 5.83% over the previous year turnover of Rs. 28,564.13 lacs (Rs. 2,856.41 million). The Consolidated net profit of the Company for the year was Rs. 3,051.87 lacs (Rs. 305.18 million) as compared to previous year net profit of Rs. 2,009.68 lacs (Rs. 200.96 million), showing a significant growth of approximately 51.86 % over the previous year. The losses in the US subsidiary have been significantly reduced as compared to last financial year and the US operations have already become EBITDA positive. Reduction in losses and consequent return to profitability will boost the net profits at the consolidated level in the coming years.

In the financial year 2020-21, the company achieved moderate growth in its standalone turnover accompanied with significant improvement in profit. The standalone total revenue of the Company for the year at Rs.21,937.63 lacs (Rs.2,193.76 million) shows a growth of approximately 2.35% over the previous year turnover of Rs.21,433.48 lacs (Rs.2,143.34 million). The net profit of the Company for the year was Rs. 2769.88 lacs (Rs. 276.98 million) as compared to previous year net profit of Rs.2,181.74 lacs (Rs.218.17million), showing a growth of approximately 27% over the previous year.

The standalone domestic sales of the Company during the year was Rs.12,068.44 lacs (Rs.1,206.68 million) as compared to previous year sales of Rs.13,420.13 lacs (Rs.1,342.01 million), exhibiting a decrease of 10.01% over the previous year. The standalone export sales of the Company during the year was Rs.9,503.52 lacs (Rs.950.35 million) as compared to previous year sales of Rs. 7,142.77lacs (Rs.714.27 million), exhibiting an increase of 33.05 % over the previous year.

(ii) NEW ACTIVITIES & DEVELOPMENTS

The acquisition of Rodney Hunt's manufacturing facility in USA had resulted into availability of huge manufacturing infrastructure which was no more relevant for US operations. The company had sold some of these machines in USA and some machines and equipment were earmarked for installation at its various plants in India. Heavy production machinery comprising CNC Water jet cutting, CNC Plasma cutting, CNC Lathe, CNC Horizontal machining centers, CNC Horizontal boring milling machine, CNC Plano-milling machine, CNC Floor boring machine, Air Compressor, Fork lift etc. have been brought from Rodney Hunt's plant for installation in Unit 1, 2, 3 & 4. Some of these machines are already upgraded and taken in commercial production. Remaining machines are under upgradation and will be taken in production one by one in the financial year 2021-22. With the commencement of production from all these machines, the company's capabilities will significantly increase and so will its production capacity.

A new manufacturing facility for machining, assembly and testing of CI gates having a built up area of 25,000 sq. feet is being constructed at Unit 3 in SEZ Pithampur and this will greatly decouple the domestic and export production of CI gates as well as Knife gate valves enabling delivery improvement and capacity enhancement for both domestic as well as export business. The construction activities suffered due to Covid related delays and as a result the commissioning of the new manufacturing facility is now planned in Oct/Nov 2021.

The company has indigenously developed back raked screens for removing large sized floating wastes from water ways and canals. The development of back raked screens will help us to bid for many new projects in Mumbai region where these screens are specified. This development strengthen the product offering of screening equipment product group and gives it all the product options as demanded by the market.

The company has entered into the business of Air vessels which are also used by some clients as an alternative to water hammer control valves made by the company. Manufacturing of air vessels will help the company to cater to the whole ecosystem of water hammer control system for transmission pipelines and not limit itself to only one technology option that it had earlier. This development will help its special purpose valves group to scale up its business significantly.

(iii) SUBSIDIARIES

a) SHIVPAD ENGINEERS PVT. LTD., INDIA

Shivpad Engineers Pvt. Ltd. is a wholly owned subsidiary of the Company, operating in Ambattur Industrial Estate, Chennai – 600058. Tamilnadu, India. It is engaged in Design, Manufacture and Supply of treatment process equipment for Water Treatment, Waste Water Treatment and Sewage Treatment Plants and also Chemical process Industry equipment related to solid - liquid separation viz., Milk of Lime preparation plant equipment, Multi-deck Clarifiers, Rake & Screw Classifiers and other ancillary business.

In the financial year 2020-21, the company achieved growth in its turnover accompanied with significant improvement in profit. The total revenue of the Company for the year at Rs. 1,908.73 lacs (Rs. 190.87 million) shows a growth of

approximately 5.89% over the previous year turnover of Rs.1,802.68 lacs (Rs. 180.26 million). The net profit of the Company for the year was Rs.366.53 lacs (Rs. 36.65 million) as compared to previous year net profit of Rs.337.19 lacs (Rs.33.71 million), showing a growth of approximately 8.70% over the previous year.

The company continues to outperform its peers and is on track to become a major player in Indian market with standalone sales in excess of Rs. 3,500 lacs (Rs. 350 million) in 5 years' time.

b) JASH USA INC. / RODNEY HUNT INC., USA

Rodney Hunt Inc is a SDS of JASH USA INC., operating in Houston, Texas 77036, USA with its manufacturing facility in Orange, Massachusetts. It is engaged in manufacturing wide range of water control gates and equipment for Water Intake Systems, Water and Waste Water Pumping Stations and Treatment Plants, Storm Water Pumping Stations, Water Transmission Lines and for various industries.

In the financial year 2020-21, the company achieved significant growth in its turnover accompanied with significant reduction in losses. The total revenue of the Company for the year at USD 14.03 million (equivalent to Rs.10,416.78 lacs / Rs.1,041.67 million) showed a growth of approximately 21% over the previous year turnover of USD 11.57 million (equivalent to Rs.8,586.30 lacs / Rs. 858.63 million). The net loss of the Company for the year was USD - 0.005 million (equivalent to Rs. - 4.24 lacs / Rs. - 0.42 million) as compared to previous year net loss of USD - 0.47 million (equivalent to Rs. - 352.54 lacs / Rs. - 35.25 million) showing a reduction of approximately 98.80% over the previous year loss.

This is the 4th full year of the company post its acquisition and 2nd full year of the operation of its acquired manufacturing facility. The reduction in the loss augers well for the company which is on its path to become a profit-making company in the 5th year of its establishment.

c) ENGINEERING AND MANUFACTURING JASH LIMITED, HONGKONG

Engineering and Manufacturing JASH Limited, is a wholly owned marketing subsidiary of the Company operating in Tsimshatsui, Kowloon, Hong Kong. It is engaged in marketing of Screening and Screening conveying equipment manufactured under E&M Jash Brand, a well-established and approved brand with DSD, Hongkong. The company has no employees and its products are made using Mahr Maschinenbau technology while manufacturing is done in Jash Engineering facility at SEZ Pithampur.

In the financial year 2020-21, the company did not do any business and has reported minor losses. The total revenue of the Company for the year was HKD 1238 as against the previous year turnover of NIL. The net loss of the Company for the year was HKD -0.086 million (equivalent to Rs. - 8.24 lacs / Rs. - 0.82 million) as compared to previous year net loss of HKD - 0.12 million (equivalent to Rs. - 11.86 lacs / Rs. - 1.18 million).

Hongkong was in turmoil for most part of financial year 2020-21, because of Covid pandemic and this affected regular business activities.

d) MAHR MASCHINENBAU Ges.m.b.H, AUSTRIA

Mahr Maschinenbau Ges.m.b.H, is a wholly owned subsidiary of the Company operating in Hagenbrunn, Austria. It is now engaged in development of new technology for Screening and Screenings handling equipment and all its manufacturing activities have been closed down.

In the financial year 2020-21, the company achieved moderate reduction in its turnover accompanied with slight reduction in losses. The total revenue of the Company for the year at EURO 0.27 million (equivalent to Rs.240.92 lacs / Rs.24.09 million) shows an increase of approximately 79.21% over the previous year turnover of EURO 0.15 million (equivalent to Rs.134.43 lacs / Rs. 13.44 million). The net profit of the Company for the year was of EURO 0.06 million (equivalent to Rs.54.32 lacs / Rs. 5.43 million) as compared to previous year net loss of EURO - 0.11 million (equivalent to Rs.- 98.10 lacs / Rs. - 9.81 million) showing a reduction of approximately 155 % over the previous year loss.

3. PROSPECTS FOR YEAR 2021-22

A. DOMESTIC MARKET SITUATION

India occupies 2 percent of the world's land area, represents 16 percent of the world population and 15 percent of livestock, whereas it has only 4 percent of the water resources of the world.

Furthermore, India ranks 133rd out of 180 nations for its water availability and 120th out of 122 nations for its water quality. It has been evaluated that 80 percent of India's surface is polluted which results in India losing US\$ 6 billion every year due to water-related diseases. Challenges faced by the Indian water sector are due to increasing water consumption and wastage in urban areas, water-borne diseases, industrial growth, political and regulatory disputes, water cycle imbalances, increasing irrigation and agricultural demand, lack of technology, etc. According to estimates, India's water sector requires investment worth US\$ 13 billion. Hence the potential of Indian water and waste water industry is enormous.

However after the 2 waves of Covid19 pandemic, the central as well as state governments will be strapped for funds and this may affect funding on new projects as well as smooth execution of ongoing projects. Nearly 41 % of our consolidated revenue is still coming from business within India and as a result some part of our growth could be affected if higher percentage of Indian projects are affected by this crisis.

B. INTERNATIONAL MARKET SITUATION

Investment in water, waste water, storm water, desalination and in water reuse infrastructure is going to increase all over the world. Due to changing climate situation draughts and storms are becoming a big phenomenon worldwide. This will compel all the countries to invest heavily in water resources and this will auger well for company as it has products to address these concerns.

US administration has proposed \$2 trillion climate plan that mentions a bucketful of spending options to shore up America's built and natural infrastructure: drinking water systems, sewage treatment, wetlands restoration, levee repairs, irrigation improvements, flood protection, and cleanup of abandoned oil and gas wells. Climate has received top-billing within the president's environmental agenda, but water infrastructure and water systems could also see their status lifted. The new administration and the Democratic Congress is expected to uncork federal water spending that has been steady but flat in recent years. Before the inauguration, a coalition of more than 200 western irrigation districts and farming groups asked the incoming administration to prioritize water storage, conservation, habitat restoration, reuse, and expanded financing options for water infrastructure. If this actually sees the light of the day then the US operations of the company can look forward to 5 years of solid growth from 2022-23 onwards.

Everything looks positive internationally but Covid19 still remains an irritant to stable growth. The frequent waves have ensured that countries are frequently changing rules of working as well as travels and this results into slowdown of projects execution. Nearly 59 % of our consolidated revenue comes from business out of India and some part of our growth could be affected if most of the countries where we have good business presence and good order position are affected by this crisis.

C. SALES GROWTH STANDALONE

(i) JASH ENGINEERING LIMITED, INDIA

The total order book position of the Company as on 1st August 2021 (Orders in hand as on 1st April 2021 plus orders received till 31st July 2021 less sales effected till 31st July end 2021) is Rs.31,550 lacs (Rs.3155 million). Adding orders received from Rodney Hunt, USA and E&M Jash, Hongkong for manufacturing of their products in India, the total order book position becomes Rs.35,461 lacs (Rs.3546.1 million). Further orders worth Rs.2,827 lacs (Rs.282.7 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2021 of approx Rs.3,973 lacs (Rs.397.3 million), the current order book position and expected order inflow, we are looking at overall year on year growth between 12 % to 16 % in the year 2021-22.

(ii) SHIVPAD ENGINEERS PVT. LTD., INDIA

The total order book position of the Company as on 1st August 2021 (Orders in hand as on 1st April 2021 plus orders received till 31st July 2021 less sales effected till 31st July end 2021) is Rs.2,329 lacs (Rs. 232.9 million). Further orders worth Rs.140 lacs (Rs.14 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2021 of Rs.355 lacs (Rs.35.5 million), the current order book position and expected order inflow, we are looking at overall year on year growth between 10 % to 15 % in the year 2021-22.

(iii) JASH USA INC. / RODNEY HUNT INC., USA

The total order book position of the Company as on 1st August 2021 (Orders in hand as on 1st April 2021 plus orders received till 31st July 2021 less sales effected till 31st July end 2021) is US\$ 17.42 million (Rs.12,966 lacs / Rs. 1,296.6 million). Further orders worth approx. US\$ 1.37 million (Rs.1020 lacs / Rs. 102 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2021 of approx. US\$ 3.741 million (Rs.2,784 lacs / Rs.278.4 million), the current order book position and expected order inflow, we are conservatively looking at overall year on year growth between 25 % to 30 % in the year 2021-22.

(iv) ENGINEERING AND MANUFACTURING JASH LIMITED, HONGKONG

Order worth HKD 0.88 million (equivalent to Rs.84 lacs / Rs.8.4 million) is already negotiated and is expected to be received within next two months.

Due to Covid19 pandemic, No sales have been registered until 31st July 2021. However, on the basis of current order book position and expected order inflow, we are looking at sales of HKD 3.57 million (equivalent to Rs.342 lacs / Rs. 34.2 million) in the year 2021-22.

(v) MAHR MASCHINENBAU Ges.m.b.H, AUSTRIA

It was earlier decided to close down the company in Austria and merge it with Jash Engineering Ltd., India. However this decision has been changed recently and the company shall remain in operation. Mr. Gernot Mahr will continue to assist the company in marketing and development activities.

D. SALES GROWTH CONSOLIDATED

The consolidated order book position of the Company as on 1st August 2021 (Orders in hand as on 1st April 2021 plus orders received till 31st July 2021 less sales effected till 31st July end 2021) is Rs.46,845 lacs (Rs.4,684.5 million). Further orders worth Rs.4,329 lacs (Rs.432.9 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2021 of approx. Rs.6,000 lacs (Rs. 600 million), the current order book position and expected order inflow, we are looking at overall year on year growth between 15 % to 20 % in the year 2021-22 on consolidated basis.

While arriving at these growth figures we have assumed that the worst is over for us in relation to Covid19 pandemic and that our operations across various plants shall not be further affected by this from August 2021 onwards.

4. FUTURE OUTLOOK & PLANS

A. RODNEY HUNT

Financial year 2021-22 shall be the turnaround year for Rodney Hunt with 25-30% growth and company becoming profitable. The company expects to achieve sales in excess of US\$ 18 million in the year 2021-22 and this will enable us to become one of the 4 major players in the USA market in the water control gates business and establish Rodney Hunt as a serious contender in the market.

With profitable operations it would be possible for the company to bid for larger projects where contract performance bond is required to be given. This should further help the company push up sales in USA. A stronger company will also instill confidence in clients and will also draw better representatives to work for the company. The company is quite confident of continuing on this path of growth in future and reach the top position once again by achieving sales in excess of US\$ 30 million in 4 years' time.

B. CAPITAL INVESTMENT

The current investment in upgradation of facilities in Unit 1 and 2 will be completed by Sept 2021. The investment in new manufacturing facility at SEZ Unit 3 shall also be completed by Oct 2021.

After completion of this phase of investment the company intends to start investment on building a new manufacturing facility of about 25,000 sq feet at Unit 2 where all stainless steel products assembly and testing will be re-located. This will increase the area available for carbon steel products in the current facility. This work will be started in Dec 2021 and completed by Oct 2022. The company also intends to build up a guest house for varied company guests, government inspection authorities visiting company for product inspection, auditors coming from outside the city for audit purposes and to hold various company functions. The work on this too will be started in Dec 2021 and completed by Dec 2022. All these will require an investment of about Rs.12 crores and same will be funded through debt and from internal resources.

C. SAP IMPLEMENTATION

The company has already started working on SAP in year 2020-21 and in the current year with improved exposure and experience the company expects to achieve improved reporting and efficiency in operations.

D. NEW PRODUCT ADDITION / DEVELOPMENT

The company has a policy of adding new products every year with a view to improve its product portfolio and maintain its leadership position in India. Last year the company started work on following products and in the year 2021-22 these products are expected to come to commercial production stage.

(I) DISC FILTERS:

The company had already tied up with Invent Germany for manufacture of Disc Filters in India. The first prototype machine for demonstration purpose which was dispatched from Germany has been installed in the company's own

Sewage treatment plant. Our engineers are now understanding the technology as well as operational and maintenance issues. The company has already received its first order for these machines and shall majorly produce these indigenously within 2021-22. The company has already started the process of seeking brand approval for this product and has already got approval in many cities. The company expects approval in over 15 cities before the end of 2021-22 and thereafter increase production to 10-15 machines in 2022-23.

(ii) BACK RAKING SCREEN:

The upgraded version of the old back raking screen now developed in Austria was manufactured and operationally tested in India. This model still needs some further improvements to reduce cost and improve performance. This work will be done in 2021-22 so that by end of the year we have the finished product ready for commercial production.

5. OCCUPATION HEALTH & SAFETY (OH&S):

Your company involved in an initiative which results to positive engagement of personnel on the plant at every level with regard to safety, two key areas of focus were identified, namely facility Management for the employees and Equipment, Tools & Material Management. The Facility management initiative was implemented to ensure adequate welfare facilities for labor such as washrooms with bathing facilities, rest rooms, availability of drinking water etc. The Equipment, Tools & Material Management Program ensured that the tools used by them were safe. The process of screening was aligned with the Company's objectives to ensure 'Zero Harm'. The Company has complied with all applicable environmental and labour laws.

6. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE OF THE COMPANY:

As on 31st March, 2021 Your Company having following companies as wholly owned subsidiaries. Further, your company is not a subsidiary, associate or joint venture of any other company as during the period under review: -

S. No.	Name of the Company	Status as on 1st April, 2020	Any change in status	Status as on 31st March, 2021
1	Shivpad Engineers Pvt. Ltd.	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary
2	Jash USA Inc. USA - Rodney Hunt Inc. USA (SDS of Jash USA Inc. USA)	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary
3	Mahr Maschinenbau Ges. mbH	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary
4	Engineering and Manufacturing Jash Limited	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, your Company has prepared Consolidated Financial Statements of your Company which is forming part of this Annual Report. Further, a Statement containing salient features of financial information of the wholly owned subsidiaries is disclosed in the prescribed format AOC-1, pursuant to Section 129(3) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is annexed to this Report as Annexure-A.

In accordance with the provisions of Section 136 of the Companies Act, 2013, the Audited Financial Statements, the Consolidated Financial Statements and the related information of the Company and the Audited Accounts of the Subsidiary Company, are available on our website i.e. www.jashindia.com.

7. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis forms an integral part of this report and is annexed as Annexure- B which gives details of the overall industry structure, economic developments, performance and state of affairs of the Company's various businesses

8. DIVIDEND:

Board of Directors of the Company, on its meeting held on 23/06/2021 recommended, subject to approval of shareholders, a final dividend of 32% on Face Value of fully paid up Shares i.e. Rs. 3.20/- per share of Rs. 10/- each for the Financial Year 2020-21. The aggregate amount of final dividend is Rs. 379.88 Lacs /-.

9. SHARE CAPITAL:

During the year under review, there were changes in the Paid up share capital of the Company due to allotment of 34,570 Equity Shares of Rs. 10/- each under Jash Engineering Employee Stock Option Scheme 2019 ("**JASH Scheme 2019**"). The brief details of paid up Equity Share Capital of the Company on year end are as follows:

Particulars	As at 31 st March 2020		Increase in Paid up Share Capital		As at 31 st March 2021	
	Number of Shares	(Rs.)	Number of Shares	(Rs.)	Number of Shares	(Rs.)
Paid up Equity Share Capital of Rs. 10 each	1,18,36,598	11,83,65,980/-	34,570	3,45,700/-	1,18,71,168	11,87,11,680/-

10. TRANSFER TO RESERVES:

For the Financial year ended 31st March, 2021, Your Company has not transferred any amount to General Reserve out of profit available for appropriation.

11. BOARD OF DIRECTORS

COMPOSITION OF BOARD OF DIRECTOR AND KEY MANAGERIAL PERSONNEL:

During the year under review, there were no changes occurred in the position of Directors/KMPs of the Company. In compliance with the provisions of Sections 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and SEBI (LODR) Regulation 2015, the composition of Board of Directors and Key Managerial Personnel are as follows: -

Sr. No.	Name of the Director	DIN	Designation
1.	Mr. Pratik Patel	00780920	Chairman & Managing Director
2.	Mr. Suresh Patel	00012072	Executive Director
3.	Mr. Axel Schutte	02591276	Non-Executive Director
4.	Mr. Brij Mohan Maheshwari	00022080	Independent Director
5.	Mr. Sunil Kumar Choksi	00155078	Independent Director
6.	Ms. Sunita Kishnani	06924681	Independent Director
7.	Mr. Durgalal Tuljaram Manwani	07114081	Independent Director
8.	Mr. Vishwapati Trivedi	00158435	Independent Director

Board Independence

Our definition of 'Independence' of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company comprised total 8 directors as on 31st March 2021 in the Board out of them the following directors are independent directors;

1. Mr. Durgalal Tuljaram Manwani
2. Mr. Sunil Kumar Choksi
3. Mr. Brij Mohan Maheshwari
4. Ms. Sunita Kishnani
5. Mr. Vishwapati Trivedi

Declaration and Re-appointment of Independent Director:

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2020-21. Further, as per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years, but shall be eligible for re-appointment by passing of a special resolution by the Company and shall not be liable to retire by rotation.

Directors liable to retire by rotation seeking re-appointment:

Mr. Axel Schutte (DIN: 02591276) Directors of the company are liable to retire by rotation at the ensuing annual general meeting and being eligible offers themselves for re-appointment. Your directors recommend passing necessary resolution as proposed in the Item No. 4 of the Notice.

The Company also consists of the following Key Managerial Personnel:

1.	Mr. Dharmendra Jain	CFO
2.	Mr. Tushar Kharpade	Company Secretary

Changes in Directors and Key Managerial Personnel

During the year under review there has been no change in Directors and Key Managerial Personnel of the Company.

MEETINGS OF THE BOARD

The Board meets at regular intervals to discuss and decide on Company/business policy and strategy apart from other Board business. Four meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

COMMITTEES OF THE BOARD

Your Company has constituted the Committee(s) as mandated under the provisions of the Act and Listing Regulations.

Currently, there are five committees of the Board, namely:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Executive & Borrowing Committee

The details of Board Committees are prescribed in Annexure-C of Board Report.

COMPANY'S POLICY ON DIRECTOR'S APPOINTMENT, REMUNERATION AND BOARD EVALUATION

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

BOARD EVALUATION:

Our Company has conducted an Annual Performance Evaluation for all Board Members as well as the working of the Board and its Committees. This evaluation was led with specific focus on performance and effective functioning of the Board. The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013 and the Listing Regulations. In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

The following are some of the broad issues that are considered in performance evaluation:

- Evaluation of the Board was based on criteria such as composition and role of the Board, Board communication and relationships, functioning of Board Committees, review of performance of Executive Directors, succession planning, strategic planning etc.
- Evaluation of Committees was based on criteria such as adequate independence of each Committee, frequency of meetings and time allocated for discussions at meetings, functioning of Board Committees and effectiveness of its advice/recommendation to the Board etc.
- Evaluation of Directors was based on criteria such as participation and contribution in Board and Committee meetings, representation of shareholders interest and enhancing shareholding value, experience and expertise to provide feedback and guidance to top management on business strategy, governance, risk and understanding of the organization's strategy etc.

The outcome of the Board Evaluation for the financial year 2020-21 was discussed by the Board and on the basis of such discussion Board analysis the result of actions taken by Board for improving Board effectiveness based on feedback received in the previous year. Further, the Board also noted areas on which Board requires more focus for the future Board efficiency.

CODE OF CONDUCT:

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same has been hosted on the website of the company www.Jashindia.com.

12. DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- a. In the preparation of the annual accounts for the year ended March 31st, 2021, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2021 and of the profit of the Company for the year ended on that date;
- c. The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a 'going concern' basis;
- e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

13. INTERNAL CONTROL

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

Accurate recording of transactions with internal checks and prompt reporting.

Adherence to applicable Accounting Standards and Policies.

Compliance with applicable statutes, policies and management policies and procedures.

Effective use of resources and safeguarding of assets.

The Internal Control System provides for well documented policies/guidelines, authorizations and approval procedures. Your Company, through its Internal Auditors M/s. Mahesh C Solanki & Co, Chartered Accountants, engaged as Internal auditors for the financial year 2020-21 carried out periodic audits at all locations and functions based on the plan approved by the Audit Committee and brought out any deviation to Internal Control procedures. The observations arising out of the audit are periodically reviewed and compliance ensured.

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

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

14. CORPORATE GOVERNANCE REPORT:

Your company continues to place greater emphasis on managing its affairs with diligence, transparency, responsibility and accountability and is committed to adopting and adhering to best corporate governance practices.

The Company has a strong legacy of fair, transparent and ethical governance practices and it is believed that good Corporate Governance is essential for achieving long term corporate goals and to enhance stakeholders' value. Your Company implements Corporate Governance through robust board governance processes, internal control systems and processes, and strong audit mechanisms. However, the provisions of Regulation 15 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 providing a separate report on corporate governance under Regulation 34(3) read with para C of Schedule V are set out in the Annexure C to this report.

15. AUDITOR AND AUDITOR'S REPORT:

STATUTORY AUDITOR:

M/s Walker Chandok & Co LLP, Chartered Accountants (Firm Registration No. 001076N/N500013), the Statutory Auditors were reappointed for a term of 5 years at Annual General Meeting of the Company held on 30th Sept., 2017 and they have confirmed their eligibility under Section 141(3)(g) of the Companies Act, 2013 and the rules framed

hereunder for ratification by the Members for appointment as Statutory Auditors of the Company for Financial Year 2020-21. As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

There are no qualifications, reservations or adverse remarks made by M/s Walker Chandiook & Co LLP, Statutory Auditors, in their report prescribed in this Annual Report for the financial year ended March 31, 2021.

SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Ankit Joshi, Practicing Company Secretaries, to conduct Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR-3 for the financial year ended March 31, 2021 is enclosed as Annexure-E to Board Report.

The Secretarial Audit Report for the year 2020-21 is self-explanatory except the following comments made and the management submits their comments:

1. Some Forms under Companies Act, 2013 were filed by the Company after prescribed timeline along with the adequate additional filing fees.

Management Response to Point No. (1): Your Company is law abiding entity and filed the necessary forms & returns with the authorities. The management is hopeful and committed to their level best to streamline the same in future. There was some delay in filing of the particulars forms and has already complied with the same and has paid additional fees as prescribed.

2. Pursuant to Section 135 of the Companies Act, 2013 read with applicable rules, Company was required to spend CSR Contribution of Rs.30.08 Lacs during the financial year 2020-21, however the Company has spent Rs. 29.36 Lacs only during the year 2020-2021.

Management Response to Point No (2): The company has contributed Rs. 29.36 lacs during the year towards CSR initiatives. Management transferred the balance amount to Separate Bank Account for Multi Year Project as identified by the CSR Committee.

COST AUDITOR:

Pursuant to the provision of Section 148 of the Companies Act, 2013 pertaining to audit of cost records is applicable to the Company. The Board has appointed M/s M.P. Turakhia & Associates, Cost Accountant to audit the cost records of your company for the financial year 2020-21.

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies Act, 2013 and rule thereunder and regulation 18(3) of SEBI LODR and based on the recommendations of Audit Committee, your Board have reappointed M/s. Mahesh C. Solanki & Co. (FRN 006228C), Chartered Accountants, Indore as Internal Auditor of the Company to conduct the Internal Audit of the Company for the FY 2020-21. The Internal Auditors reports directly to the Audit Committee and make comprehensive presentations at the Audit Committee meeting(s) on the Internal Audit Report.

Your Board has reappointed M/s. Mahesh C. Solanki & Co. (FRN 006228C), Chartered Accountants, Indore as Internal Auditor of the Company for the FY 2021-22.

16. DISCLOSURE REQUIREMENTS:

As per the Provisions of the SEBI (LODR) Regulations, 2015 entered into with the stock exchanges, corporate governance report with auditor's certificate thereon and management discussion and analysis are attached, which form part of this report.

Details of the familiarization programme of the independent directors are available on the website of the Company. www.Jashindia.com.

17. FINANCE:

The Company continues to focus on judicious management of its working capital, receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

18. DEPOSITS

Your Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and there were no remaining unclaimed deposits as

on 31st March, 2021. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

S. No.	Particulars	Amount in Rs.
1	Details of Deposits accepted during the year	NIL
2	Deposits remaining unpaid or unclaimed at the end of the year	NIL
3	Default in repayment of deposits At the beginning of the year Maximum during the year At the end of the year	N.A.
4	Deposits not in compliance with law	N.A.
5	NCLT/ NCLAT orders w.r.t. depositors for extension of time and penalty imposed	N.A.

Further, your company has filed form DPT-3 for the Annual compliance as at 31st March, 2021 for the amount received by the company which is not under the purview of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) rules, 2014 as amended from time to time.

19. HUMAN RESOURCE DEVELOPMENT:

Attracting, enabling and retaining talent have been the cornerstone of the Human Resource function and the results underscore the important role that human capital plays in critical strategic activities such as growth. A robust Talent Acquisition system enables the Company to balance unpredictable business demands with a predictable resource supply through organic and inorganic growth.

The re-imagined focus on competency building of fresh recruits prior to joining through unique digital Initial Learning Program approach has enabled faster release of freshers to projects. Post-offer engagement activities have also witnessed increased focus. Continual pursuit to connect with associates on a regular basis, communicate in an open and transparent manner, progressive HR policies. This is evident from the high retention rates and improved engagement levels of the associates.

20. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

21. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year 2020-21 were on Arm's Length Basis and were in the Ordinary Course of business. There are no materially significant Related Party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. All Related Party Transactions were approved by the Audit Committee on omnibus basis or otherwise and the Board. The transactions entered into by the company are audited. The Company has developed Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions. The information for the Related Party Transactions has been given in AOC-2 as Annexure-F. The RPT Policy as approved by the Board is available on the Company's website www.Jashindia.com.

22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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

23. CORPORATE SOCIAL RESPONSIBILITY:

The Company has developed and implemented Corporate Social Responsibility initiatives as the said provisions are applicable in view of the profits and turnover of the company, your Company was required to undertake CSR projects during the year 2020-21 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as Annexure-H.

24. EXTRACT OF ANNUAL RETURN

The Annual Return of the Company as on March 31, 2021 is available on the Company's website and can be accessed at https://drive.google.com/file/d/13B0DR_yzeAtFaAfNlpdzTfa9rIA-s3uB/view?usp=sharing

25. LIQUIDATION OF MAHR MASCHINENBAU GES. MBH (WOS), AUSTRIA

Company's Board of Directors decided to withdraw from the process of Liquidation of Wholly Owned Subsidiary, MAHR MASCHINENBAU GES. MBH (WOS), AUSTRIA in view of change in business strategy for MAHR products in Europe and USA.

26. RISK MANAGEMENT:

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

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

27. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES:

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

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

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

Category	No. of complaints pending at the beginning of F.Y. 2020 -21	No. of complaints filed during the F.Y. 2020 -21	No. of complaints pending as at the end of F.Y. 2020 -21
Sexual Harassment	NIL		

29. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

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

Except that as stated in the relevant places, the material changes, development, regarding project which is ongoing, from the 31st March, 2021 till the date of the Board Reports, there are no material changes which may affect the financial position of the Company.

31. RATIO OF THE REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION AND PARTICULARS OF EMPLOYEES:

Pursuant to provision of section 197(12) of Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the details of employees given in Annexure-I. During the

year, none of the employees received remuneration in excess of Rs. One Crore and two lacs or more per annum, in accordance with the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, there is no information to disclose in terms of the provisions of the Companies Act, 2013.

32. EMPLOYEE STOCK OPTION SCHEME:

In the present competitive economic environment in the country and in the long-term interests of the Company and its shareholders, it is necessary that the Company adopts suitable measures for attracting and retaining qualified, talented and competent personnel. An employee stock option scheme, designed to foster a sense of ownership and belonging amongst personnel, is a well-accepted approach to this end. It is, therefore, appropriate to consider an Employee Stock Option Scheme for the employees of the Company and/or subsidiary company(ies) whether working in India or abroad. The Nomination and Remuneration Committee, inter alia administers and monitors the Company's employees' stock option scheme (ESOP Scheme) in accordance with the applicable SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB).

Company allotted 34,570 Equity shares to the eligible Employees under Jash Engineering Employee Stock Option Scheme 2019" (JASH ESOP Scheme 2019). The Scheme is operated through demat mode only. JASH ESOP Scheme 2019 is administered by the Compensation Committee (NRC Committee) through JASH Group Employee ESOP Trust. The details on Options granted, exercised and lapsed during the financial year 2020-21 and other particulars as required under the Act, read with its rules and SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Employees' Stock Options are enclosed herewith as Annexure - J to this Report and also available on the website of the Company i.e. www.jashindia.com

33. INDUSTRIAL RELATIONS:

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

34. PREVENTION OF INSIDER TRADING

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

The Code requires Trading Plan, pre-clearance for dealing in the Company's shares and prohibition the purchase or sale of Company shares by the Directors and the designated employee

35. DISCLOSURE FOR FRAUDS AGAINST THE COMPANY:

In terms of the provisions of Section 134(3)(C)(a) of the Companies Act, 2013, there were no frauds committed against the Company and persons who are reportable under section 141 (12) by the Auditors to the Central Government. Also, there were no non-reportable frauds during the Financial Year 2020-21.

36. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs. All unpaid or unclaimed dividend are required to be transferred by the company to the IEPF established by the Government of India, after the completion of seven years.

During the year under review company has not liable to transfer any amount relates unclaimed and unpaid dividends to the IEPF Authority for the year 2020-21 as per the requirement of the said IEPF rules.

37. CAUTIONARY STATEMENT

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

38. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in the nature of business of the company.

39. OTHER DISCLOSURES:

- Your Company has complied with the applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings' during the year.
- There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

40. ACKNOWLEDGMENTS

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

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

Date : 13 August 2021
Place : Indore

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Annexure A**Form No. AOC-1**

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

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

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

S.	1	2	3	4	5
1	Name of the subsidiary	Shivpad Engineers Pvt. Ltd.	Jash USA Inc. USA	Mahr Maschinenbau Ges. mbH	Engineering and Manufacturing Jash Limited
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No	No	No	No
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	INR Not Applicable	USD 74.20	EURO 86.66	HKD 9.57
4	Share capital	1,350,300.00	364,518,481.60	3,148,913.29	9.57
5	Reserve & surplus	105,127,213.00	(304,459,666.00)	75,894,687.49	1,033,339.89
6	Total assets	147,515,229.00	841,271,809.00	79,933,689.11	1,813,610.70
7	Total liabilities	147,515,229.00	841,271,809.00	79,933,689.11	1,813,610.70
8	Investments	-	-	-	-
9	Turnover (Total Revenue)	190,873,244.00	1,041,678,960.00	24,092,505.18	11,847.66
10	Profit before taxation	48,588,587.00	(115,232.60)	5,583,606.05	(824,685.18)
11	Provision for taxation	-	-	-	-
12	Profit after taxation	36,653,885.00	(424,053.00)	5,431,951.05	(824,685.18)
13	Proposed Dividend	1500 %	-	-	-
14	% of shareholding	100	100	100	100

Name of subsidiaries yet to commence operations: Not Applicable

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

Part "B": Associates and JV :- NAFor and on behalf of Board of Directors of
Jash Engineering LimitedDate : 13 August 2021
Place : IndoreSd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920Sd/-
Suresh Patel
Executive director
DIN:00012072Sd/-
Dharmendra Jain
CFOSd/-
Tushar Kharpade
Company Secretary

Annexure-B

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

The global water and wastewater treatment equipment market size was valued at USD 61.60 billion in 2020 and is expected to grow at a compound annual growth rate (CAGR) of 4.0% from 2021 to 2028. Rising demand for clean water due to rapid urbanization and industrialization, coupled with diminishing freshwater resources, is anticipated to propel the product demand over the forecast period. Rising environmental concerns, coupled with the necessity to comply with the stringent government regulations pertaining to water & wastewater treatment across the globe, are likely to boost the market growth. Moreover, increasing investments in wastewater treatment facilities are anticipated to drive market growth.

In addition, the rising need of upgrading the existing facilities of the aging infrastructure in the country is estimated to augment the market growth.

Rapid urbanization, technological advancements, infrastructural development, and population growth have increased the demand for fresh and processed water across the globe. However, due to the limited availability of freshwater resources, there is a growing focus on wastewater treatment and reuse to meet the rising demand. This is expected to boost market growth over the forecast period.

In addition, rising demand for clean water from refineries and the development of advanced components to treat effluents in oil & gas and manufacturing industries are anticipated to drive the market over the forecast period.

Several government authorities have introduced strict regulations regarding wastewater emissions from the industrial and municipal sectors, which will drive the product demand in the years to come. However, the high cost associated with the operation, maintenance, and monitoring of wastewater treatment plants are likely to restrain market growth to some extent.

India is the 2nd largest water consumer in the world. The country needs around 740 billion cubic meters of water per year to serve its population. Further, the water demand is expected to surpass supply within the next 20-25 years. This, in turn, is generating strong growth opportunities for the water and wastewater treatment sector. Increasing demand for pure water due to increased awareness about water quality and health is also important for companies to consider. Besides, there is a huge demand for international, innovative water treatment technology in the sector. The investment opportunities in the water sector are forecasted to increase to \$130 billion by 2030.

BUSINESS PERFORMANCE

Your Company is an ISO 9001:2015, ISO 14001:2015 & BS OHSAS 18001:2007 certified firm engaged in manufacturing of water control gates, flap valves, knife gates valves, energy dissipating valves, water hammer control valves, fine and coarse screens, screening conveying, washing and compaction equipment, industrial valves for bulk solids handling, hydro power screw generator, screw pump and process equipment like detritors, clarifiers, clariflocculators, thickeners, decanters aerators, trickling filters, dissolved air flotation (DAF) units, rotary drum slackers, rake classifiers, pressure sand filters, etc. The products of your Company find application in water intake systems, water and wastewater pumping stations and treatment plants, storm water pumping stations, water transmission lines, power, steel, cement, paper & pulp, petrochemicals, chemical, fertilizers and other process plants.

Your Company offers a one stop solution under one roof including Design, Casting, Fabrication, Assembly & Testing and provides vast range of these products in all possible sizes and in diversified material options unlike many of our peers. The Company has world class manufacturing facilities equipped with latest and modern manufacturing techniques enabling us to produce best quality products at competitive prices. Your Company continues to enjoy leadership position in most of the product groups in the domestic market. In the international markets, the Company is progressing towards leadership position in products like water control gates, screens and knife gate valves.

The Company has a diversified customer base spread across the globe with presence in countries like United States of America, UK, France, Germany, Austria, Qatar, Saudi Arabia, Bahrain, Oman, UAE, Hongkong, Singapore, Malaysia, Thailand and over 35 other Countries etc. The Company continues to undertake various development initiatives and reengineer its products as per the need of customers and deliver products adhering to best in class manufacturing standards. The Company is witnessing immense opportunities in developing countries where the markets are growing at a much faster pace as compared to developed countries.

The Company is not only engaged in providing machinery for Water treatment industry but also indulges in value added services which includes providing guidance to customers for proper utilization and installation of machinery in order to help them achieve desired output. Besides, the Company offers a range of support services on an ongoing basis and continuously monitors, audits and facilitates its customers in equipment maintenance by promptly supplying of parts and accessories and ensuring maximum machine uptime.

In the financial year 2020-21, the Company has generated Net Profit of Rs. 2769.88 Lacs. as against Rs. 2181.74 Lacs. in the previous year.

OPPORTUNITIES AND THREATS

Global Water Treatment Market is set to witness growth on account of rising health awareness, increasing population and growing level of water pollution. Stringent government regulations to control water contamination is projected to strengthen the business landscape. In addition, easy availability of purifying technology along with significant reduction in production and operation cost will enhance the industry outlook.

Distillation water treatment market will grow owing to low operating cost and easy installation. Consistent & reliable results coupled with effective removal of water contamination is projected to positively impact the industry landscape. Enhanced capacity, affordable pricing, and higher efficiency along with rising awareness toward environment and health will further drive the product adoption.

Filtration water treatment market is anticipated to grow on account of technology advancement coupled with lower production costs and easy availability. Cost saving, sustainable solution and improved water quality will augment the business outlook. Moreover, ongoing R&D activities accompanied by advancement in technology is projected to strengthen the product installation.

Residential water treatment market is set to grow owing to rising awareness toward health risk and hazardous environment impact of contaminated water. Growing focus toward reusing and recycling of water is anticipated to encourage the product demand. In addition, increasing residential construction across the globe is projected to enhance the industry outlook.

Point Of Use (POU) water treatment market will grow on account of convenient product use, easy installation and cost efficiency. Increasing water contamination and construction activities along with growing awareness toward the benefits of clean drinking water are key parameters driving the water treatment systems market growth.

Asia Pacific water treatment market is projected to grow owing to increasing water demand and depletion of water resources. Strict environment regulation by respective government authorities to control water security issues is encouraging the product adoption. In addition, rapid industrialization and growing population in the region are key factors driving the industry landscape.

India's water scarcity issues are now becoming prominent in urban cities where the costs of freshwater production and industrial water tariffs have risen due to water shortage. Only one-third of India's wastewater is currently treated, leading to the high burden of water-borne diseases. As India's cities run out of water, water-intensive industries like manufacturing and hospitality are investing in better effluent treatment. Also, implementation of strict government regulations, like zero liquid discharge regulation, for the treatment of sewage before discharging into the water bodies is expected to augment demand for wastewater treatment plants.

Government Initiatives which drive the water and wastewater treatment market:

Namami Gange Program – The project aims to ensure that no untreated wastewater enters the Gange. The framework for this PPP model would be tried and tested and can be implemented for future projects.

Zero Liquid Discharge for specific industries to enforce them to waste water reuses and alternate resources. Major Industries to follow ZLD in India are Coal Fired Thermal Power Plants, Distillery (Molasses Based), Steel Plants, Textile (Wet Processing) and Pulp & Paper (Large Wood Based).

Seawater Desalination - The widening gap between growing water needs of population and scarcity in supply in major coastal cities in India is giving rise to alternative water sources. Desalination water technology is widely used in water scarce states such as Gujarat, Tamil Nadu, and Rajasthan. India has a coastline of 7,517 km which provides huge opportunity for desalination plants in India. As per the Desalination Association of India, there are more than 1000 membrane-based desalination plants of various capacities ranging from 20 m³/day to 10,000 m³/day. Most of the large desalination plants in India is at Municipal sector. Due to the degradation of water resources and growing population in major cities, NITI Aayog is planning set up desalination plants in Chennai, Mumbai, Kolkata, Surat and Vizag.

Competition and high overheads cost are a threat in this business. The rise of competition is inevitable as foreign companies want to enter India owing to its high growth potential. Installation of water & wastewater treatment equipment is expensive and operating and maintaining costs is also high. This acts as restraining factor because it leads to increase in cost of product thereby putting pressure on sales as well as on margins. However, with rising water scarcity and increasing water prices, water and wastewater treatment has the potential to mature as a profitable undertaking.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

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

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

Particulars	Current year ended 31 March 2021	Previous year ended 31 March 2020
	(Audited)	(Audited)
Segment revenue from external customers		
Within India	12,575.52	15,114.16
Outside India	17,367.17	12,659.63
Revenue from operations	29,942.69	27,773.79
Segment assets		
Within India	23,279.34	22,517.63
Outside India	83,62.26	5,949.76
Total assets	31,641.60	28,467.39
Capital expenditure		
Within India	882.40	1,217.37
Outside India	59.82	40.86
Total capital expenditure	942.22	1,258.23

FUTURE OR FORWARD OUTLOOK

Global Water and Wastewater Treatment Equipment market size is projected to grow at CAGR of almost 4% with Revenue of USD 18.35 billion during the forecast period 2021-2024. The "YOY (year-over-year) growth rate for 2021 is estimated at 3.47%" by the end of 2024.

Water and Wastewater Treatment Equipment Market analysis considers sales from both municipal and industrial applications. Factors such as rising adoption of various technologies in water treatment plants will play a significant role in the municipal segment to maintain its market position. Also, our global water and wastewater treatment market report looks at factors such as increasing global concerns regarding water scarcity, increasing industrial water demand and disposal of wastewater in water bodies, and stringent regulations boosting global market growth. However, high cost of industrial water treatment equipment, operational and technical challenges and concerns regarding nutrition impairment may hamper the growth of the water and wastewater treatment industry over the forecast period.

The demand for water for industrial purposes across different countries is increasing with the growing industrialization. The disposal of wastewater generated from different industrial processes such as stormwater, sanitary wastewater, and process water into the water bodies is increasing environmental concerns. With the depletion of water resources and the ever-growing demand for water, many companies are compelled to look for ways to limit water usage and use water efficiently. This will lead to the expansion of the global water and wastewater treatment market.

Jash Engineering Limited enjoys a strong market position in the water and wastewater management industry with a diverse range of product portfolio and has a wide geographical presence which would enable the Company to maintain positive growth momentum by capitalizing on the upcoming demand arising from both domestic and international industries.

RISKS AND CONCERNS, INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has developed and implemented a risk management policy for the Company with a forward-looking approach that allows it to maintain a medium-low risk profile, through a risk appetite as may be defined by board of directors and the identification and assessment of all risks. The Company will continue to improve its risk framework through technology to suit its remodeled business as described herein.

We are subject to foreign currency exchange rate fluctuations which could have a material impact on our results of operations and financial conditions. The Company has a well-defined Policy for Risk Mitigation on foreign exchange by

adopting hedging strategies. Global as well as Indian economic and political factors that are beyond our control, influence forecasts and may directly affect our business operations.

The Company has initiated process re-engineering to introduce in-built process elements to monitor and comply with various internal and external requirements for various aspects of conducting business. Compliance beyond prescribed will continue to be underlying principle for business processes. The Company will strive to be the best by increasing role of technology in monitoring and fulfilling compliance requirements.

Internal control systems play a crucial role in the health of a Company in every industry. An effective system of internal control is a backbone, necessary for building, maintaining and improving shareholders confidence and value as well as helps to enhance the overall quality of the business and the enterprise.

The Company has an adequate internal control system commensurate with the size of the Company and the nature of its business. The Company also has internal control system for speedy compilation of accounts and Management Information Reports and to comply with applicable laws and regulations.

The effectiveness of the internal control mechanism is reviewed by an independent professional internal audit function and by the statutory auditors. The Audit Committee of the Board periodically reviews the functioning of the internal audit and the implementation of the recommended measures to improve the internal control mechanism

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Financial performance of the Company for the year 2020-21 is described in the Directors' Report under the headings 'Summarized Profit & loss Account and State of Company's Affairs & Review of operations'.

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

With highly experienced senior management, competent middle management and enthusiastic junior management team, the Company is capable of handling large and complex projects. The Company focusses on promoting a positive work culture through its policies and best HR practices. This contributes towards higher transparency while providing equal opportunities to all. The Company adopts zero tolerance approach towards any kind of racial, sexual, religious, gender or any other kind of harassment as protected by the law.

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

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

Focused attention on management of available human resources by training, incentivizing, and a fair policy of promotion, transfer and equal pay for equal work played a significant role in achieving the desired objective and remained competitive in terms of product quality, price pattern, brand equity and service deliverables. Nurturing of talent and best HR practices will continue to differentiate and provide strength to company.

As on March 31, 2021 we have over 545 employees on payroll as well as contractual. Company is committed to provide necessary training / conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys healthy and cordial relations with its employees at all levels. The management and the employees are dedicated to achieve the corporate objectives and the targets set before the company.

CAUTIONARY STATEMENT

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

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

Date : 13 August 2021
Place : Indore

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Annexure - C**CORPORATE GOVERNANCE REPORT**

The Company is in compliance with the Corporate Governance requirements as enshrined in the Companies Act 2013 read with Rule made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and other applicable laws, rules and regulations, as amended from time to time. The report containing the details of corporate governance systems and processes at JASH Engineering Limited is as under: -

Jash's Philosophy on Corporate Governance:

Corporate Governance at Jash Engineering Limited has been a continuous journey and the business goals of the Company are aimed at the overall well being and welfare of all the constituents of the system. The Company is committed to conduct its business in compliance with applicable laws, rules and regulations with highest standards of business ethics. The Company firmly believes and has consistently practiced good Corporate Governance.

Jash's governance framework is driven by the objective of enhancing transparency, fairness, professionalism, accountability, effective management control, social responsiveness, complete disclosure of material facts and independence of Board. Company constantly strives towards betterment and these aspects and thereby perpetuate in generating long term economic value for its Shareholders, Customer, Employees other associated persons and the society as a whole.

Your Company confirms the compliance of Corporate Governance as contained in Chapter IV of the SEBI (LODR) Regulations, 2015 (SEBI LODR Regulation)" as amended, the details of which are given below.

BOARD OF DIRECTORS:

The Company's Board plays a pivotal role in ensuring that the Company runs on sound and ethical business practices and that its resources are utilized for creating sustainable growth and societal wealth.

Board composition:

The Board composition is in conformity with Section 149 of the Act and Regulation 17 of the Listing Regulations. Company has an active, diverse, experienced and a well-informed Board. The Company currently has a right mix of Directors on the Board who possess the requisite qualifications and experience in general corporate management, finance and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

As on March 31, 2021, the composition of the Board of Directors was optimum and as under:

Sr. No.	Name of the Director	DIN	Designation
1.	MR. PRATIK PATEL	00780920	CHAIRMAN & MANAGING DIRECTOR
2.	MR. SURESH PATEL	00012072	EXECUTIVE DIRECTOR
3.	MR. AXEL SCHUTTE	02591276	NON EXECUTIVE DIRECTOR
4.	MR. BRIJ MOHAN MAHESHWARI	00022080	INDEPENDENT DIRECTOR
5.	MR. SUNIL KUMAR CHOKSI	00155078	INDEPENDENT DIRECTOR
6.	MS. SUNITA KISHNANI	06924681	INDEPENDENT DIRECTOR
7.	MR. DURGALAL TULJARAM MANWANI	07114081	INDEPENDENT DIRECTOR
8.	MR. VISHWAPATI TRIVEDI	00158435	INDEPENDENT DIRECTOR

Directorships and Memberships of Board Committees:

Sr. No.	Name of the Director	Directorships of Other Listed Companies	Designation of Other Listed Companies	Memberships of Board Committees
1	Mr. Pratik Patel	NIL	NIL	2
2	Mr. Suresh Patel	NIL	NIL	1
3	Mr. Axel Schutte	NIL	NIL	-
4	Mr. Brij Mohan Maheshwari	NIL	NIL	4
5	Mr. Sunil Kumar Choksi	1. Choksi Laboratories Limited	Managing Director	2
6	Ms. Sunita Kishnani	NIL	NIL	2
7	Mr. Durgalal Tuljaram Manwani	NIL	NIL	3
8	Mr. Vishwapati Trivedi	NIL	NIL	-

Board Meeting and Attendance:

Name of Director	Date of the Board Meeting				Date of AGM
	25/06/2020	28/08/2020	12/11/2020	11/02/2021	29/09/2020
Mr. Pratik Patel	Yes	Yes	Yes	Yes	Yes
Mr. Suresh Patel	Yes	Yes	Yes	Yes	Yes
Mr. Axel Schutte	No	No	Yes	Yes	No
Mr. B. M. Maheshwari	Yes	Yes	Yes	Yes	Yes
Mr. D. T. Manwani	Yes	Yes	Yes	Yes	Yes
Mr. Sunil Choksi	No	Yes	No	Yes	Yes
Ms. Sunita Kishnani	Yes	Yes	Yes	Yes	Yes
Mr. Vishwapati Trivedi	Yes	Yes	Yes	Yes	Yes

Relationship with other directors:

Sr. No.	Name of the Director	Designation	Relationship
1	Mr. Pratik Patel	Chairman & Managing Director	Nephew of Mr. Suresh Patel
2	Mr. Suresh Patel	Executive Director	Uncle of Mr. Pratik Patel
3	Mr. Axel Schutte	Director	-
4	Mr. Brij Mohan Maheshwari	Independent Director	-
5	Mr. Sunil Kumar Choksi	Independent Director	-
6	Ms. Sunita Kishnani	Independent Director	-
7	Mr. Durgalal Tuljaram Manwani	Independent Director	-
8	Mr. Vishwapati Trivedi	Independent Director	-

Certificate from practicing company secretary on non-disqualification of Director:

Pursuant to Regulation 34(3) and Schedule V para C clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has received a Certificate of Non-Disqualification of Director, annexed as Annexure 1 of Corporate Governance Report from Ankit Joshi, Practicing Company Secretary (COP No. 18660), to the effect that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority.

Familiarization Programme:

Pursuant to Regulation 25(7) of SEBI LODR, the Company conducts Familiarisation Programme for the Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, its management, operation, business and general laws governing the Company.

Objectives:

Through the familiarization programme, the Company intends to achieve the following objectives:

- To apprise the Directors about the business model, corporate strategy, nature of industry, business plans and operations of the Company.
- To familiarize them with the Company's financial performance, annual budgets, internal control processes and statutory compliances.
- To appraise them about their roles and responsibilities in the Company.
- To familiarize them with Company's vision, core values, ethics and Corporate Governance practices.
- Familiarization Programme.
- The Independent Directors in the Board and Committee Meetings Shall be provided with the following.
- Criteria of Independence applicable to the Independent Directors.
- Updates on business model, nature of industry, operations and financial performance of the Company.
- Presentations on Annual Budgets, Internal & Statutory Audit, Corporate Social Responsibility, strategies and business performance of the Company.
- Updates on significant developments in the Company.
- Directors Responsibility Statement forming part of Boards' Report,
- Policies of the Company on social responsibility, remuneration criteria, vigil mechanism, related party transactions etc,
- Update on significant amendments in corporate and other laws and its impact on the Company.
- Board evaluation process and procedures.
- Code of Conduct for Independent Directors as prescribed under the Companies Act, 2013.

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings on business, operations and performance updates of the Company as well as the Group. Quarterly updates on relevant statutory and regulatory changes applicable to the Company and the Group and important legal matters pertaining to the Company are discussed at the Board meetings. The Familiarization Programme is available on the website: www.jashindia.com

Skills / Expertise / Competencies of the Board of Directors:

The following is the list of core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Matrix Setting out Skills / Expertise / Competencies:

Particulars	Mr. Pratik Patel	Mr. Suresh Patel	Mr. Axel Schutte	Mr. Brij Mohan Maheshwari	Mr. Sunil Kumar Choksi	Ms. Sunita Kishnani	Mr. Durgalal Tuljaram Manwani	Mr. Vishwapati Trivedi
Knowledge of Industry	✓	✓	✓	✓	✓	✓	✓	✓
Behavioural skills	✓	✓	✓	✓	✓	✓	✓	✓
Business Strategy	✓	✓	✓	✓	✓	✓	✓	✓
Sales & Marketing	✓	✓	✓		✓	✓	✓	✓
Corporate Governance	✓	✓	✓	✓	✓	✓	✓	✓
Forex Management	✓	✓	✓	✓	✓	✓	✓	✓
Administration	✓	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Financial Skills	✓		✓	✓	✓	✓	✓	✓
Management skills	✓	✓	✓	✓	✓	✓	✓	✓
Technical skills	✓	✓	✓		✓		✓	✓
Professional skills	✓	✓	✓	✓	✓	✓	✓	✓

Confirmation with respect to Independent Director's:

Your Board of Directors is of the opinion that the Independent Directors fulfill the conditions specified in these the SEBI (LODR) Regulations, 2015 and are independent of the management. The Independent Directors of the Company have confirmed that they meet the criteria of Independence as laid down under the section 149 (6) of the Act and Regulation 16(1)(b) & 25 of the SEBI LODR. The Board have taken on record the declaration and confirmation submitted by the Independent Directors after undertaking due assessment of the veracity of the same

Independent Directors' Meeting

The Independent Directors of the Company met on 11 Feb 2021, pursuant to Schedule IV of the Act and Regulation 25 of SEBI LODR, all the Independent Directors were present to inter alia discuss the following: Noting of the report of Performance Evaluation ; competition strategy, leadership, strengths and weakness, governance, compliance, human resource matters, review the performance of non-independent directors and the Board as a whole taking into account the views of executive directors and non-executive directors; Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Audit Committee:

According to Section 177 of the Companies Act, 2013 and applicable rules made their under and as per Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015: -

Every listed entity shall constitute a qualified and independent audit committee in accordance with the terms of reference, subject to the following:

- (a) The audit committee shall have minimum three directors as members.
- (b) Two-thirds of the members of audit committee shall be independent directors and in case of a listed entity having outstanding equity shares, the audit committee shall only comprise of independent directors.
- (c) All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.

To follow above mentioned provisions, our Company constituted Audit Committee as per requirement of section 177 of the Companies Act 2013 and Regulation 18 of the SEBI (LODR) Regulations, 2015. The terms of reference of Audit Committee are broadly in accordance with the provisions of SEBI (LODR) Regulations, 2015 and Companies Act, 2013. The Audit Committee comprises of the following Directors of the Company:

The Committee met four (4) times during the year under review on June 25, 2020, August 28, 2020, November 12, 2020, February 11, 2021 in accordance with the circular issued by the MCA and SEBI. The time gap between two Meetings was well within the prescribed limits as per the circular issued by the MCA and SEBI. The necessary quorum was present in all the meetings of the Committee.

The Composition of Audit Committee is as follow:

Sr No.	Name	Nature of Directorship	Designation in Committee	No of Meeting held / No of Meeting Attended
1.	Mr. BRIJ MOHAN MAHESHWARI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	CHAIRMAN	4/4
2.	Mr. DURGALAL TULJARAM MANWANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER	4/4
3.	Mr. SUNIL CHOKSI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER	4/2
4.	Mr. PRATIK PATEL	MANAGING DIRECTOR	MEMBER	4/4

A. Powers of the Audit Committee:

The powers of the Audit Committee include the following:

- a) to investigate any activity within its terms of reference;
- b) to seek information from any employee of our Company;
- c) to obtain outside legal or other professional advice; and
- d) to secure attendance of outsiders with relevant expertise, if it considers necessary.

B. Role of the Audit Committee:

The role of Audit Committee together with its powers shall be as under:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- Approving initial or any subsequent modification of transactions of the company with related parties;
- Scrutinizing inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Monitoring the end use of funds raised through public offers and related matters;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to;
 - a. matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013;
 - b. changes, if any, in accounting policies and practices along with reasons for the same;
 - c. major accounting entries involving estimates based on the exercise of judgment by management;
 - d. significant adjustments made in the financial statements arising out of audit findings;
 - e. compliance with listing and other legal requirements relating to financial statements;

- f. disclosure of any related party transactions; and
- g. modified opinion in the draft audit report.
- Reviewing, with the management, the quarterly/ half yearly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with the internal auditors any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
- Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

C. Mandatory review by the Audit Committee

The Audit Committee shall mandatorily review the following:

- a) management discussion and analysis of financial condition and results of operations;
- b) statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c) management letters / letters of internal control weaknesses issued by the statutory auditors;
- d) internal audit reports relating to internal control weaknesses;
- e) the appointment, removal and terms of remuneration of the chief internal auditor; and statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Nomination and Remuneration Committee:

According to Section 178 of the Companies Act, 2013 and applicable rules made their under and as per Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015: -

The board of directors shall constitute the nomination and remuneration committee as follows:

- (a) the committee shall comprise of at least three directors;
- (b) all directors of the committee shall be non-executive directors; and
- (c) at least fifty percent of the directors shall be independent directors and in case of a listed entity having outstanding equity shares, two thirds of the nomination and remuneration committee shall comprise of independent directors.

To follow above mentioned provisions, our Company has constituted a Nomination and Remuneration Committee in accordance with section 178 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. The Nomination and Remuneration Committee comprises of the following Directors of the Company:

The Committee met three (3) times during the year under review on June 25, 2020, August 28, 2020, November 12, 2020, March 8, 2021 in accordance with the circular issued by the MCA and SEBI. The time gap between two Meetings was well within the prescribed limits as per the circular issued by the MCA and SEBI. The necessary quorum was present in all the meetings of the Committee.

The Composition of Nomination & Remuneration Committee are as follow:

Sr.No.	Name	Nature of Directorship	Designation in Committee	No of Meeting held/ No of Meeting Attended
1.	Ms. SUNITA KISHNANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	CHAIRMAN	3/3
2.	Mr. DURGALAL TULJARAM MANWANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER	3/3
3.	Mr. BRIJ MOHAN MAHESHWARI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	MEMBER	3/3

Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.
- formulation of criteria for evaluation of performance of independent directors and our Board;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Determine our Company's policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the whole-time Directors.
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To formulate and administer the Employee Stock Option Scheme.

Performance Evaluation:

In terms of the requirement of the Act and the Listing Regulations, an annual performance evaluation of the Board, its Committees and the Directors was undertaken which included the evaluation of the Board as a whole, Board Committees and peer evaluation of the Directors. The criteria for performance evaluation covers the areas relevant to the functioning of the Board and Board Committees such as its composition, oversight and effectiveness, performance, skills and structure etc. The performance of individual directors was evaluated on the parameters such as preparation, participation, conduct, independent judgement and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors, the Directors being evaluated had not participated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

Remuneration of Directors for 2021:

Sr. No.	Name	Designation	Salaries and Allowances	Commission	Sitting Fee	ESOP	Total
1	Mr. Pratik Patel	Managing Director	7,255,460.00	-	-	-	7,255,460.00
2	Mr. Suresh Patel	Executive Director	3,455,173.00	-	-	-	3,455,173.00
3	Mr. Axel Schutte	Director	-	-	-	-	-
4	Mr. Brij Mohan Maheshwari	Independent Director	-	-	100,000.00	-	100,000.00
5	Mr. Sunil Kumar Choksi	Independent Director	-	-	50,000.00	-	50,000.00
6	Ms. Sunita Kishnani	Independent Director	-	-	100,000.00	-	100,000.00
7	Mr. Durgalal Tuljaram Manwani	Independent Director	-	-	100,000.00	-	100,000.00
8	Mr. Vishwapati Trivedi	Independent Director	-	-	100,000.00	-	100,000.00

Shares held by Non-Executive Director:

Sr. No.	Name	Designation	No. of Equity Share held
1	Mr. Axel Schutte	Non-Executive Director	7,70,000
2	Mr. Brij Mohan Maheshwari	Independent Director	-
3	Mr. Sunil Kumar Choksi	Independent Director	-
4	Ms. Sunita Kishnani	Independent Director	-
5	Mr. Durgalal Tuljaram Manwani	Independent Director	-
6	Mr. Vishwapati Trivedi	Independent Director	-

Remuneration Policy:

The Policy for Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matter is uploaded on Company's website. www.jashindia.com

Stakeholders' Relationship Committee:

According to Section 178 of the Companies Act, 2013 and applicable rules made their under and as per Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015: -

- The listed entity shall constitute a Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances various aspects of interest of shareholders, debenture holders and other security holders.
- Mr. Sunil Choksi non-executive independent director is the chairperson of this committee and Mr. Tushar Kharpade, Compliance officer of the Company act as the secretary to the Committee.

At least three directors, with at least one being an independent director, shall be members of the Committee and in case of a listed entity having outstanding equity shares, at least two thirds of the Stakeholders Relationship Committee shall comprise of independent directors.

To follow above mentioned provisions, our Company has constituted a shareholder/investors grievance committee ("Stakeholders Relationship Committee") to redress complaints of the shareholders.

Sr. No.	Name	Nature of Directorship	Designation in Committee	No of Meeting held/ No of Meeting Attended
1.	MR. SUNIL CHOKSI	INDEPENDENT DIRECTOR	CHAIRMAN	-
2.	MS. SUNITA KISHNANI	INDEPENDENT DIRECTOR	MEMBER	1/1
3.	MR. BRIJ MOHAN MAHESHWARI	INDEPENDENT DIRECTOR	MEMBER	1/1
4.	MR. PRATIK PATEL	MANAGING DIRECTOR	MEMBER	1/1

Terms of Reference: Redressal of shareholders' and investors' complaints, including and in respect of:

- Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.;
- attending to requests from the shareholders for demat/ remat of shares;
- Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- considering and resolving grievances of the security holders of the Company, including complaints related to the transfer of shares, non-receipt of annual report and non-receipt of declared dividends;
- Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
- Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time.
- Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
- Carrying out any other function contained in the equity listing agreements as and when amended from time to time."

Details of Complaints:

Particulars	Year ended 31 st March, 2021
Number of Shareholder's Complaints Received	0
Number of Complaints solved	0
Number of Complaints pending	0

For any assistance regarding share transfer, transmissions, change of address or any query relating to shares of company please write to: -

Company Secretary & Compliance officer:

Jash Engineering Ltd.
31, Sector-C, Sanwer Road,
Industrial Area,
Indore (M.P.)-452001
E-mail Id for Investor's Grievances: info@jashindia.com

Corporate Social Responsibility (CSR) Committee:

Every company having:

- net worth of rupees five hundred crore or more, or
- turnover of rupees one thousand crore or more or
- a net profit of rupees five crore or more

during any financial year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

To follow above mentioned provisions, our Company has constituted a CSR Committee in accordance with the provisions of section 135 of Companies Act, 2013. The constitution of the CSR Committee was approved by a meeting of the Board and reconstituted as per requirements. The CSR Committee comprises the following Directors as on 31st March 2021:

Sr. No.	Name	Nature of Directorship	Designation in Committee	No of Meeting held/ No of Meeting Attended
1	MR. BRIJ MOHAN MAHESHWARI	INDEPENDENT DIRECTOR	MEMBER	3/3
2	MR. DURGALAL TULJARAM MANWANI	INDEPENDENT DIRECTOR	MEMBER	3/3
3	MR. SURESH KUMAR PATEL	EXECUTIVE DIRECTOR	MEMBER	3/3

Executive & Borrowing Committee:

For looking day to day financial and operational transaction of the Company Executive & Borrowing Committee has constituted with specific power to running smooth functioning in financial and operational matters. The constitution of the Executive & Borrowing Committee was approved by a meeting of the Board and reconstituted as per requirements. The Executive & Borrowing Committee comprises the following Directors:

Sr. No.	Name	Nature of Directorship	Designation in Committee
1.	MR. PRATIK PATEL	MANAGING DIRECTOR	CHAIRMAN
2.	MR. SURESH PATEL	EXECUTIVE DIRECTOR	MEMBER

General Body Meetings:

The last three General Meeting of the company were held at the venue and time as under:

Year	AGM/EGM	Date	Time	Venue	Special Resolution Passed
2017-18	AGM-44th	21/09/2018	11:30 A.M.	Jash Engineering Ltd. 31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.)- 452001	-
2018-19	AGM-45th	14/09/2019	11:00 A.M.	Jash Engineering Ltd. 31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.) - 452001	1
2019-20	AGM-46th	29/09/2020	11:00 A.M.	Jash Engineering Ltd. 31, Sector - C, Sanwer Road, Industrial Area, Indore (M.P.) - 452001 (Through Video Conferencing)	2

During the year under review, no extra ordinary general meeting was held as well as no resolution was passed through the Postal Ballot process.

Means of Communication:

The quarterly, half-yearly and annual financial results and Statutory Notices of the Company are published in leading newspapers in India which include Business Standard, The Economic Times and Choutha Sansar. The website of the company acts as primary source of information regarding the operations of the company quarterly, half yearly and annual financial results and other media releases are being displayed on the company website. The Company also issues press releases from time to time. Financial results, statutory notices, press releases and presentations made to the institutional investors/ analysts after the declaration of the quarterly, half-yearly and annual results are submitted to the National Stock Exchange of India Limited (NSE).

General Shareholder Information:

Financial Year	2020-2021
Annual General Meeting For 2020 -21	47 TH Annual General Meeting
Date:	16 September 2021
Day:	Thursday
Time:	11:00 A.M.
Venue:	31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.) - 452015 INDIA
Stock Code:	JASH
ISIN:	INE039O01011
CIN Number:	L28910MP1973PLC001226

Listed on Stock Exchange:

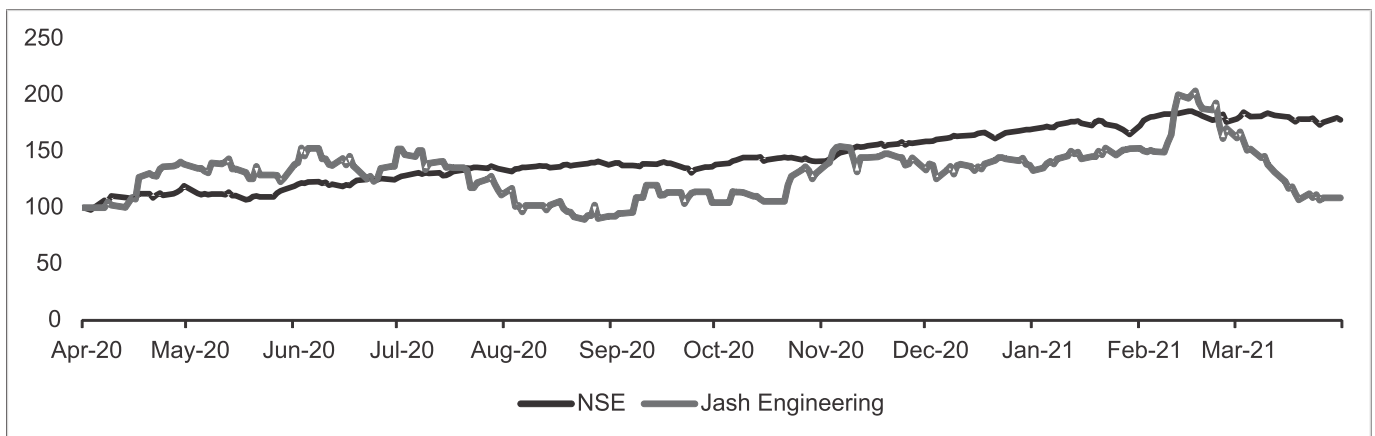
At present, the equity shares of the Company are listed at National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051.

Payment of Listing Fees:

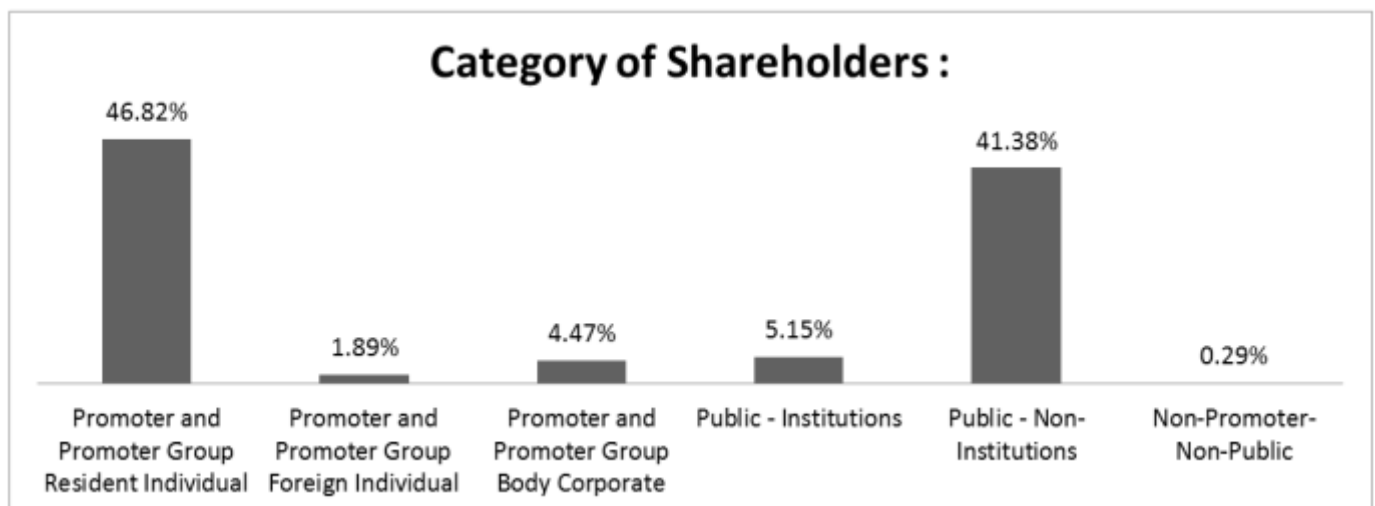
Annual listing fee for the year 2021-22 has been paid by the Company to NSE Limited where the shares of the Company are listed.

Market Price Data:**Market Price Data: High/Low during each month during the Financial Year 2020-2021:**

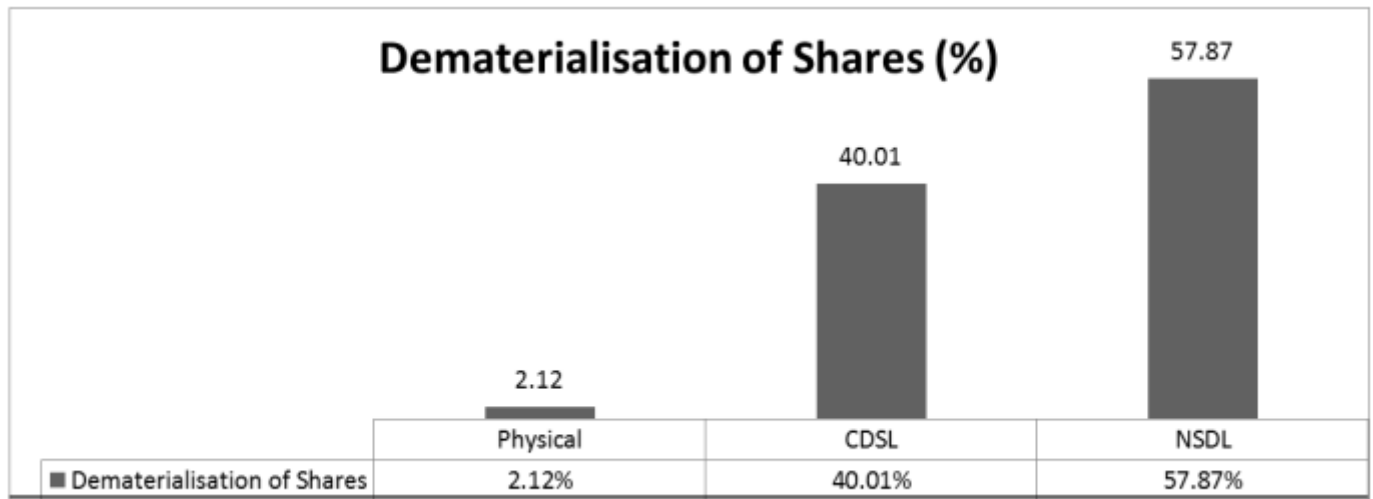
Month	NSE - Jash Engineering Engineering			NSE Nifty 50		
	High Price (Rs)	Low Price (Rs)	Close Price (Rs)	High Price (Rs)	Low Price (Rs)	Close Price (Rs)
April	107	94	105	9,889	8,056	9,860
May	111	93	104	10,329	8,807	9,580
June	176	104	175	10,553	9,544	10,302
July	177	136	142	11,341	10,300	11,073
August	181	136	160	11,794	10,882	11,388
September	205	160	205	11,618	10,790	11,248
October	218	195	204	12,025	11,347	11,642
November	232	192	214	13,146	11,557	12,969
December	234	170	221	14,025	12,963	13,982
January	249	220	243	14,754	13,597	13,635
February	307	238	273	15,432	13,662	14,529
March	315	267	301	15,336	14,264	14,691

Comparison of data of closing price of NSE Nifty 50 index and Jash share price:

Category of Shareholders as on March 31, 2021:

Sr. No.	Particular	% of Shareholding	Number of Shareholding
1	Promoter and Promoter Group Resident Individual	46.82	5,558,194
2	Promoter and Promoter Group Foreign Individual	1.89	224,657
3	Promoter and Promoter Group Body Corporate	4.47	531,800
4	Public - Institutions	5.15	611,268
5	Public - Non Institutions	41.38	4,910,679
6	Non Promoter - Non Public	0.29	34,570


Dematerialisation of Shares as on March 31, 2021 :

Sr. No.	Particular	% of Shareholding	Number of Shareholding
1	Physical	2.12	251,700
2	CDSL	40.01	4,749,437
3	NSDL	57.87	6,870,031



Share Capital Details: Distribution of Equity Shareholding as on March 31, 2021:

Sl. No	Range of shares	No. of Shareholders	% to Shareholders	Total no. of Shares	% to Equity
1	1 - 500	1,596	63.79	206,985	1.74
2	501 - 1000	250	9.99	202,986	1.71
3	1001 - 2000	294	11.75	391,703	3.30
4	2001 - 3000	95	3.80	241,108	2.03
5	3001- 4000	52	2.08	188,143	1.58
6	4001 - 5000	26	1.04	125,776	1.06
7	5001 - 10000	83	3.32	604,744	5.09
8	10001 and above	106	4.24	9,909,723	83.48
	Total	2,502	100.00	11,871,168	100.00

Registrar & Share Transfer Agent:

M/s Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra – 400083

Share Transfer System:

All the transfer of shares received by the Company has processed by the Registrars and Transfer Agents.

Outstanding ADRs /GDRs/ Warrants or any convertible instruments:

The Company had not issued any GDRs / ADRs/ Warrants or any Convertible instruments in the past and hence as on 31st March, 2021 the Company does not have any outstanding GDRs/ ADRs/ Warrants or convertible Instruments.

Business Locations:

Address for Correspondence:

Jash Engineering Ltd.
CIN: L28910MP1973PLC001226
31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.) - 452015 INDIA
E-mail: info@jashindia.com.

Certificate from practicing company secretary on Corporate Governance:

Pursuant to Regulation 34(3) and Schedule V para E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has received a Compliance Certificate attached as Annexure-2 of Corporate Governance Report, from Ankit Joshi, Practicing Company Secretary (CoP No. 18660), to the effect that Company has complied with all rules and regulations of Companies Act, 2013, SEBI Regulation or any other Law (If any) applicable on the company regarding compliance of good Corporate Governance.

Other Disclosure:

● **Employee Stock Option Scheme:**

In the present competitive economic environment in the country and in the long-term interests of the Company and its shareholders, it is necessary that the Company adopts suitable measures for attracting and retaining qualified, talented and competent personnel. An employee stock option scheme, designed to foster a sense of ownership and belonging amongst personnel, is a well-accepted approach to this end. It is, therefore, appropriate to consider an Employee Stock Option Scheme for the employees of the Company and/or subsidiary company(ies) whether working in India or abroad. The Nomination and Remuneration Committee, inter alia administers and monitors the Company's employees' stock option scheme (ESOP Scheme) in accordance with the applicable SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB).

Company allotted 34,570 Equity shares to the eligible employee, under Jash Engineering Employee Stock Option Scheme 2019" (JASH ESOP Scheme 2019). The Scheme is operated through demat mode only. JASH ESOP Scheme 2019 is administered by the Compensation Committee (NRC), through JASH Group Employee ESOP Trust. The details on Options granted, exercised and lapsed during the financial year 2020-21 and other particulars as required under the Act, read with its rules and SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Employees' Stock Options are enclosed herewith as Annexure - J to the Board Report. Details of ESOP Scheme are also available on the Company's website, www.jashindia.com.

● **Subsidiary companies including Foreign Subsidiaries:**

S. No.	Name of the Company	Status as on 1st April, 2020	Any change in status	Status as on 31st March, 2021
1	Shivpad Engineers Pvt. Ltd.	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary
2	Jash USA Inc. USA - Rodney Hunt Inc. USA (SDS of Jash USA Inc. USA)	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary
3	Mahr Maschinenbau Ges. mbH	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary
4	Engineering and Manufacturing Jash Limited	Wholly Owned Subsidiary	-	Wholly Owned Subsidiary

The Material Subsidiaries Policy as approved by the Board is available on the Company's website. www.jashindia.com.

● **Related Party Transaction:**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis. Suitable disclosure as required by the Accounting Standards has been made in the notes to the Financial Statements.

All Related Party Transactions were approved by the Audit Committee on omnibus basis or otherwise and the Board. The transactions entered into by the company are audited. The Company has developed Related Party Transactions Policy, Standard Operating Procedures for purpose of identification and monitoring of such transactions. The information for the Related Party Transactions has been given in AOC-2 as Annexure-F of Board Report. The RPT Policy as approved by the Board is available on the Company's website. www.jashindia.com.

● **Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. For a detailed discussion on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report.

● **Vigil Mechanism/Whistle Blower Policy :**

The Company has laid down a Whistle Blower Policy/vigil mechanism. The company encourages an open door policy where employees have access to the Head of the business/function. The company takes cognizance of the complaints made and suggestions given by the employees and others. Complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the company has been denied access to the Audit Committee in this regard.

As part of our corporate governance practices, the company has adopted the Whistleblower policy that covers our directors and employees. The policy is provided pursuant to SEBI (LODR) Regulation, 2015 on our website, www.jashindia.com.

● **Compliance with Mandatory requirements:**

The Company has complied with Corporate Governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the SEBI LODR and necessary disclosures thereof have been made in this Corporate Governance Report. The applicable Compliance Status of Company on respective regulations are as given below:

Regulation	Particulars of Regulation	Compliance Status
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination & Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Not applicable as per SEBI LODR.
22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance Requirements with respect to Subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligations with respect to Directors and Senior Management Personnel	Yes
27	Other Corporate Governance Requirements	Yes
46 (2) (b) to (i)	Disclosures on website	Yes

● **Details of non-compliance, if any, by the Company, on any matter related to capital markets:**

During the last 3 (three) years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to the capital markets.

● **Compliance under non-mandatory/discretionary requirements under the listing regulations requirements of listing regulations:**

The Company complied with all mandatory requirements and has adopted non-mandatory requirement as per details given below:

A. The Board: The Chairman of the Company is an Executive Chairman.

B. Shareholder's Rights: The quarterly and half yearly results are published in the newspaper, displayed on the website of the Company and are sent to the Stock Exchanges where the shares of the Company are listed. The quarterly and half-yearly results are not separately circulated to the shareholders.

C. Audit Qualification: The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements.

D. Reporting of Internal Auditor: The Internal Auditors of the Company report to the Audit Committee.

● **Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- No. of Complaints on Sexual Harassment received during year: N.A.
- No. of Complaints disposed off during the Year: N.A.
- No. of cases pending as on end of the Financial Year: N.A.
- Any recommendations received from the committee and not accepted by the Board and reasons thereof – Nil
- In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account: N.A.
- During the year under review company is not liable to transfer any amount Investor Education and Protection Fund.
- Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A): NA
- Total Fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

(All amount in INR Lacs unless State other wise)

Payment to the Statutory Auditor	For the year ended 31 March, 2021	For the year ended 31 March, 2020
For statutory audit	21.50	20.00
Certifications Services	2.25	0.35
Other Services	-	-
Reimbursement of expenses	0.42	1.09
Total	24.17	21.44

During the year, no payment made to any other network entity of which the statutory auditor is a part.

- Certificate pursuant to Regulation 34(3) and Schedule V para D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, attached as Annexure-3 of Corporate Governance Report, from Managing Director stating that the Board of Directors and Senior management personnel have affirmed with the code of conduct of board of directors and senior management.
- Certificate from Managing Director / Chief Executive Officer & Chief Financial Officer, pursuant to Regulation 17(8) of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015, attached as "Annexure-4" of Corporate Governance Report.

· **Code of Conduct:**

Regulation 17(5) of the SEBI (LODR) Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013. The Company has adopted a Code of Conduct for all Directors and Senior Management of the Company and same has been hosted on the website of the company www.Jashindia.com.

Annexure-1 to Corporate Governance Report:

Certificate of Non-Disqualification of Directors
[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Jash Engineering Ltd.
CIN: L28910MP1973PLC001226
31, Sector-C, Sanwer Road,
Industrial Area,
Indore (M.P.)-452001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Jash Engineering Ltd.(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of our information and according to the verifications (including Directors Identification Number(DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

Details of Directors:

Sl. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Pratik Patel	00780920	01/10/2000
2.	Mr. Suresh Patel	00012072	14/02/2020
3.	Mr. Axel Schutte	02591276	29/09/2001
4.	Mr. Brij Mohan Maheshwari	00022080	25/08/2017
5.	Mr. Sunil Kumar Choksi	00155078	25/08/2017
6.	Ms. Sunita Kishnani	06924681	25/08/2017
7.	Mr. Durgalal Tuljaram Manwani	07114081	25/08/2017
8.	Mr. Vishwapati Trivedi	00158435	13/08/2018

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date:02 August 2021
Place: Indore
UDIN: A050124C000720937

Sd/-
CS Ankit Joshi
 Practicing Company Secretary
 M. No.: A50124
 CoP No.: 18660

Annexure-2 to Corporate Governance Report:**Corporate Governance Compliance Certificate**

[Pursuant to Regulation 34(3) and Schedule V (E) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Jash Engineering Ltd.
CIN: L28910MP1973PLC001226
31, Sector-C, Sanwer Road,
Industrial Area,
Indore (M.P.)-452001

I have examined all the relevant records of Jash Engineering Ltd. for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2021. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with all the mandatory requirements of Corporate Governance as stipulated in Schedule II of the said Regulations. As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has complied with items C and E.

Date: 02 August 2021
Place: Indore
UDIN: A050124C000720970

Sd/-
CS Ankit Joshi
Practicing Company Secretary
M. No.: A50124
CoP No.: 18660

Annexure-3 to Corporate Governance Report:**Declaration by the Managing Director under SEBI (LODR) Regulation, 2015 Regarding Compliance with Code of Conduct and Ethics**

In accordance with Schedule V, Para D of the SEBI (LODR) Regulation, 2015 as amended from time to time, I Mr. Pratik Patel, Managing Director of the Company hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2021.

Date : 23 June 2021
Place : Indore

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

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

ANNEXURE-4 TO CORPORATE GOVERNANCE REPORT:**MD/CEO & CFO CERTIFICATION PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Board of Directors
JASH Engineering Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of to the best of our knowledge and belief certify that

- A. We have reviewed the financial statements and the cash flow statement for the financial year 2020-21 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
- (1) significant changes in internal control over financial reporting during the year; if any
 - (2) significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the financial statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For JASH Engineering Limited

**Date: 23 June 2021
Place: Indore**

**Sd/-
Pratik Patel
Chairman & Managing Director
DIN: 00780920**

**Sd/-
Dharmendra Jain
CFO**

Annexure-D

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 as amended from time to time. This policy on Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management of company has been formulated by the Nomination & Remuneration Committee (hereinafter referred to as NRC or the Committee) and approved by the Board of Directors.

The Nomination and Remuneration Policy of Jash Engineering Limited (the "Company") is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

This policy shall act as guidelines on matters relating to the remuneration, appointment, removal and evaluation of performance of the Directors, Key Managerial Personnel and Senior Management.

Definitions:

"Act" means The Companies Act, 2013 and rules made thereunder, as amended from time to time.

"Board" means Board of Directors of Jash Engineering Limited

"Company" means Jash Engineering Limited

"Committee" means Nomination and Remuneration Committee of the Company as constituted by the Board from time to time.

"Independent Director" means a director referred to in Section 149(6) of the Act.

"Key Managerial Personnel" or "KMP" means Managing Director, Whole-time Director, Chief Financial Officer, Company Secretary and such other persons who may be deemed to be KMP under the Companies Act, 2013.

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961 and other statutory benefits;

"Senior Managerial Personnel" means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all functional heads or Head of the Divisions.

APPLICABILITY:

This Policy applies to Directors, Senior Management including its Key Managerial Personnel (KMP) and other employees of the Company. Any departure from the policy can be undertaken only with the approval of the Board of Directors.

CONSTITUTION OF THE "NOMINATION & REMUNERATION COMMITTEE:

The Board has the power to constitute / reconstitute the Committee from time to time in order to make it consistent with Company's policies and applicable statutory requirements. The composition of the Company shall be in line with the requirements of the Act and Listing Regulations.

OBJECTIVE:

The objective of the policy is to ensure that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance bench marks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

ROLE OF THE COMMITTEE:

Nomination and Remuneration Committee shall govern the following:

1. To formulate criteria for determining qualifications, positive attributes and independence of a Director.
2. To formulate criteria for evaluation of Independent Director and the Board.
3. To identify persons who are qualified to become Director and who may be appointed Senior Management in accordance with the criteria laid down in this policy.
4. To carry out evaluation of Director's performance.
5. To recommend to the Board the appointment and removal of Director and Senior Management.

6. To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
7. To devise a policy on Board diversity, composition, size.
8. Succession planning for replacing Key executive and overseeing.
9. To carry out any other function as in mandated by the Board from time to time and/or enforced by any statutory.
10. To perform such function as may be necessary or appropriate for the performance of its duties.
11. Noting of delegation of administrative power to ESOP Trust
12. Approval for grant of stock options under ESOP Scheme of the Company

APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

A) DIRECTORS

The appointment of the Non-Executive and Independent Directors are subject to the recommendation of NRC and approval of the Board of Directors and Shareholders. The Company shall comply provisions of the Companies Act, 2013 and rules framed thereunder for appointment of the Managing Director, Executive Director and Independent Directors.

B) KEY MANAGERIAL PERSONNEL

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as a Key Managerial Personnel and recommend his/ her appointment as per the Company's Policy.

C) SENIOR MANAGEMENT

The Managing Director is authorized to make appointment and removal of Senior Management Personnel. The same will be reported to the Board in the next Board Meeting.

D) OTHER EMPLOYEES:

Other employees will be appointed by the Managing Director from time to time.

EVALUATION

The Committee shall carry out evaluation of performance of Director, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary. The Managing Director shall carry out evaluation of performance of the Senior Management Personnel as per the Company's policy and report to the Committee.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

RETIREMENT:

The Director, Key Managerial Personnel or Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director and Key Managerial Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company. The Managing Director will have the discretion to retain the Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible

under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.
- e) Board of Directors of Company shall of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Nomination and Remuneration Committee of the Company administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members

DISCLOSURE OF INFORMATION:

Information on the total remuneration of members of the Company's Board of Directors and KMP/ senior management personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

NRC MEETINGS:

The meetings of NRC will be governed by the provisions of the Companies Act, 2013, Rules made thereunder and Listing Agreement as may be applicable from time to time. Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

DISSEMINATION:

This Policy is available on website of the Company www.jashindia.com

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

Date : 13 August 2021
Place : Indore

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Annexure-E

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Jash Engineering Limited
L28910MP1973PLC001226
31, Sector-C, Sanwer Road,
Industrial Area, Indore (MP)

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Jash Engineering Limited (CIN:L28910MP1973PLC001226)** (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided to me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

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

- (a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
- (b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
- (c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period)

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

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by ICSI under the provisions of the Companies Act, 2013;
- (ii) SEBI (LODR) Regulations, 2015 and the Listing Agreements entered into by the Company with National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the observations, that:

1. *Some Forms under Companies Act 2013 were filed by the company after prescribed timeline along with the adequate additional filing fees.*
2. *Pursuant to section 135 of the Companies Act 2013 read with applicable rules & also read with notification issued by MCA dated 22nd January 2021, the Company was required to spend CSR Contribution of Rs. 30.08 lacs during the financial year 2020-21, however the Company has spent Rs.29.36 lacs before 31st March 2021 on eligible activities. Further as per explanation received from management the balance amount was transferred to Separate Bank Account for Multi Year Project as identified by the CSR Committee.*

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes were sent seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the compliance by the Company for the applicable Financial Laws like Direct Taxes, Indirect Taxes and the compliance of the Accounting Standards, quarterly financial results under Regulation 33 of SEBI (LODR) Regulations, 2015 and the annual financial statements, Cost Records has not been reviewed in this audit report, since the same have been subject to the statutory financial audit/cost audit by other designated professionals. This report is to be read with my letter of even date which is annexed as **Annexure II** and forms an integral part of this report.

I further report that during the audit period of the Company, there was no specific events/action having a major bearing on the Company and also laws, rules, regulations, guidelines, standards etc. referred to above.

Date: 02 August 2021
Place: Indore
UDIN: A050124C000720860

Sd/-
CS Ankit Joshi
Practicing Company Secretary
M. No.: A50124
CoP No.: 18660

Annexure I**List of applicable laws to the Company Under the Major Group and Head are as follows:-**

- A. Factories Act, 1948;
- B. Industries (Development & regulation) Act, 1951;
- C. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
- D. Acts prescribed under prevention and control of pollution;
- E. Acts prescribed under environmental protection;
- F. Acts as prescribed under Direct tax and Indirect Tax;
- G. Land Revenue laws of respective states;
- H. Labour welfare Act of respective States;
- I. Trade Marks Act, 1999;
- J. The Legal Metrology Act, 2009;
- K. Acts as prescribed under Shop and Establishment Act of various local authorities.
- L. All General Laws related to Direct and indirect Taxation, GST, Labour Law and other incidental Law of respective states.
- M. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

Date: 02 August 2021
Place: Indore
UDIN: A050124C000720860

Sd/-
CS Ankit Joshi
Practicing Company Secretary
M. No.: A50124
CoP No.: 18660

Annexure II

To,

The Members,

Jash Engineering Limited

L28910MP1973PLC001226

31, Sector-C, Sanwer Road,

Industrial Area Indore (MP)

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date: 02 August 2021
Place: Indore
UDIN: A050124C000720860

Sd/-
CS Ankit Joshi
Practicing Company Secretary
M. No.: A50124
CoP No.: 18660

Annexure- F**Form No. AOC-2**

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

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

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

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

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

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements transactions	Nature of Relation	Duration of the contracts / arrangements transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Jash Precision Tools Pvt. Limited	Sale to	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
2	Shivpad Engineers Private Limited	Sale to	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
3	Jash USA INC.	Sale to	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
4	Mahr Maschinenbau GmbH	Sale to	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
5	Micro-flat Datums Pvt. Ltd.	Sale to	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
6	Engineering and Manufacturing Jash Ltd.	Sale to	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
7	Rodney Hunt INC.	Sale to	SDS of JASH USA INC.	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-

8	Jash Precision Tools Pvt. Limited	Purchase from	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
9	Shivpad Engineers Private Limited	Purchase from	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
10	Jash USA INC.	Purchase from	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
11	Jash Precision Tools Pvt. Limited	Job Work	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
12	Jash USA INC.	Job Work	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
13	Jash Flowcon Engineers	Job Work	a firm in which a director or his relative is a partner	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
14	Micro-Flat Datums Pvt. Ltd.	Purchase From	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length basis	25 th June 2020	-
15	Jash USA INC.	Supply to	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length and in ordinary course of business	25 th June 2020	-
16	Patamin Investments Private Limited	Lease	a private company in which a director or his relative is a member or director	Ongoing	As per agreed terms & on Arms' Length basis	25 th June 2020	-
17	Mahr Maschinenbau GmbH	Commission	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length basis	25 th June 2020	-
18	Mahr Maschinenbau GmbH	Service From	Wholly Owned Subsidiary	Ongoing	As per agreed terms & on Arms' Length basis	25 th June 2020	-

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

Date : 13 August 2021
Place : Indore

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Annexure G**Conservation of energy, Technology absorption and Foreign Exchange earnings & outgo**

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

(A) CONSERVATION OF ENERGY			
(I)	the steps taken or impact on conservation of energy;	Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. The effective measures like education, training, have been taken to minimize the loss of energy as far as possible.	
(II)	the steps taken by the company for utilizing alternate sources of energy;	The Company has commissioned 200kw solar power generation on Roof of Machine Shop and it will generate close to 800 units power per day and DG Set as a standby power arrangement and for alternate source of energy.	
(III)	the capital investment on energy conservation equipment's	NIL	
(B) TECHNOLOGY ABSORPTION			
(i)	the efforts made towards technology absorption	The Company is always in pursuit of finding the ways and means to improve the performance, quality and cost effectiveness of its services. The technology used by the Company is updated as a matter of continuous exercise	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	It has reduced the cost of production and helped in improvement in quality to sustain in the competitive market.	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year	N.A.	
	(a) the details of technology imported	N.A.	
	(b) the year of import	N.A.	
	(c) whether the technology been fully absorbed	N.A.	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	N.A.	
(iv)	the expenditure incurred on Research and Development	2020-21 NIL	2019-20 NIL
(D) FOREIGN EXCHANGE EARNINGS AND OUTGO			
		(Amount in INR Lacs)	
		2020-21	2019-20
(i)	The Foreign Exchange earned in terms of actual inflows during the year; <i>(amount in Lacs)</i>	Rs. 9,551.59	Rs. 7,602.92
(ii)	And the Foreign Exchange outgo during the year in terms of actual outflows. <i>(amount in Lacs)</i>	Rs. 533.17	Rs. 252.38

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

Date : 13 August 2021
Place : Indore

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Annexure-H**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES****(Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of The Companies (Corporate Social Responsibility Policy) Rules, 2014)**

JASH'S follow the Ideology of responsible business practices include being responsible for our business processes, engaging in responsible relations with employees, customers and the community. Company take many initiatives to ensure social and environmental value while supporting the Company's business objectives and reducing operating costs and at the same time enhancing relationships with key stakeholders and customers.

Company contributes in following activities:

- a) Eradicating hunger, poverty and malnutrition, promoting preventive health care & sanitation and making available safe drinking water.
- b) Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently-abled and livelihood enhancement projects.

Your Company has taken following initiatives for ensuring its Corporate Social Responsibility:

- a) Company initiating the renovation of Government school located at Bardari village, Tehsil Sanwer, Indore (M.P.). Your Company involves in Upgrading building, infrastructure and other facilities like, to provide Kitchen with Stores and wash area, Dining area plus common use hall, Proper washroom and toilet facilities for boys and girls, improvement in play area and approach to school.
- b) For promotion and development of education, your Company has contributed in of Sarswati Vidya Mandir High school located at Kalaliya village, District Ratlam for Upgrading building and infrastructure of the school.
- c) For promoting education and employment opportunities, Company contributing in Disha Learning Center, Indore for enhancement and development of Skill so that they can get employment after skill enhancement.
- d) For promoting Girl's education company contributing, in Jeevan Umang Girls Hostel, Indore for lodging and boarding for 2 years for poor tribal girls coming to the city of Indore from rural areas for their better education.
- e) Your Company also contribute in Matruchhaya Orphan Children Homes, Indore for lodging and boarding for 2 years for new born orphan babies.
- f) For raising the standard of living and development in medical treatment, Company Contributed in, Madhav Srishti Chameli Devi Agarwal medical center, Indore who involves in infrastructure development for consultation and treatment of tribals and villagers.



Government school located at Bardari village, Tehsil Sanwer, Indore (M.P.).



Sarswati Vidya Mandir High school located at Kalaliya village, District Ratlam (M.P.)

1. Brief outline on CSR Policy of the Company:

Your company is involved in various CSR activities for sustainable Social, Economic and Environmental Development in local and national level. Jash annually contributes in various CSR related activities to meet its obligation towards the society. Company is actively contributing in various organization of local level who are involve in upliftment of rural and tribal people and health services in the state of Madhya Pradesh.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. SURESH PATEL	EXECUTIVE DIRECTOR	3	3
2	Mr. BRIJ MOHAN MAHESHWARI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	3	3
3	Mr. DURGALAL TULJARAM MANWANI	INDEPENDENT & NON-EXECUTIVE DIRECTOR	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.jashindia.com

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): **N.A.**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: (Amount in INR Lacs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
Not Applicable			

6. Average net profit of the company as per section 135(5): Rs. 1,504 Lacs

(Amount in INR Lacs)

7.	(a)	Two percent of average net profit of the company as per section 135(5)	30.08
	(b)	Surplus arising out of the CSR projects or programs or activities of the previous financial years	N.A.
	(c)	Amount required to be set off for the financial year, if any	N.A.
	(d)	Total CSR obligation for the financial year (7a+7b -7c)	30.08*

* Total amount to be spent for the Financial Year 2020-21.

8. (a) CSR amount spent or unspent for the financial year:

(Amount in INR Lacs.)

Total Amount spent for the Financial Year.	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
29.36*	0.72**	30 April 2021	-	-	-

* Amount spent in Financial Year 2020-21.

** Represent the unspent CSR amount transfer to Unspent CSR Account within 30 days from the end of the Financial Year, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules.

(b) Details of CSR amount spent against ongoing projects for the financial year:

(Amount in INR Lacs)

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Project duration	(7) Amount allocated for the project (in Rs.)	(8) Amount spent in the current financial Year (in Rs.)	(9) Amount transferred Unspent CSR Account for the project as per Section 135(6) (in Rs.) to	(10) Mode of Implementation- Direct (Yes/ No)	(11) Mode of Implementation- Through Implementing Agency	
				State	District						Name	CSR Registration No.
1.	Renovate Government Primary School Gram Bardari	Clause (ii) ^a Promoting Education	Yes	Madhya Pradesh	Indore	2 years	15 ^b	6.67 ^c	0.72 ^d	Yes	-	-

a. Clause (ii) of Schedule VII denotes promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

b. Represent the total budget allocated for the Project.

c. Represent the amount spent in F.Y. 2020-21 for the project.

d. Represent unspent amount pertaining to F.Y. 2020-21 transferred to unspent Corporate Social Responsibility Account (UCSRA).

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(Amount in INR Lacs)

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act.	(4) Local area (Yes/No.)	(5) Location of the project		(6) Amount spent for the project (in Rs.)	(7) Mode of implementation on Direct (Yes/No)	(8) Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration No.
1.	St. Ambrose Highschool Development Committee Gandhinagar	Education	Yes	Madhya Pradesh	Indore	0.05	Yes	-	-
2.	Madhav Sanskar Avam Shikshan Samiti	Education	Yes	Madhya Pradesh	Ratlam	1.50	Yes	-	-
3.	Seva Bharti	Rural development, Social Health and Education	Yes	Madhya Pradesh	Indore	6.14	Yes	-	-
4.	Shree Guruji Seva Nyas	Rural development and Social Health	Yes	Madhya Pradesh	Indore	10	Yes	-	-
5.	Social Health and Education Development Organisation	Social Health and Education	Yes	Madhya Pradesh	Indore	5	Yes	-	-
Total						22.69*			

* CSR amount spent against other than ongoing projects for the financial year 2020-21.

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **N.A.**

(f) Total amount spent for the Financial Year 2020-21 (8b+8c+8d+8e): **Rs. 29.36 Lacs**

(g) Excess amount for set off, if any:

(Amount in INR Lacs)

Sr. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	30.08
(ii)	Total amount spent for the Financial Year	29.36
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

(Amount in INR Lacs)

Sr. No.	Particular Financial Year.	Amount Transferred to Unspent CSR Account under Section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
1.	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **NA**

(Amount in INR Lacs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year	Status of the project – Completed/ Ongoing
-	-	-	-	-	-	-	-	-

Note: As concept of 'on-going project' has been introduced in the CSR Amendment Rules, relevant from Financial Year 2020-21. Details of spend on all on-going projects during FY 2020-21 are covered under 8(b) above.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset-wise details): **N.A.**

(Amount in INR Lacs)

(a)	Date of creation or acquisition of the capital asset(s).	-
(b)	Amount of CSR spent for creation or acquisition of capital asset.	-
(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	-
(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	-

11. Specify the reason (s), if the company has failed to spend two percent of the average net profit as per section 135(5):

During the Financial Year 2020-21, the Company has spent Rs. 29.36 Lacs on various projects and transferred the unspent amount of Rs. 0.72 Lakhs to Unspent CSR account as per CSR Rules and spend in accordance with the CSR Amendment Rules. The Company has committed to Renovate Government Primary School situated in Indore, which treated as on-going project and your Company so far spent sum of Rs. 6.67 Lakhs on that.

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

Date : 13 August 2021
Place : Indore

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Sd-
Dharmendra Jain
Chief Financial Officer

Annexure I**Particulars of Employees**

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

I. Ratio and remuneration of Directors & KMPs

S. No.	Name	Designation	Remuneration for the year 2020-21 (Rs.)	Remuneration for the year 2019-20 (Rs.)	% Increase in Remuneration	Ratio Between Director or KMP and Median Employee
1.	PRATIK PATEL	Managing Director	72,55,460	67,84,021	6.95	26.02
2.	SURESH PATEL	Executive Director	34,55,173	4,15,610	38.56	12.39
3.	DHARMENDRA JAIN	CFO	41,68,857	34,30,768	21.51	14.95
4.	TUSHAR KHARPADE	CS	8,27,118	7,27,419	13.70	2.96

* All the Non Executive Independent Director are paid only sitting fees and during the year there is no change in sitting fees.

Note:

- I. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year –**
As stated above in item no. (I).
- II. Percentage increase in the median remuneration of employees in the financial year –:**
The remuneration of Median employee was Rs. 2,78,868/- during the year 2020-21. The increase in the remuneration of Median Employee was 1.45% during financial year under review.
- III. Number of permanent employees on the rolls of company –**
As on 31st March, 2021 the total number of employees over 545
- V. Affirmation that the Remuneration is as per the Remuneration policy of the Company**
It is hereby affirmed that the remuneration paid during the year ended 31st March 2021 is as per the Remuneration policy for Directors, Key Managerial Personnel and other Employees.
- VI. All the Non-Executive Independent Directors are paid only sitting fees for attending the meetings of Board of directors or Committees thereof.**
- VII. Remuneration is as per the remuneration policy of the Company.**
- VIII. The aforesaid details are calculated on the basis of remuneration for the financial year 2020-21.**

Annexure J

Information Regarding Employees Stock Option Scheme (ESOS) Pursuant to Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits) Regulation, 2014.

1. Details Related to the Scheme:

Jash Engineering Limited has placed Jash Engineering Employee Stock Option Scheme 2019 (JASH ESOP Scheme 2019). All the relevant details as prescribed under above Rules and Regulation are provided below:

A. Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments issued by ICAI or any other relevant accounting standards as prescribed from time to time:

Please refer Note 52 Share Based Payment of Notes to the Standalone Financial Statements forming part of the Annual Report.

B. Diluted EPS on issue of shares pursuant to all scheme covered under the regulations in accordance with 'Indian Accounting Standard (Ind AS) – 33- Earning Per Share' or any other relevant accounting standards as prescribed from time to time:

Fully Diluted EPS pursuant to issue of Equity Shares on exercise of stock options Basic: 25.78

Calculated in accordance with Ind AS-33 'Earning Per Share' (Consolidated) Diluted: 25.73

C. Other Details relating to JASH ESOP Scheme 2019:

i. Details related to Jash Engineering Employee Stock Option Scheme 2019 are given below:

Sr. No.	Particulars	2020-21	2019-20
1.	Date of member's approval	On 10 th August, 2019 Company has placed Jash Engineering Employee Stock Option Scheme 2019 (JASH ESOP Scheme 2019).	
2.	Total number of options approved	Company issue maximum 5,75,000 Equity Shares under JASH ESOP Scheme 2019.	
3.	Total number of options granted	NIL	4,81,400
4.	Vesting requirements	Set forth below is the vesting schedule, subject to there being a gap of at least one year between the date of grant of options and the vesting of such options.	
		Number of options vested	Vesting schedule
		10% of the options granted	One year from the date of grant
		20% of the options granted	Two years from the date of grant
		30% of the options granted	Three years from the date of grant
		40% of the options granted	Four years from the date of grant
5.	Exercise Price	Rs. 118.64/-	
6.	Source of shares	Primary issuance and/or Secondary Acquisition	
7.	Variation in terms of options	NIL	

ii. **Method used to account for ESOP:** The fair value of the equity-settled options at grant date determined using Black Scholes Models.

iii. **Where the company opts for expensing of the options using the intrinsic value of the options, difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used fair value of the options and the impact of this difference on profits and on EPS of the Company:** During the financial year 2020-21, company followed fair value accounting of stock options.

iv. **Option movement:**

Sr. No.	Particulars	2020-21	2019-20
1.	Number of options outstanding at the beginning of the year	4,81,400	-
2.	Number of options granted during the year	-	4,81,400
3.	Number of options forfeited/ lapsed during the year	1,35,700	-
4.	Number of options vested during the year	34,570	-
5.	Number of options exercised during the year	34,570	-
6.	Number of shares arising as a result of exercise of options	34,570	-
7.	Money realised by exercise of options (INR), if scheme is implemented directly by the company	The Scheme is being managed by the JASH Group Employee ESOP Trust and the amount of consideration for the 34570 equity shares @ 118.64/- each of Rs. 4101385/- was deposited by the Employee to the JASH ESOP Trust on exercise	-
8.	Loan repaid by the Trust during the year from exercise price received	-	-
9.	Number of options outstanding at the end of the year	3,11,130	-
10.	Number of options exercisable at the end of the year	-	-

v. **Weighted-average exercise price and weighted-average fair values of options disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:**

- Weighted-average exercise prices: 118.64
- Weighted-average fair values of options granted during the year: Not Applicable

vi. **Employee-wise details of options granted during the year 2020-21 to:**

1.	Senior managerial personnel & KMPs during the year.			
	Name	Designation	2020-21	2019-20
	Bhuvanesh Chandra Pandey	V.P. (Operation)	Nil	10000
	H.N. Nagaraj	Asst Vice President	Nil	14000
	Dharmendra Jain	Chief Financial Officer	Nil	14000
	Durgesh Kumar Tiwari	Sr. General Manager	Nil	10000
2.	Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year			
	Name	No. of options granted		
	--	--		
3.	Identified employees who were granted options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.			
	Name	No. of options granted		
	--	--		

viii. A description of method and significant assumptions used during the year to estimate the fair value of options including the following information:

- Options will vest in a graded manner over four years from the date of grant. These options are exercisable within a period of one month of vesting
- Exercise Price: Rs. 118.64
- Share Price at Grant date: Rs. 148.30
- Weighted average expected price volatility*: 72.44%
- Weighted average expected dividend yield: 1.36%
- Risk-free Interest rate: 6.10% for all tranches

* The expected price volatility is based on the historic volatility (based on the remaining life of the options) adjusted for any expected changes to future volatility based on publicly available information.

2. Details related to Trust :

For the purposes of proper governance and implementation of the scheme Trust has been constituted by the company to act in interest and beneficial of employees who opt the scheme. Details of the trust are specified as under:

i. General Information:

Name of the Trust	"Jash Group Employee ESOP Trust"
Name of trustees	<ul style="list-style-type: none"> • Indrajit Singh Pawar • Hiren Shah • Neeraj Desai
Amount of loan disbursed by Company/ any company in the group, during the year.	--
Amount of loan outstanding (Repayable to Company / any company in the group) as at the end of the year.	--
Amount of loan, if any, taken from any other source for which Company / any company in the group has provided any security or guarantee.	--
Any other contribution made to the Trust during the year.	Rs. 10000/- was contributed by the JASH Engineering Limited to the ESOP Trust for bearing expenses of of ESOP Trust and 41,01,417/- received from eligible employees who intend to vest the option during the financial year 2020-21

ii. Brief details of transactions in shares by the Trust:

Sr. No.	Particulars	Jash Group Employee ESOP Trust (For JASH ESOP Scheme 2019)
1.	Number of shares held at the beginning of the year	-
2.	Number of shares acquired during the year and percentage of paid up equity capital as at the end of the Financial Year 2020-21	Primary Issue: 34,570 Equity Shares (0.29% of paid up share capital as at the end of the Financial year 2020-21)
3.	Number of shares transferred to the employees/sold along with the purpose thereof:	-
4.	Number of shares held at the end of the year	34,570

iii. In case of secondary acquisition of shares by the Trust:

Sr. No.	Particulars	Jash Group Employee ESOP Trust (For JASH ESOP Scheme 2019)
1.	Held at the beginning of the year	NIL
2.	Acquired during the year	NIL
3.	Sold during the year	NIL
4.	Transferred to the employees during the year	NIL
5.	Held at the end of the year	NIL

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

Date : 13 August 2021
Place : Indore

Sd/-
Pratik Patel
Chairman & Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Independent Auditor's Report

To the Members of Jash Engineering Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Jash Engineering Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 Standalone Financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 61 of the accompanying Standalone Financial Statements which describes the uncertainties relating to Covid-19 pandemic outbreak and management's evaluation of its impact on the accompanying Standalone Financial Statements and operations of the Company as at the balance sheet date, the extent of which is significantly dependent on future developments, as they evolve. Our opinion is not modified in respect of this matter.

Key audit matters

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

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

Key audit matter	How our audit addressed the key audit matter
<p>Inventory valuation and allowances:</p> <p>At the balance sheet date 31 March 2021, the Company held inventories comprising of raw materials, work-in-progress, finished goods and stores, spares and other consumables worth INR 5,208.24 lakhs as included in Note 14 of the accompanying standalone financial statements.</p> <p>During the current year, the Company has implemented a new IT system, SAP, whereby inventory valuation has been automated through such system, while allocation of various production and administration related overheads on the finished goods and work-in-progress inventory is still allocated basis manually calculations.</p> <p>Owing to the nature of the business, which involves manufacture of engineering products specific to the needs of the customers, the valuation of inventory involves evaluating reasonableness of 'Bill of materials' (BOM) determined for each product being manufactured.</p> <p>In addition to the above, the complexities involved in this assessment include:</p> <ul style="list-style-type: none"> ● Identification of products where specific administration and production overheads and others allocations such as job work costs and design costs are to be added to the cost of inventory. ● Judgement involved in computation of machine hour rate, labour hour rate, which are subject to high estimation uncertainty due to rapid technological changes. <p>Further, at the end of each reporting period, the management of the Company also assesses whether there is any objective evidence that net realizable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realizable value in accordance with Ind AS 2, Inventory. Such specific identification performed by management to ascertain slow moving and obsolete inventories, and assessment of net realizable value of such slow moving and obsolete inventory items require significant judgement and estimation.</p> <p>Considering the complexities and materiality of amounts involved, this matter is considered to be a key audit matter for current year audit.</p>	<p>Our audit procedures to assess valuation and allowance for inventories included, but were not limited to the following:</p> <ul style="list-style-type: none"> ● Obtained an understanding of the management's process of valuation of inventory. ● Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion, complex overhead computations, and determination of net realizable value of inventory items. ● Evaluated the appropriateness of the Company's accounting policy and valuation method of inventory in accordance with the accounting standards. ● Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Company. ● On a sample basis, recomputed the cost of the inventory by applying management's valuation model, which included inspection of approved bills of material (BOM), testing underlying cost of acquisition of raw materials consumed, and testing overheads and labour cost allocation to such inventory items. ● Obtained and understanding management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is consistently applied. ● Performed an independent analysis of the ageing of inventory line items leading to specific inquiries with the management to ensure the completeness of the inventory identified as slow moving, non-moving and obsolete. ● For slow and non-moving inventories as on 31 March 2021 identified by the management, recomputed the allowance created by the management using management's model which has been consistently applied. ● Tested the net realizable value of finished goods inventory on a sample basis to recent selling prices less costs to sell, to identify allowance required for finished goods. ● Evaluated the disclosures made in the standalone financial statements in accordance with the applicable accounting standards.

Key audit matter	How our audit addressed the key audit matter
<p>Implementation of new Information Technology ('IT') System for financial reporting and related migration of data:</p> <p>From 01 August 2020, the Company has implemented a new IT System, SAP, for supporting its operations and financial reporting, which required an extensive exercise of data migration from the erstwhile used IT systems.</p> <p>Further, the Company's accounting and financial reporting processes are dependent on the automated controls enabled by IT systems which impacts key financial accounting and reporting items.</p> <p>The controls implemented by the Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting.</p> <p>Such significant system change increases the risk to the internal financial controls environment. These changes represent a financial reporting risk while migration takes place as controls and processes that have been established over a number of years are updated and migrated into a new environment. Hence, considering the significance of the activity and the pervasive impact on the standalone financial statements, this matter has been determined as a key audit matter for current year audit.</p>	<p>Our audit work included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> ● Obtained the understanding of the process followed by the Company for implementing the new IT system and migration of standing data from erstwhile IT systems into SAP, including the controls put in place in such process. ● Involved our IT specialists to perform following procedures in relation to the new IT system: <ul style="list-style-type: none"> ◆ Obtained an understanding of the Company's IT related control environment; ◆ Tested the design and operating effectiveness of the Company's IT controls; ◆ Tested IT general controls particularly, logical access, changes management and aspects of IT operational controls; ◆ Tested controls around Company's periodic review of access rights and inspected requests of changes to systems for appropriate approval and authorization; ◆ Tested that requests for access to systems were appropriately reviewed and authorized; ◆ Tested various specific key controls configured in the system; ◆ Where deficiencies were identified, tested compensating controls or performed alternative procedures. ● Performed substantive procedures on completeness and accuracy of data migrated to the new IT system.
<p>Recoverability assessment of investment in equity shares of and trade receivable due from Jash USA Inc., a wholly owned subsidiary company (Jash USA')</p> <p>The Company has investments in equity shares of Jash USA Inc. amounting to INR 3,397.25 lakhs, as stated in Note 9 and Note 56 to the standalone financial statements. These investments are carried at cost in accordance with IND AS 27, Separate Financials Statements.</p> <p>The Company assesses the recoverable amount of the investments when indicators exist for decline in value of the investments, other than temporary, by comparing the fair value (less costs of disposal) and carrying amount of the investments as on the reporting date, as disclosed in Note 9 to the standalone financial statements. The Company also has outstanding long-term loans and trade receivable recoverable from Jash USA amounting to INR 492.84 lakhs and INR 5,103.73 lakhs respectively.</p>	<p>Our audit procedures in relation to the valuation of the investments included, but were not limited to, the following:</p> <ul style="list-style-type: none"> ● Obtained an understanding of management's processes and controls for determining the fair valuation of investments. ● Evaluated the design and tested the operating effectiveness of key controls implemented by the management around fair valuation of investments including for cash flow projections, use of estimates involved and review of valuation performed. ● Evaluated the independent valuation specialist's professional competence, expertise and objectivity. ● Tested the accuracy of the input data provided by the management to the valuation specialist by reconciling the projected cash flows to approved business plans of the subsidiary companies.

Key audit matter	How our audit addressed the key audit matter
<p>The aforesaid investments were tested for diminution and the receivables were assessed for recoverability by the management as at 31 March 2021. For this purpose, valuation was carried out by an independent valuation specialist in his capacity as a management's expert using discounted cash flow ('DCF') method.</p> <p>Management's assessment of the fair valuation of investments is complex and requires estimation and judgement around assumptions used. The key assumptions underpinning management's assessment of the fair valuation include, but are not limited to, projections of future cash flows, growth rates, discount rates, estimated future operating and capital expenditure.</p> <p>Accordingly, considering the materiality of the carrying amounts, recoverability assessment of aforesaid investments, long-term loans and receivables has been considered to be a key audit matter for current year's audit.</p>	<ul style="list-style-type: none"> ● Tested the reasonableness of the key assumptions used in the cash flow projections and fair valuation, such as growth rates, discount rate, etc. considering our understanding of the business, industry and relevant market factors. ● Worked with our valuation specialists in order to compare the Company's assumption to externally derived data in relation to key inputs such as projected economic growth and discount rate. ● Tested the mathematical accuracy of the cash flow projections, fair valuation computation and sensitivity analysis prepared by the management. ● Evaluated the appropriateness of disclosures made in the standalone financial statement in relation to such investments their fair valuation and such trade receivables, as required by applicable accounting standards.

Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the standalone 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

10. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the standalone 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 Standards on Auditing 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 standalone financial statements.

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

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

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

17. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
18. Further to our comments in Annexure A, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
 - e) the matter described in paragraph 4 under the Emphasis of Matter, in our opinion, may have an adverse effect on the functioning of the Company;
 - f) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
 - g) we have also audited the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 23 June 2021 as per Annexure B expressed unmodified opinion; and
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company, as detailed in Note 44 to the standalone financial statements, has disclosed the impact of pending litigation on its financial position as at 31 March 2021;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021.; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

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

S/d-
Nitin Toshniwal
Partner
Membership No.: 507568

UDIN: 21507568AAAACP1755

Place: Faridabad
Date: 23 June 2021

Annexure A to the Independent Auditor's Report of even date to the members of Jash Engineering Limited, on the standalone financial statements for the year ended 31 March 2021

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

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

Statement of Disputed Dues

Name of Statues	Nature of dues	Amount (INR in lakhs)	Amount paid under protest (INR in lakhs)	Period to which amount relates	Forum where dispute is pending
Central Sales Tax Act, 1956	Central Sales Tax	13.94	8.98	Financial year 1999-00	Hon'ble High Court of Madhya Pradesh
Central Sales Tax Act, 1956	Central Sales Tax	2.39	0.92	Financial year 2000-01	Hon'ble High Court of Madhya Pradesh
Central Sales Tax Act, 1956	Central Sales Tax	6.36	1.27	Financial year 2012-13	Madhya Pradesh Commercial Tax Appellate Board
Central Sales Tax Act, 1956	Central Sales Tax	131.22	13.17	Financial Year 2016-17	Additional Commissioner of Commercial Tax
Income Tax Act, 1961	Income tax	2.13	-	Financial Year 2016-17	Commissioner of Income tax (Appeals)
Income Tax Act, 1961	Income tax	3.85	-	Financial Year 2017-18	Commissioner of Income tax (Appeals)

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

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

S/d-
Nitin Toshniwal
Partner
Membership No.: 507568

UDIN: 21507568AAAACP1755

Place: Faridabad
Date: 23 June 2021

Annexure B to the Independent Auditor's Report of even date to the members of Jash Engineering Limited on the standalone financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Jash Engineering Limited ('the Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to standalone financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Standalone Financial Statements

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such controls were operating effectively as at 31 March 2021, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

S/d-
Nitin Toshniwal
Partner
Membership No.: 507568

UDIN: 21507568AAAACP1755

Place: Faridabad
Date: 23 June 2021

Jash Engineering Limited
Standalone Balance Sheet as at 31 March 2021
(All amount in INR lakhs unless stated otherwise)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5	6,157.69	6,416.98
Capital work-in-progress	6	1,107.64	638.19
Intangible assets	7	197.22	69.95
Intangible assets under development	8	153.81	59.35
Financial assets			
Investments	9	5,549.49	3,720.27
Loans	10	538.79	512.32
Other financial assets	11	34.38	-
Non-current tax assets (net)	12	72.61	2.37
Other non-current assets	13	53.73	120.85
Total non-current assets		13,865.36	11,540.28
Current assets			
Inventories	14	5,208.24	4,980.28
Financial assets			
Investment	15	0.41	0.11
Trade receivables	16	10,496.93	11,460.78
Cash and cash equivalents	17	14.99	31.89
Other bank balances	18	1,132.77	978.86
Loans	19	15.81	7.89
Other financial assets	20	180.62	128.21
Other current assets	21	188.63	106.33
Total current assets		17,238.40	17,694.35
Total assets		31,103.76	29,234.63
EQUITY AND LIABILITIES			
Equity			
Equity share capital	22	1,183.66	1,183.66
Other equity	23	16,430.64	13,709.04
Total equity		17,614.30	14,892.70
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	24	2,323.52	1,557.85
Provisions	25	456.30	367.89
Deferred tax liabilities (net)	26	82.08	218.23
Other non-current liabilities	27	45.62	1.22
Total non-current liabilities		2,907.52	2,145.19
Current liabilities			
Financial liabilities			
Borrowings	28	4,269.02	5,607.40
Trade payables	29		
(a) total outstanding dues of micro enterprises and small enterprises; and		343.97	645.78
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		3,042.95	2,927.25
Other financial liabilities	30	981.96	1,455.50
Other current liabilities	31	1,826.96	1,273.32
Provisions	32	117.08	10.29
Current tax liabilities (net)	33	-	277.20
Total current liabilities		10,581.94	12,196.74
Total liabilities		13,489.46	14,341.93
Total equity and liabilities		31,103.76	29,234.63
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 **Walker Chandio & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Place: Faridabad
Date: 23 June 2021

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

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Sd/-
Dharmendra Jain
Chief Financial officer

Place: Indore
Date: 23 June 2021

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

Jash Engineering Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	34	21,671.04	20,617.04
Other income	35	266.59	816.44
Total income		21,937.63	21,433.48
Expenses			
Cost of materials consumed	36	9,179.92	9,604.57
Changes in inventories of finished goods and work-in-progress	37	(5.74)	(209.17)
Employee benefits expense	38	3,203.63	2,882.60
Finance costs	39	929.67	963.76
Depreciation and amortisation expense	40	565.14	517.60
Other expenses	41	4,854.10	4,843.71
Total expenses		18,726.72	18,603.07
Profit before tax		3,210.91	2,830.41
Tax expense	42		
Current tax		561.55	666.54
Deferred tax		(120.52)	(17.87)
Net profit for the year		2,769.88	2,181.74
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement losses on post employment defined benefit obligations		(53.68)	(63.09)
Income tax relating to above		15.63	18.37
Other comprehensive loss for the year		(38.05)	(44.72)
Total comprehensive income for the year		2,731.83	2,137.02
Earnings per equity share (in INR):			
Basic	43	23.40	18.43
Diluted		23.35	18.43
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 **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No. 001076N/N500013

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021

Jash Engineering Limited
Standalone Statement of Cash Flows for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,210.91	2,830.41
Adjustments for:		
Depreciation of property, plant and equipment	524.20	495.36
Amortization of intangible assets	40.94	22.24
Dividend income	(67.51)	(175.51)
(Profit)/ loss on disposal of property, plant and equipment (net)	(0.56)	-
Interest income on bank deposits	(53.00)	(61.62)
Interest income on other financial assets measured at amortised cost	(39.13)	(45.61)
Grant income	(12.73)	(6.81)
Net unrealised gain on foreign currency	(192.75)	(318.06)
Net (Gain)/ loss on fair valuation of current investment	(0.30)	0.45
Unclaimed balances written back	(6.66)	(10.82)
Advances and other balance written off	(53.40)	239.40
Loss allowance for expected credit losses	100.00	50.66
Provision for related party loans	-	85.04
Provision for warranty expense	94.75	-
Share based payments to employees	86.59	16.38
Finance cost	929.67	963.76
	4,561.02	4,085.27
Change in operating assets and liabilities:		
-in trade receivables	1,044.33	(2,012.47)
-in inventories	(227.96)	104.34
-in other assets	(157.74)	(199.88)
-in provisions	100.45	106.87
-in financial and other liabilities	526.64	361.89
-in trade payables	(187.02)	(1,580.25)
Cash generated from operations	5,659.72	865.77
Income-tax paid (net of refunds)	(908.99)	(470.00)
Net cash flow generated from operating activities (A)	4,750.73	395.77
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(1,293.87)	(340.93)
Proceeds from sale of property, plant and equipment	0.56	0.84
Investment in bank deposits	(199.75)	(254.12)
Purchase of investment	(1,819.51)	-
Dividend income	67.51	175.51
Interest received	54.29	88.04
Net cash flow used in investing activities (B)	(3,190.77)	(330.66)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from non current borrowings	1,108.23	1,279.12
Repayment from non current borrowings	(339.35)	(717.00)
(Repayment)/ proceeds from current borrowings (net)	(1,327.33)	692.96
Repayment of principal component of lease obligation	(13.00)	(11.45)
Payment of interest on lease obligation	(57.35)	(58.63)
Other interest paid	(841.52)	(851.25)
Dividend paid (including DDT)	(106.53)	(392.01)
Net cash used in financing activities (C)	(1,576.85)	(58.26)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(16.90)	6.85
Cash and cash equivalents at the beginning of the year	31.89	25.04
Cash and cash equivalents at the end of the year	14.99	31.89

Jash Engineering Limited**Standalone Statement of Cash Flows for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)*

	For the year ended 31 March 2021	For the year ended 31 March 2020
Reconciliation of cash and cash equivalents as per cash flow statement		
Cash in hand	9.70	9.32
Balances with banks- in current accounts	5.29	22.57
	14.99	31.89

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

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021

Jash Engineering Limited

Statement of Changes In Equity for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

A Equity share capital

Particulars	Amount
Balance as at 1 April 2019	1,183.66
Changes in equity share capital during the year	-
Balance as at 31 March 2020	1,183.66
Add: Shares issued during the year to ESOP Trust	3.46
Total share capital as at 31 March 2021	1,187.12
Less: Shares held by ESOP Trust	(3.46)
Total share capital as at 31 March 2021	1,183.66

B Other equity

	Securities premium	ESOP reserve	General reserve	Retained earnings	Total
Balance as at 1 April 2019	4,514.75	-	1,050.00	6,381.00	11,945.75
Profit for the year	-	-	-	2,181.74	2,181.74
Dividends paid	-	-	-	(355.11)	(355.11)
Tax on dividends	-	-	-	(36.90)	(36.90)
Additions during the year	-	18.28	-	-	18.28
Other comprehensive loss for the year	-	-	-	(44.72)	(44.72)
Balance as at 31 March 2020	4,514.75	18.28	1,050.00	8,126.01	13,709.04
Profit for the year	-	-	-	2,769.88	2,769.88
Dividends paid	-	-	-	(106.53)	(106.53)
Add: Security premium on shares issued to ESOP Trust	37.56	-	-	-	37.56
Less: Impact of ESOP Trust consolidation	(37.56)	-	-	-	(37.56)
Additions during the year	-	96.30	-	-	96.30
Other comprehensive loss for the year	-	-	-	(38.05)	(38.05)
Balance as at 31 March 2021	4,514.75	114.58	1,050.00	10,751.31	16,430.64

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

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****1. Company overview**

Jash Engineering Limited ('the Company') is a public limited company domiciled in India and is incorporated on 29 September 1973. Its shares are listed on National Stock Exchange of India limited. The registered office of the Company is situated at 31, Sector-C, Sanwer Road, Industrial Area, Indore - 452015, Madhya Pradesh.

The Company is engaged in the business of manufacturing and trading of varied engineering products for general engineering industry, water and wastewater industry and bulk solids handling industry.

2. General information and statement of compliance with Ind AS

These standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented.

These standalone financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended 31 March 2021 in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors on 23 June 2021.

Basis of preparation

The standalone financial statements have been prepared on accrual and going concern basis. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The standalone financial statements have been prepared under historical cost convention basis except for the following –

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value

Functional and presentation currency

The standalone financial statements have been prepared and presented in Indian Rupees (INR), which is the Company's functional and presentation currency.

3. Summary of significant accounting policies

The standalone financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Property, plant and equipment*Recognition and initial measurement*

Property, plant and equipment are stated at cost, less accumulated depreciation and amortisation. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Jash Engineering Limited

Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021

Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Act.

Asset class	Useful life (years)
Plant & Machinery	15
Buildings (RCC structures)	60
Factory building	30
Computers	3
Electrical installations	10
Furniture and fixtures	10
Office Equipment	5
Vehicles	8 -10

De-recognition

An item of property, plant and equipment and any significant component initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset/significant component (calculated as the difference between the net disposal proceeds and the carrying amount of the asset/significant component) is recognised in statement of profit and loss, when the asset is derecognised.

3.2 Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses acquire property, plant and equipment. Assets which are not ready to be intended use are also shown under capital work-in-progress.

3.3 Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met & directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement

Intangible assets consisting of technical know-how and computer software. These are amortised on a straight-line basis over the estimated useful lives from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Asset class	Useful life (years)
Technical know how	15
Computer software	3 to 6

3.4 Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Company can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Company intends to and has sufficient resources to complete the project
- The Company has the ability to use or sell such intangible asset
- The software will generate probable future economic benefits.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

Amortisation of the asset begins when development is complete and the asset is available for use.

3.5 Revenue recognition

The Company generates revenue from sale of varied engineering products for general engineering industry, water and waste, water industry, bulk solids handling industry and also from rendering installation services along with the sale of goods, if specified in the contract with customers.

To determine whether to recognise revenue, the Company follows a 5-step process in accordance with Ind AS 115 - Revenue from contracts with customers:

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax (GST). In case of multi-element revenue arrangements, which involve delivery or performance of multiple products, services, evaluation will be done of all deliverables in an arrangement to determine whether they represent separate units of accounting at the inception of arrangement. Total arrangement consideration related to the bundled contract is allocated among the different elements based on their relative fair values (i.e., ratio of the fair value of each element to the aggregated fair value of the bundled deliverables). In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated to the different components based on residual value method.

The Company determines when it has satisfied its performance obligation to transfer a product by evaluating when a customer obtains control of that product. For some contracts, control is transferred either when the product is delivered to the customer's site or when the product is shipped, depending on the terms of the contract (including delivery and shipping terms). However, for some contracts, a customer may obtain control of a product even though that product remains in the Company's physical possession. In that case, the customer has the ability to direct the use of, and obtain substantially all of the remaining benefits from, the product even though it has decided not to exercise its right to take physical possession of that product. Consequently, the entity does not control the product. Instead, the entity provides custodial services to the customer over the customer's asset.

Revenue is recognised at a point in time, when (or as) the Company satisfies performance obligations by transferring the promised goods or services to its customers.

The Company recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Sale of services

Revenue from sale of services in respect of installation services is recognised when the performance obligation is completed.

Export benefits

Income from export incentives are recognised on accrual basis.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****Interest income**

Interest income is recognised on time proportion basis considering the amount outstanding and rate applicable. For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established.

3.6 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease in accordance with Ind AS 116 - Leases. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets ('ROU assets')

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

b) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****3.7 Inventories**

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- *Raw materials*: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- *Finished goods and work in progress*: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

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

3.8 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

3.9 Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

At each reporting date, the Company assesses whether there is any indication based on internal/external factors, that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If, at the reporting date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed which is the higher of fair value less costs of disposal and value-in-use and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost. Impairment losses previously recognised are accordingly reversed in the statement of profit and loss.

To determine value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The data used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future re-organisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessment of the time value of money and asset-specific risk factors.

3.10 Foreign currency*Initial recognition of Transactions*

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate applicable as at the date of the transaction.

Subsequent recognition of balances

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

Foreign currency non-monetary items (item balances) which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the balance sheet date.

Exchange differences

Exchange differences arising on the settlement/restatement of monetary items at the exchange rates different from those at which they were initially recorded during the year or reported in the previous standalone financial statements, are recognised as income or expense in the year in which they arise.

3.11 Financial instruments*Recognition and initial measurement*

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets*Subsequent measurement*

Financial assets carried at amortised cost – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities*Subsequent measurement*

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities 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.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****3.12 Equity investment in subsidiaries**

Investments representing equity interest in subsidiaries are measured for at cost less impairment in accordance with Ind AS 27 Separate Financial Statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

3.13 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 for financial assets. ECL is provided for when there has been a significant increase in credit risk and then, factors historical trends and forward looking information. An impairment loss is recognised either based on the 12 months' probability of default or lifetime probability of default.

Trade receivables

In respect of trade receivables, the Company applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of such receivables.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

3.14 Income taxes

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

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

3.15 Dividend

The Company recognises a liability to pay dividend to equity holders of the parent when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.16 Employee benefits*Short-term employee benefits*

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Defined contribution plan

Provident fund benefit is a defined contribution plan under which the Company pays fixed contributions to Regional Provident Fund Commissioner in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952. The Company has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in non-current/current liabilities or non-current/current assets, respectively.

Defined benefit plan

The Company provides for gratuity, a defined benefit retirement plan, which defines an amount of benefit that an employee will receive on separation from the Company, usually dependent on one or more factors such as age, years of service and remuneration. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method. Actuarial gains/losses resulting from re-measurements of the liability due to change in actuarial assumptions are included in other comprehensive income.

Other long-term employee benefits

The Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after time balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method, actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of Profit and loss in the year in which such gains or losses are determined.

3.17 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Warranty provision:

Provisions for warranty-related costs are recognised when the service provided. Provision is based on historical experience. The estimate of such warranty-related costs is revised annually.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

Jash Engineering Limited

Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021

3.18 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

3.19 Share based payments

The Company has equity-settled share-based remuneration plans for its employees. None of the Company's plans are cash-settled.

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

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

The ESOP trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company.

3.20 Recent accounting pronouncement

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose standalone financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****Amendment to Ind AS 116 "Leases" – Insertion of practical expedient for COVID-19 related lease concessions**

The amendment provides lessee with a practical expedient and an exemption to assess whether a COVID-19 related rent concession is a lease modification to payments originally due on or before 30 June 2021. Amendment also requires disclosure of the amount recognised in statement of profit and loss to reflect changes in lease payments that arise from such concession. The Company has not recognised any amount as reversal of lease liability in the statement of profit and loss.

4. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

a) Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized.

b) Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c) Contingent liabilities – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

d) Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

e) Impact of Covid-19 Outbreak – The extent to which the Covid-19 pandemic will impact the Company will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Government or the Company to contain its spread or mitigate its impact.

Significant estimates

a) Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables and advances. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

b) Fair value measurements – Management applies valuation techniques to determine fair value of stock options. This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of stock options.

c) Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

d) Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

5 Property plant and equipment

Right of use - land	Freehold land	Buildings	Plant and equipments	Electric substations	Computers	Furniture and fixtures	Vehicles	Office equipments	Total
Gross carrying value									
Balance as at 1 April 2019	614.17	3,579.14	3,747.83	286.07	192.53	317.13	190.87	105.52	9,363.97
Additions	174.75	770.00	323.78	59.98	48.13	53.60	0.71	7.70	1,438.65
Disposals/adjustment	-	-	(0.38)	-	-	-	(0.45)	-	(0.83)
Balance as at 31 March 2020	788.92	4,349.14	4,071.23	346.05	240.66	370.73	191.13	113.22	10,801.79
Additions	-	72.66	121.02	-	38.75	7.53	14.76	10.37	265.10
Disposals/adjustment	-	-	(0.36)	-	-	-	(4.94)	-	(5.29)
Balance as at 31 March 2021	788.92	4,421.80	4,191.90	346.05	279.41	378.26	200.95	123.59	11,061.59
Accumulated depreciation									
Balance as at 1 April 2019	66.48	947.44	2,159.00	201.00	169.68	195.58	68.89	82.07	3,890.14
Depreciation charge	32.87	130.04	214.48	17.97	23.07	32.98	38.20	5.74	495.35
Reversal on disposal/adjustment of assets	-	-	(0.25)	-	-	-	(0.43)	-	(0.68)
Balance as at 31 March 2020	99.35	1,077.48	2,373.23	218.97	192.75	228.56	106.66	87.81	4,384.81
Depreciation charge	32.88	130.14	264.03	15.31	24.39	29.18	20.45	7.82	524.20
Reversal on disposal/adjustment of assets	-	-	(0.36)	-	-	-	(4.75)	-	(5.11)
Balance as at 31 March 2021	132.23	1,207.62	2,636.90	234.28	217.14	257.74	122.36	95.63	4,903.90
Net block									
Balance as at 1 April 2019	547.69	2,631.70	1,588.83	85.07	22.85	121.55	121.98	23.45	5,473.83
Balance as at 31 March 2020	689.57	3,271.66	1,698.00	127.08	47.91	142.17	84.47	25.41	6,416.98
Balance as at 31 March 2021	656.69	3,214.18	1,554.99	111.77	62.27	120.52	78.59	27.96	6,157.69

Notes:

- (i) **Contractual obligations**
Refer note 44 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (ii) **Property, plant and equipment pledged as security**
Refer note 24 & 28 for information on property, plant and equipment pledged as security by the Company.
- (iii) **Right of use assets**
Refer note 50 for contractual commitments for lease payments.
- (iv) Depreciation for the year has been included in "Depreciation and amortisation expense" line item in statement of profit and loss.

6 Capital work in progress

As at 31 March 2021	As at 31 March 2020
1,107.64	638.19

Capital work in progress*

*Capital work in progress above pertains to under construction factory equipments.

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

7 Intangible asset

	Technical Know-how	Computer software	Total
Gross block			
Balance as at 1 April 2019	95.24	221.97	317.21
Additions	-	4.85	4.85
Balance as at 31 March 2020	95.24	226.81	322.06
Additions	-	168.21	168.21
Balance as at 31 March 2021	95.24	395.03	490.27
Accumulated depreciation			
Balance as at 1 April 2019	90.46	139.41	229.87
Amortization	1.03	21.21	22.24
Balance as at 31 March 2020	91.49	160.62	252.11
Amortization	3.75	37.19	40.94
Balance as at 31 March 2021	95.24	197.81	293.05
Net block			
Balance as at 1 April 2019	4.78	82.56	87.34
Balance as at 31 March 2020	3.75	66.20	69.95
Balance as at 31 March 2021	-	197.22	197.22

Notes:

(i) Contractual obligations

Refer note 44 for disclosure of contractual commitments for the acquisition of intangible assets

(ii) Amortisation for the year has been included in note 40 'Depreciation and amortisation expense' in statement of profit and loss.

8 Intangible assets under development

	As at 31 March 2021	As at 31 March 2020
Intangible assets under development*	153.81	59.35

*In the current year, intangible assets under development pertains to Know How transfer fees, whereas in the previous year it pertained to software under development

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

9 Non-current investments

	As at 31 March 2021	As at 31 March 2020
Investment in equity instruments (unquoted, at cost)		
Investment in subsidiaries:		
Shivpad Engineers Private Limited (refer note 9.1(i) and (v) below)	574.97	569.67
135,030 (31 March 2020 - 135,030) equity shares (fully paid up) of INR 10 each		
Jash USA INC (refer note 9.1(ii) and (v) below)	3,397.25	1,573.33
18,500 (31 March 2020 - 18,500) equity shares (fully paid up) of \$ 10 each		
Mahr Maschinenbau GmbH ("MM")	1,577.27	1,577.27
1 (31 March 2020 - 1) equity share (fully paid up) pertaining to entire capital equivalent to Euro 36,336.41 of MM's owner's equity		
Engineering and Manufacturing Jash Limited (refer note 9.1(iii) below)	0.00	0.00
1 (31 March 2020 - 1) equity shares (fully paid up) of Hong kong dollar 1 each		
Net investments in subsidiaries	5,549.49	3,720.27
Aggregate carrying value of unquoted investments	5,549.49	3,720.27
Aggregate amount of impairment in the value of investments	-	-

9.1 Notes

- i) 30% of the investment in Shivpad Engineers Private Limited pledged in favour of State Bank of India in respect of credit facilities taken.
- ii) This includes investment by the Company in Jash USA Inc represented by equity share capital amounting to INR 89.22 lakhs (31 March 2020- INR 89.22 lakhs) against which 18,500 shares have been issued to the Company. Rest of the amount INR 3,303.06 lakhs (31 March 2020- INR 1,483.54 lakhs) is amount invested by the Company in Jash USA; the same has been classified as an "additional paid in capital" in Jash USA Inc. and no equity shares have been issued to the Company against such investments.
- iii) Amount of investment in Engineering and Manufacturing Jash Limited is INR 8/- (31 March 2020: INR 8/-). The same has been rounded off to zero.
- iv) Investments in subsidiaries are stated at cost using the principles of Ind AS 27 'Separate Financial Statements'.
- v) The investment in Jash USA Inc. and Shivpad Engineers Private Limited includes the vested portion of fair value of options granted to employees of these subsidiaries and has been accounted as deemed equity contribution has been clubbed under investment in equity instruments of these subsidiaries. The details of the same are as follows:

	As at 31 March 2021	As at 31 March 2020
Investment in Shivpad Engineers Private Limited	6.63	1.33
Investment in Jash USA Inc.	4.97	0.57
	11.60	1.90

10 Loans (non-current)

	As at 31 March 2021	As at 31 March 2020
Security deposits	45.95	44.52
Loan to subsidiaries**	492.84	467.80
	538.79	512.32
Loans can be categorised as follows:		
Unsecured, considered good	538.79	512.32
Less: Allowance for expected credit loss	-	-
	538.79	512.32
Loans receivables which have significant increase in credit risk	-	-
Less: Allowance for expected credit loss	-	-
	-	-
Credit impaired receivables	85.04	85.04
Less: Allowance for expected credit loss	(85.04)	(85.04)
	-	-
	538.79	512.32

** Includes certain intercorporate deposits, the particulars of which are disclosed below as required by Sec 186(4) of the Companies Act 2013:

Name of the loanee	Rate of Interest	Purpose	Secured/Unsecured	As at 31 March 2021	As at 31 March 2020
Jash USA Inc.	8.00%	General business purpose	Unsecured	492.84	467.80

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***11 Other financial assets (non-current)**

	As at 31 March 2021	As at 31 March 2020
Grant receivable*	34.38	-
	34.38	-

*District Trade and Industries Centre pursuant to MSME policy, 2017 has given subsidy of INR 57.29 lakhs on admissible value of plant and machinery to the Company, out of which INR 11.45 lakhs has been received during the year and remaining will be receivable in four equal annual installment of INR 11.45 lakhs.

12 Non current tax assets (net)

	As at 31 March 2021	As at 31 March 2020
Income tax assets (net)	72.61	2.37
	72.61	2.37

13 Other non-current assets

	As at 31 March 2021	As at 31 March 2020
Capital advances	7.54	68.90
Balance with statutory authorities	37.44	37.44
Prepaid expenses	8.75	13.97
Others	-	0.54
	53.73	120.85

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

	As at 31 March 2021	As at 31 March 2020
Raw material*	2,893.66	2,633.57
Work-in-progress	1,224.94	1,366.85
Finished goods	894.46	862.44
Stores, spares and other consumables	79.55	117.42
Goods in transit	115.63	-
	5,208.24	4,980.28

*Includes stock lying with third parties amounting NIL (31 March 2020: INR 7.03 lakhs)
Refer note 24 and 28 for details of inventories pledged against borrowings by the Company.

15 Current investments

	As at 31 March 2021	As at 31 March 2020
Investment in equity instruments(quoted)		
Ramky Infrastructure Limited 489 (31 March 2020 - 489) equity shares (fully paid up) of INR 10 each	0.38	0.10
VA Tech Wabag Limited 12 (31 March 2020 - 12) equity shares (fully paid up) of INR 10 each	0.03	0.01
	0.41	0.11

Note: The carrying amount of the above quoted investments represents the current market value.

16 Trade receivables*

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	10,930.13	11,791.76
Less: Allowance for expected credit loss	(433.20)	(330.98)
	10,496.93	11,460.78
Credit impaired receivables	-	2.22
Less: Allowance for expected credit loss	-	(2.22)
	-	-
	10,496.93	11,460.78
Due from related party*	5,108.13	5,877.42
Due from others	5,388.80	5,583.36

*Refer note 49 for details about related party trade receivables and refer note 24 and 28 for details of trade receivables pledged against borrowings by the Company.

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)
17 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020
Balances with banks:		
- in current and cash credit accounts	5.29	22.57
Cash in hand	9.70	9.32
	14.99	31.89

18 Other bank balances

	As at 31 March 2021	As at 31 March 2020
Margin money deposits*	1,132.77	978.86
	1,132.77	978.86

* The deposits other than INR 155.30 lakhs are pledged against bank guarantees issued to sales tax authorities, and for cash credit/ letter of credit facilities.

19 Loans (current)

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good		
Security deposits	2.49	1.56
Tender fee and earnest money deposit	13.32	6.33
	15.81	7.89

20 Other financial assets (current)

	As at 31 March 2021	As at 31 March 2020
Export benefits receivables	113.63	126.92
Other receivables*	-	1.29
Grant receivable	11.46	-
Derivative assets**	55.53	-
	180.62	128.21

*Refer note 49 for details about related party receivables.

**Derivatives are measured at fair value and are carried as asset when their fair value is positive and are carried as liability when their fair value is negative. The above derivative is a currency derivative pertaining to a forward exchange contract. This contract is entered by the company to mitigate the risk involved in expected foreign currency cash inflows and outflows. Refer note 46 for details of valuation techniques used.

21 Other current assets

	As at 31 March 2021	As at 31 March 2020
Advances to suppliers	110.64	4.62
Advances given to employees	3.46	5.69
Balances with statutory authorities	4.27	14.33
Prepaid expenses	70.26	81.69
	188.63	106.33

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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***22 Equity share capital**

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of INR 10 each	1,34,90,000	1,349.00	1,34,90,000	1,349.00
Preference shares of INR 10 each	5,10,000	51.00	5,10,000	51.00
	1,40,00,000	1,400.00	1,40,00,000	1,400.00
Issued, subscribed and fully paid up				
Equity shares of INR 10 each	1,18,36,598	1,183.66	1,18,36,598	1,183.66
	1,18,36,598	1,183.66	1,18,36,598	1,183.66

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

	For the year	
	For the year ended 31 March 2021	ended 31 March 2020
Balance at the beginning of the year	1,183.66	1,183.66
Add: Shares issued during the year to ESOP Trust	3.46	-
Total shares capital outstanding at the end of the year	1,187.12	1,183.66
Less: Shares held by ESOP Trust (Refer note b below)	(3.46)	-
Balance at the end of the year	1,183.66	1,183.66

b) Note for shares held under ESOP Trust:

The ESOP trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company.

For the details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company refer note 52.

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

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Pratik Patel	19,93,921	16.80%	19,21,065	16.23%
Mr. Axel Schutte	7,70,000	6.49%	7,70,000	6.51%
Sundaram Alternative Opportunitis fund	1,29,065	1.09%	5,94,000	5.02%

d) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

e) Shares reserved for issue under options

Information relating to Jash Engineering Employee Stock Option Scheme, including the details of options granted during the financial year and options outstanding at the end of reporting period are specified in note 52.

f) 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.

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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***23 Other equity**

	As at 31 March 2021	As at 31 March 2020
Security premium	4,514.75	4,514.75
General reserve	1,050.00	1,050.00
ESOP reserve (refer note 52)	114.58	18.28
Retained earnings	10,751.31	8,126.01
	16,430.64	13,709.04

The Board of Directors of the Company, in their meeting held on 23 June 2021, recommended a final dividend of INR 3.20/- per fully paid up equity share of INR 10/- each, aggregating to INR 379.88 lakhs for the year ended 31 March 2021, subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

Nature and purpose of reserves:

Securities premium: 'Securities premium represents premium received on issue of shares. The reserve is being utilised in accordance with the provisions of the Companies Act, 2013.

General reserve: General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another.

ESOP reserve: This reserve represents recognition of the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

24 Non-current borrowings

	As at 31 March 2021	As at 31 March 2020
Secured		
Term loans		
-Rupee loans from banks (refer note (i) below)	1,469.10	381.57
-Foreign currency loans from banks (refer note (i) below)	641.99	861.69
-Rupee loans from financial institutions (refer note (ii) below)	118.76	238.61
Vehicle loan (refer note (iii) below)	9.68	3.52
Lease liabilities (refer note 50)	546.50	559.49
	2,786.03	2,044.88
Less : Current maturities of lease liabilities (refer note 30)	(66.35)	(67.52)
Less : Current maturities of other non-current borrowings (refer note 30)	(396.16)	(419.51)
	2,323.52	1,557.85

Details of guarantee for each type of borrowings**Guaranteed by directors and related parties**

Rupee and foreign currency loans from banks and financial institutions 2,229.86 1,481.87

Repayment terms and security for the outstanding long term borrowings (including current maturities):**i) Term loans from banks**

1) The Company availed loan against property facility from HDFC Bank amounting to INR 385.00 lakhs at rate of interest of 9.55 %. Repayment of term loan is to be done in 119 monthly installments of INR 5.02 lakhs with last installment falling due in year 2029-30. Outstanding book balance of term loan is INR 347.40 lakhs (31 March 2020: 364.86 lakhs).

The aforesaid term loan is secured by way of :

First parri passu charge on all current assets.

First parri passu charge on 30% shares of Shivapad Engineers Private Limited.

Second parri passu charge on plant, property and equipment (including land and building) of Unit 1, unit 2 and SEZ.

Second pari passu charge by way of equitable mortgage of factory land and building situated at Bardari village, Sanwer district Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare and first charge on khasra no 76/1/3 admeasuring 0.183 hectare and 76/1/1 admeasuring 0.243 hectare in the name of Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.

Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel.

2) The Company availed term loan facility from Axis Bank amounting to INR 918.94 lakhs at rate of interest of Axis Bank MCLR 8.45% plus 1.05% i.e. 9.50%. Repayment of term loan is to be done in 51 monthly installments of with last installment falling due in year 2024-25. The Company has converted its rupee term loan into foreign currency loan amounting to INR 871.95 lakhs during the previous year. Outstanding book balance of rupee term loan is INR 16.70 lakhs (31 March 2020: 16.71 lakhs) and Outstanding book balance of foreign currency loan is INR 641.99 lakhs (31 March 2020: 861.69 lakhs)

The aforesaid term loan is secured by way of :

(a) First Charge by way of equitable mortgage of factory land & building situated at Plot No. M 19, SEZ PH II, Pithampur admeasuring total area 8661.67 sq. meters in name of Company.

(b) First Charge by way of hypothecation over plant & machinery situated at Plot No. M 19, SEZ PH II, Pithampur.

The aforesaid term loan is secured by way of :

(a) Second pari-passu charge on captioned property and plant and machinery with SBI, HDFC & for residual charge of SIDBI for their exposure on reciprocal basis.

(b) Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel.

(c) Corporate guarantee by Patamins Investment Private Limited.

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)*

3) The company has availed working capital term loan from Axis Bank of amounting to INR 755.00 lakhs at rate of interest of repo rate + 3.5% i.e 7.50% p.a . Repayment of working capital term loan in 48 equal monthly principal instalments of INR 15.73 lakhs and moratorium period of 12 months from the date of first disbursement. Outstanding book balance of working capital term loan is INR 755.00 lakhs (31 March 2020: Nil).

The aforesaid working capital loan is secured by way of :

- a) Extension of second charge on existing security referred in 2 above.
b) Extension of second charge on existing collateral security referred in 2 above.

4) The Company also availed working capital term loan from HDFC Bank of amounting to INR 350.00 lakhs at rate of interest 7.50% p.a. Repayment of working capital term loan in 48 equal monthly principal instalments of INR 7.29 lakhs and moratorium period of 12 months from the date of disbursement. Outstanding book balance of working capital term loan is INR 350.00 lakhs (31 March 2020: Nil)

The aforesaid working capital loan is secured by way of :

Extension of existing security referred in 1 above.

ii) Term loans from financial institutions

1) The Company availed term loan facilities from Small Industries Development Bank of India amounting to INR 400 lakhs and INR 224.3 lakhs at rate of interest of 9.50%. Repayment of term loan is to be done in 36 monthly installments which commenced in the year ending 01 April 2018 with last installment falling due in year 2020-2021. Outstanding book balance of term loan is INR 118.76 lakhs (31 March 2020: INR 238.61 lakhs)

The aforesaid term loan is secured by way of :

- (a) First hypothecation charge over the company's movable such as plant machinery, vehicle, machinery spares, tools, office equipments, computer, computer fixture acquired under the project.
(b) Extension of first charge by way of hypothecation of all movables including plant, machinery, vehicles, machinery spares, tools office equipments, computers acquired earlier financial assistance.
(c) Residual charge by way of mortgage of leasehold factory land and Building (Unit-1) situated at Survey No. 18B2, 18E2, 18 D2, 18C, 19, 29, 30, 31 & 32B industrial area Sector C, village Sukhliya Tehsil & Dist Indore.
(d) Residual charge by way of mortgage of leasehold factory land and Building situated at survey no. 74/1, 74/2/1, 76/1,3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district, Indore and survey no. 77, Patwari Halka no. 36, Bardari tehsil, Sanwer district, Indore.
(e) Residual charge by way of mortgage of land and building situated at plot no. M-11 SEZ, Pithampur, Tehsil & district Dhar.
(f) Residual charge by way of mortgage of land and building situated at survey no. 74/2/2, 76/1/1 village Bardari, Sanwer, Dist. Indore owned by Patamin Investment Private Limited.
(g) Further secured by personal guarantee of Directors, Mr. Pratik Patel and Mr. L. D. Amin and corporate guarantee of M/s Patamin Investments Private Limited.

iii) Vehicle loans from banks

As at 31 March 2021	Principal amount	Amount outstanding	Number of remaining installments	Installment amount	Date of loan	Rate of interest	Hypothecation of
Vehicle loan	11.86	9.68	31.00	0.35	29-Jun-20	8.20%	Vehicle

As at 31 March 2020	Principal amount	Amount outstanding	Number of remaining installments	Installment amount	Date of loan	Rate of interest	Hypothecation of
Vehicle loan	6.34	1.57	8.00	0.20	1 November 2017	9.60%	Vehicle
Vehicle loan	6.00	0.75	4.00	0.19	28 June 2017	8.60%	Vehicle
Vehicle loan	38.00	1.20	1.00	1.21	24 April 2017	9.10%	Vehicle

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

25 Provisions (non-current)

	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits		
Gratuity *	317.35	253.79
Leave encashment *	138.95	114.10
	456.30	367.89

* Refer note 45 for details

26 Deferred tax liabilities (net)

	As at 31 March 2021	As at 31 March 2020
Deferred tax liability arising on account of :		
Temporary difference on account of property, plant and equipment and intangibles assets	510.33	481.13
Financial assets and liabilities at amortised cost	(1.27)	3.87
Deferred tax asset arising on account of :		
Provision for employee benefits	152.17	114.90
Deduction u/s 35D	-	12.26
MAT credit entitlement	52.61	-
Impairment of financial assets	180.34	121.79
Right of use asset and related liabilities	41.86	16.78
Deferred government grant	-	1.04
Deferred tax liabilities (net)	82.08	218.23

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

Particulars	01 April 2020	Deferred tax charge/credit in profit and loss	Deferred tax charge/credit in other comprehensive income	31 March 2021
Deferred tax liability arising on account of :				
Temporary difference on account of property, plant and equipment and intangibles assets	481.13	29.20	-	510.33
Financial assets and liabilities at amortised cost	3.87	(5.14)	-	(1.27)
Deferred tax asset arising on account of :				
Provision for employee benefits	114.90	21.64	15.63	152.17
Deduction u/s 35D	12.26	(12.26)	-	-
MAT credit entitlement	-	52.61	-	52.61
Impairment of financial assets	121.79	58.55	-	180.34
Right of use asset and related liabilities	16.78	25.08	-	41.86
Deferred government grant	1.04	(1.04)	-	-
Deferred tax liabilities (net)	218.23	(120.52)	(15.63)	82.08

Movement in deferred tax liabilities for the year ended 31 March 2020

Particulars	01 April 2019	Deferred tax charge/credit in profit and loss	Deferred tax charge/credit in other comprehensive income	31 March 2020
Deferred tax liability arising on account of :				
Temporary difference on account of property, plant and equipment and intangibles assets	455.07	26.06	-	481.13
Financial assets and liabilities at amortised	0.73	3.14	-	3.87
Deferred tax asset arising on account of :				
Provision for employee benefits	60.63	35.90	18.37	114.90
Deduction u/s 35D	-	12.26	-	12.26
MAT credit entitlement	35.55	(35.55)	-	-
Impairment of financial assets	82.27	39.52	-	121.79
Contract liabilities	9.59	(9.59)	-	-
Right of use asset and related liabilities	12.29	4.49	-	16.78
Deferred government grant	1.00	0.04	-	1.04
Deferred tax liabilities (net)	254.47	(17.87)	(18.37)	218.23

27 Other non-current liabilities

	As at 31 March 2021	As at 31 March 2020
Deferred grant (refer note below)	45.62	1.22
	45.62	1.22

Note:

Deferred grant is the component of the concessional rate borrowings availed from the bank at a lower rate than the market rate and subsidy received in respect of plant and machinery.

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***28 Current borrowings****Secured**

Cash credits facilities from bank (refer note (i),(iii) and (iv) below)
 Short term loan from bank (refer note (i) below)
 Short term loan from financial institution (refer note (ii) below)

	As at 31 March 2021	As at 31 March 2020
	4,269.02	4,422.80
	-	500.00
	-	684.60
	4,269.02	5,607.40

Notes:**A) Security for the outstanding short term borrowings :**

(i) 'Fund based credit facility of INR 2,100 lakhs (31 March 2020: INR 2,100 lakhs) sanctioned to the Company from HDFC Bank . It comprise of Cash Credirt ('CC') facility including sub-limit of short term loan facility at annual rate of interest of 1.2% above MCLR-1 year. Outstanding book balance for CC account from HDFC as on 31 March 2021 is INR 1,881.13 lakhs (31 March 2020 is INR 1,331 lakhs) and outstanding balance of short term loan facility is Nil (31 March 2020: 500 lakhs).

The facilities from bank are secured by way of:

Primary security: First pari passu charge on all current assets of the Company as on 31 March 2021

Collateral:

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

Also secured by way of guarantees from:

- Mr. Suresh Patel
- Mr. Pratik Patel

ii) Fund based credit facility sanctioned from Bajaj Finance Limited for purchase bills discounting amounting to INR 1,000.00 lakhs (31 March 2020: INR 1,000 lakhs) at annual rate of interest of 9% per annum and repayable at the end of each tranche tenor. Outstanding Book balance as on 31 March 2021 is INR Nil (31 March 2020: 684.60 lakhs). The facility from Bajaj Finance Limited is secured by existing secured multiple banking arrangement and secured by way of guarantees from Mr. Suresh Patel and Mr. Pratik Patel.

iii) Fund based credit facility sanctioned from State Bank of India comprise of cash credit facility amounting to INR 2,900 lakhs (31 March 2020: INR 2,900 lakhs) at an annual rate of interest 2% above 6M MCLR, export packing credit ('EPC') within CC limit amounting to INR 2,100 lakhs (31 March 2020: INR 2,100 lakhs) and Standby letter of credit ('SLOC') amounting to INR 500 lakhs (31 March 2020: INR 500 lakhs) at an annual rate of 0.55% above 6M MCLR. Outstanding book balance for CC account as on 31 March 2021 is INR 325.51 lakhs (31 March 2020 : INR 1,853.93 lakhs), EPC account as on 31 March 2021 is INR 1502.14 lakhs (31 March 2020: INR 799.95 lakhs) and overdraft book balance is INR 85.24 lakhs (31 March 2020: Nil).

The facilities from bank are secured by way of:

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

Collateral:

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

Also secured by way of guarantees from:

Mr. Suresh Patel
 Mr. Pratik Patel
 Patamin Investments Private Limited

iv) Fund based credit facility sanctioned from Axis Bank during the year comprise of cash credit ('CC') facility of INR 550 lakhs (31 March 2020: 550 lakhs, 01 April 2018: Nil) at annual rate of interest of 1.2% above 3 month MCLR. Outstanding Book balance for CC account as on 31st march 2021 is INR 475.00 lakhs (31 March 2020: 437.92 lakhs).

The facilities from bank are secured by way of:

'Primary security: First pari-pasu charge over JEL's entire stock comprising raw materials, stock-in-process, finished goods, consumable stores and spares and receivables at 18C, 29-31, 32B, Sector C, Industrial area, Sanwar road, Indore, plot no. M-11, Misc zones, Phase-II SEZ, Pithampur Distt., Dhar, and Survey No. 74/1, 74/2/1, 76/1/3, 76/1 PH no. 19, Bardari Tehsil, distt. Sanwer, Indore and survey no. 77, PH No. 36, Bardari Tehsil, Sanwar District, Indore, Plot no. M 19, SEZ PH-II, Pithampur or at such other places approved by the bank including goods in transit/shipment in the name of the Company with SBI, HDFC Bank and Axis bank.

Collateral:

- Extension of first charge by way of mortgage over land and building of the Company situated at Plot No. M-19, SEZ Phase II, Pithampur admeasuring total area 8661.67 square meter in the name of the Company and first charge by way of hypothecation over plant and machinery situated at Plot no. M19, SEZ phase II, Pithampur (2nd pari-passu charge of SBI, HDFC and residual charge of SIDBI for their exposure respectively.
- 'Second pari passu charge with HDFC Bank by way of equitable mortgage of land, Shed/bulding and hypothication of Plant and Machinery situated at Unit-1, Unit-II and
- Second pari passu charge with HDFC Bank by way of equitable mortgage on land in the name of Patamin Investment private Limited.
- Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel
- Corporate guarantee by Patamins Investment Private Limited

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

B) Reconciliation of liabilities arising from financing activities

	Non-current borrowings and Current maturities of non-current borrowings	Current borrowings	Total
As at 1 April 2019	1,260.99	4,914.44	6,175.43
Cash flows:			
Proceeds from borrowings (net)	1,279.12	692.96	1,972.07
Repayment of borrowings	(717.00)	-	(717.00)
Repayment of principal component of lease obligation	(11.45)	-	(11.45)
Non-cash:			
Effective interest rate adjustment	14.97	-	14.97
Adjustment in lease liability through right of use asset	163.82	-	163.82
Other	54.44	-	54.44
As at 31 March 2020	2,044.89	5,607.40	7,652.28
Cash flows:			
Proceeds from borrowings (net)	1,108.23	-	1,108.23
Repayment of borrowings	(339.35)	(1,327.33)	(1,666.68)
Repayment of principal component of lease obligation	(13.00)	-	(13.00)
Non-cash:			
Effective interest rate adjustment	8.63	-	8.63
Other	(23.37)	(11.05)	(34.42)
As at 31 March 2021	2,786.03	4,269.02	7,055.04

29 Trade payables

	As at 31 March 2021	As at 31 March 2020
Due to micro and small enterprises [refer note (i) below]	343.97	645.78
Dues to others	3,042.95	2,927.25
	3,386.92	3,573.03

(i) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the company, the following are the details:

Principal amount remaining unpaid	343.97	645.78
Interest accrued and due thereon remaining unpaid	-	-
Interest paid by the company in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year), but without adding the interest specified under MSMED Act, 2006.	-	-
Interest accrued and remaining unpaid as at the end of the year	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***30 Other financial liabilities (Current)**

	As at 31 March 2021	As at 31 March 2020
Current maturities of non-current borrowings: (refer note 24)		
-Rupee loans from banks	60.16	26.10
-Foreign currency loans from banks	208.22	200.21
-Rupee loans from financial institutions	124.34	189.68
-Lease liability	66.35	67.52
-Vehicle loan	3.43	3.52
Interest accrued but not due on borrowings	8.66	30.84
Employee related payables	389.58	374.93
Book overdraft	-	67.52
Security deposit	33.92	14.47
Capital creditors*	46.29	404.49
Employee ESOP obligation**	41.01	-
Derivative liability***	-	76.22
	981.96	1,455.50

*Includes related party payables, refer note 49

**It represents amount received from employees in ESOP trust against which shares have not been issued to employees yet.

***Derivatives are measured at fair value and are carried as asset when their fair value is positive and are carried as liability when their fair value is negative. The above derivative is a currency derivative pertaining to a forward exchange contract. This contract is entered by the company to mitigate the risk involved in expected foreign currency cash inflows and outflows. Refer note 46 for details of valuation techniques used.

31 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Advance from customers	1,715.49	1,009.99
Payable to statutory authorities	105.09	256.94
Deferred grant*	6.38	6.39
	1,826.96	1,273.32

*Deferred grant is the component of the concessional rate borrowings availed from the bank at a lower rate than the market rate.

32 Provisions (current)

	As at 31 March 2021	As at 31 March 2020
Leave encashment*	16.03	10.29
Provision for warranty**	94.76	-
Provision for litigation***	6.30	-
	117.08	10.29

* Refer note 45 for details.

**A provision for warranty for expected claims/ expenditure is based on past experiences of the Company of the level of claims/ expense incurred in the past. The Company expects significant portion of the cost will have to be incurred in next financial year, therefore, has accordingly classified the entire amount as current provision.

**Provision for warranty
Particulars**

	As at 31 March 2021	As at 31 March 2020
At the beginning of the year	-	-
Arising during the year	94.75	-
Utilised during the year	-	-
At the end of the year	94.75	-

***Provisions for litigations relate to the estimated outflow in connection with pending C-forms.

**Provision for litigation
Particulars**

	As at 31 March 2021	As at 31 March 2020
At the beginning of the year	-	-
Arising during the year	6.30	-
Utilised during the year	-	-
At the end of the year	6.30	-

33 Current tax liabilities (net)

	As at 31 March 2021	As at 31 March 2020
Provision for tax (net)*	-	277.20
	-	277.20

*Amount of advance tax paid INR 577.72 lakhs (31 March 2020: INR 444.64 lakhs)

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

34 Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Operating revenue*		
Sale of products	21,128.75	20,276.73
Sale of services	7.14	19.22
Other operating revenue		
Scrap sales	436.07	266.95
Export incentives	99.08	54.14
	21,671.04	20,617.04

*Refer note 51 for revenue related disclosure.

35 Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest from		
Bank deposits	53.00	61.62
Other financial assets carried at amortised cost	39.13	45.61
Rental income	20.22	19.27
Dividend income	67.51	175.51
Net gain on foreign currency	48.07	460.15
Unclaimed balances written back	6.66	10.82
Grant income	12.73	6.81
Miscellaneous income	19.27	36.65
	266.59	816.44

36 Cost of materials consumed

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock		
Raw material	2,633.57	3,034.49
Add: Purchases made during the year	9,440.01	9,203.65
	12,073.58	12,238.14
Less: Closing stock		
Raw material	2,893.66	2,633.57
	9,179.92	9,604.57

37 Changes in inventories of finished goods and work-in-progress

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock		
Work-in-progress	1,366.85	1,215.95
Finished goods	862.44	751.40
Goods in transit	-	52.77
Closing stock		
Work-in-progress	1,224.94	1,366.85
Finished goods	894.46	862.44
Goods in transit	115.63	-
Changes in inventories	(5.74)	(209.17)

38 Employee benefits expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salaries and incentives	2,826.65	2,572.90
Contributions to provident and other funds*	197.25	179.77
Share based payments to employees (refer note 52)	86.59	16.38
Staff welfare expenses	93.14	113.55
	3,203.63	2,882.60

*Refer note 45 for details

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***39 Finance costs**

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on		
<i>Term loans/ working capital loans</i>	657.10	707.05
<i>On income tax delays</i>	8.40	18.41
<i>On lease obligations</i>	57.35	58.63
Other borrowing costs	206.82	179.67
	929.67	963.76

40 Depreciation and amortisation expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment (refer note 5)	524.20	495.36
Amortisation of intangible assets (refer note 7)	40.94	22.24
	565.14	517.60

41 Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Advertisement and sales promotion expense	152.19	187.77
Balances written-off/ bad-debts	53.40	239.40
Charity and donation*	31.62	14.99
Commission and brokerage	109.80	234.27
Communication expenses	11.70	10.06
Consumption of stores and spare parts	953.76	900.39
Conveyance expenses	12.02	20.21
Drawing, designing and pattern charges	62.06	56.99
Factory expenses	18.33	-
Freight/ loading/ unloading & packing charges	286.59	299.16
Housekeeping and security expense	25.12	37.33
Import/ export expenses	533.17	252.38
Insurance charges	55.72	42.64
Job work charges	377.93	378.01
Payment to auditors**	24.17	21.44
Legal and professional fees	79.36	99.01
Power, fuel and water	198.53	223.86
Provision for doubtful debt	100.00	50.66
Provision for related party loans	-	85.04
Rates and taxes	64.92	69.00
Rent	2.98	8.17
Repairs and maintenance		
- on buildings	9.74	2.70
- on others	95.61	115.04
Royalty	33.28	76.11
Sub-contracting/ labour charges	1,300.87	1,137.22
Travelling expense	44.61	144.94
Vehicle running and maintenance	18.12	16.83
Warranty expenses	94.75	-
Miscellaneous expenses	103.75	120.09
	4,854.10	4,843.71

**** Payment to the statutory auditor**

	For the year ended 31 March 2021	For the year ended 31 March 2020
For statutory audit	21.50	20.00
Certification services	2.25	0.35
Reimbursement of expenses	0.42	1.09
Total	24.17	21.44

Note: The above amounts are exclusive of goods and service tax.

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)****Disclosure relating to corporate social responsibility (CSR) expenditure**

In light of Section 135 of the Companies Act 2013, the Company has incurred INR 29.36 lakhs (31 March 2020: INR 14.99 lakhs) during the current year on Corporate Social Responsibility (CSR) against gross amount required to be spent INR 30.08 lakhs (31 March 2020: INR 24.36 lakhs)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Gross amount required to be spent by the company during the year	30.08	24.36
Amount spent during the year on health and education	29.36	14.99

42 Tax expense**The income tax expense consists of the following:**

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax expense	561.55	666.54
Deferred tax credit	(120.52)	(17.87)
Total tax expense	441.03	648.67

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 29.12% (previous year: 29.12%) and the reported tax expense in profit or loss are as follows:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting profit before income tax	3,210.91	2,830.41
At India's statutory income tax rate of 29.12% (31 March 2020: 29.12%)	935.02	824.22
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of exempted income	(19.66)	(51.11)
Effect of tax incentive u/s 10AA (refer note 54)	(507.73)	(100.56)
Tax impact of expenses which will never be allowed	11.80	10.06
Effect of tax to be reversed during tax holiday period	19.22	(10.14)
Others	2.39	(23.80)
Income tax expense	441.03	648.67

43 Earnings per equity share

	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Net profit attributable to equity shareholders	2,769.88	2,181.74
b) Weighted average number of common equity shares for basic EPS	1,18,36,598	1,18,36,598
c) Weighted average number of common and dilutive common equivalent shares*	1,18,61,259	1,18,36,598
d) Nominal value of shares	10.00	10.00
e) Earnings per share		
Basic earnings per share	23.40	18.43
Diluted earnings per share*	23.35	18.43

*The Company has granted employee stock option during the year 2019-20. However, the same were anti-dilutive for the year ended 31 March 2020. In current year ended 31 March 2021, the same are dilutive in nature, therefore in addition to common shares, 24,661 dilutive shares have been considered for computing Diluted earning per share.

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

44 Contingent liabilities and other matters

	As at 31 March 2021	As at 31 March 2020
(a) Contingent liabilities (under litigation), not acknowledged as debt, include:		
Corporate guarantee given on behalf of Shivpad Engineers Private Limited	350.00	350.00
Standby letter of credit given on behalf of Jash USA Inc.	-	1,770.06
Demand for central sales tax <i>Financial year 2016-17</i>	124.92	131.22
Demand for income tax <i>Financial year 2016-17</i>	2.13	2.13
<i>Financial year 2017-18</i>	3.85	-
	480.90	2,253.41

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

b) Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	85.08	23.08
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Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)
45 Employee benefits
A Gratuity

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

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

Particulars	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Gratuity*	-	317.35	-	253.79

*The Company expects to pay its current liability on account of Gratuity through existing plan assets. Therefore, entire amount for provision for gratuity has been classified as non-current liability.

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

Description	31 March 2021	31 March 2020
Current service cost	83.35	71.23
Net interest cost	17.54	8.24
Net impact on profit (before tax)	100.89	79.47
Actuarial loss recognised during the year (other comprehensive income)	53.68	63.09
Amount recognised in total comprehensive income	154.57	142.56

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Description	31 March 2021	31 March 2020
Present value of defined benefit obligation as at the start of the year	713.66	558.72
Current service cost	83.35	71.23
Interest cost	44.92	42.74
Actuarial loss recognised during the year	53.68	63.09
Benefits paid	(37.95)	(22.12)
Present value of defined benefit obligation as at the end of the year	857.66	713.66

(iv) Movement in the plan assets recognised in the balance sheet is as under:

Description	31 March 2021	31 March 2020
Fair value of plan assets at beginning of year	459.87	450.93
Actual return on plan assets	34.83	31.06
Employer's contribution	83.56	-
Benefits paid	(37.95)	(22.12)
Fair value of plan Assets at the end of the year	540.31	459.87

(v) Breakup of actuarial loss:

Description	31 March 2021	31 March 2020
Actuarial loss on arising from change in demographic assumption	-	0.36
Actuarial loss on arising from change in financial assumption	11.32	54.77
Actuarial loss on arising from experience adjustment	42.36	7.96
Total actuarial loss	53.68	63.09

(vi) Actuarial assumptions

Description	31 March 2021	31 March 2020
Discount rate	6.79%	6.91%
Future salary increase	8.00%	8.00%
Expected average remaining working lives of employees (years)	60/70 years	60/70 years

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

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

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(vi) Sensitivity analysis for gratuity liability

Description	31 March 2021	31 March 2020
Impact of the change in discount rate		
- Impact due to increase of 0.5 %	(45.77)	(38.12)
- Impact due to decrease of 0.5 %	50.16	41.77
Impact of the change in salary increase		
- Impact due to increase of 0.5 %	48.21	40.02
- Impact due to decrease of 0.5 %	(44.42)	(37.13)

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(viii) Maturity profile of defined benefit obligation

Description	31 March 2021	31 March 2020
Within next 12 months	108.99	73.26
Between 1-5 years	159.67	138.16
Beyond 5 years	589.00	502.23

(ix) Category of plan assets :

Particulars	31 March 2021	31 March 2020
Investments with Life Insurance Corporation of India	100.00%	100.00%

- (x) The expected expense on its gratuity plan in the next accounting period amounts to INR 113.19 lakhs (31 March 2020: INR 97.17 lakhs) and the extent of the Company's contribution to the plan assets will be based on future liquidity positions.

B Compensated absences (unfunded)

The leave obligations cover the Company's liability for sick and earned leaves. The Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. Amount of INR 47.60 lakhs (31 March 2020: INR 56.89 lakhs) has been recognised in the statement of profit and loss.

Particulars	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	16.03	138.95	10.29	114.10

C Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance Scheme for the year amounting to INR 183.96 lakhs (31 March 2020: INR 160.89 lakhs) and INR 13.28 lakhs (31 March 2020: 18.88 lakhs) respectively.

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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***46 Financial instruments****A Financial assets and liabilities**

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

Measured at	As at 31 March 2021		As at 31 March 2020	
	Amortised Cost**	FVTPL***	Amortised Cost*	FVTPL***
Investments*	-	0.41	-	0.11
Trade receivables	10,496.93	-	11,460.78	-
Loans	554.60	-	520.20	-
Cash and cash equivalents	14.99	-	31.89	-
Other bank balances	1,132.77	-	978.86	-
Other financial assets	159.47	55.53	128.21	-
Total	12,358.76	55.94	13,119.94	0.11
Measured at				
Borrowings (including current maturities of non-current borrowings)	7,115.21	-	7,652.28	-
Trade payables	3,386.92	-	3,573.05	-
Other financial liabilities	459.30	-	892.26	76.22
Total	10,961.42	-	12,117.59	76.22

* Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

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.

(i) Current investments (level 1) - The fair value of quoted equity shares amounting to INR 0.41 lakhs (31 March 2020: INR 0.11 lakhs) are based on the current bid price of respective investment as at the balance sheet date.

(ii) Derivative liabilities (level 2) - These derivative liabilities amounting to Nil (31 March 2020: 76.22 lakhs) are fair valued based on mark to market forward rates provided by the banks.

(iii) Derivative assets (level 2) - These derivative assets amounting to INR 55.53 lakhs (31 March 2020: Nil) are fair valued based on mark to market forward rates provided by the banks.

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 exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract, if required
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.

I 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.

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***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
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 2021	As at 31 March 2020
(i) Low credit risk on financial reporting date		
Cash and cash equivalents	14.99	31.89
Other bank balances	1,132.77	978.86
Loans	554.60	520.21
Other financial assets	215.00	128.21
(ii) High credit risk		
Loans	85.04	85.04

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) Concentration of trade receivables

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Details of the such identified concentrations of credit risk are disclosed below:

Particulars	As at 31 March 2021	As at 31 March 2020
Rodney Hunt Inc.	5,103.73	5,455.59
Rajkamal Builders Infrastructure Private Limited	1,038.59	1,390.93
Total	6,142.32	6,846.52

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

(All amount in INR lakhs unless stated otherwise)

(iii) *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 (refer note 56 and 62 for more details). 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 2021	Gross carrying amount	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	14.99	-	14.99
Other bank balances	1,132.77	-	1,132.77
Loans	639.64	85.04	554.60
Other financial assets	215.00	-	215.00

As at 31 March 2020	Gross carrying amount	Expected credit losses	Carrying amount net of impairment
Cash and cash equivalents	31.89	-	31.89
Other bank balances	978.86	-	978.86
Loans	605.25	85.04	520.21
Other financial assets	128.21	-	128.21

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 2021	Gross carrying amount- trade receivables	Expected loss rate	Expected credit loss
Unrelated			
Not Due	2,265.24	1.28%	29.10
Less than 6 Months past due	2,105.12	7.30%	153.60
6 Months to 1 Year past due	99.22	6.95%	6.89
1 Year to 2 Year past due	1,185.92	6.72%	79.64
2 Year to 3 Year past due	166.50	38.42%	63.97
Additional provision *	-	-	100.00
Related	5,108.13		-
Total	10,930.13		433.20

*In addition to expected credit loss the Company has made a provision for impairment of receivables amounting to INR 100.00 lakhs, while performing recoverability assesment.

As at 31 March 2020	Gross carrying amount- trade receivables	Expected loss rate	Expected credit loss
Unrelated			
Not Due	2,578.13	0.88%	22.69
Less than 6 Months past due	2,045.67	6.84%	139.84
6 Months to 1 Year past due	677.07	8.29%	56.13
1 Year to 2 Year past due	607.32	18.02%	109.43
2 Year to 3 Year past due	6.15	47.02%	2.89
More than 3 Years past due	2.22	100.00%	2.22
Related	5,877.42		-
Total	11,793.98		333.20

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

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

Reconciliation of loss allowance	Trade receivables
Loss allowance on 1 April 2019	282.54
Add: Changes in loss allowances due to bad debts	50.66
Loss allowance on 31 March 2020	333.20
Add: Changes in loss allowances due to bad debts	100.00
Loss allowance on 31 March 2021	433.20

II Liquidity risk

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

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

a) Financing arrangements

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

Floating rate	As at 31 March 2021	As at 31 March 2020
- Expiring within one year	1,366.03	1,441.92
- Expiring beyond one year	-	-
Total	1,366.03	1,441.92

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

b) Maturities of financial liabilities

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

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

Refer note 50 for maturities of lease liabilities

As at 31 March 2021	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)	4,725.34	516.03	519.18	817.68	6,578.23
Trade payables	3,386.92	-	-	-	3,386.92
Other financial liabilities	459.30	-	-	-	459.30
Total	8,571.56	516.03	519.18	817.68	10,424.45

As at 31 March 2020	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)	6,026.91	283.16	232.06	570.39	7,112.53
Trade payables	3,573.05	-	-	-	3,573.05
Other financial liabilities	892.26	-	-	-	892.26
Total	10,492.22	283.16	232.06	570.39	11,577.84

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

III Market risk

a) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO, Singapore Dollar (SGD), Canadian Dollar (CAD) and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and the Company has taken certain forward contracts to manage its exposure.

(i) Foreign currency risk exposure in USD:

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in USD	As at 31 March 2020 Amount in USD
Trade receivables	87.43	74.23
Trade payables	(0.20)	(6.41)
Non-current borrowings	(8.73)	(11.57)
Net exposure to foreign currency risk (liabilities)	78.50	56.25

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
USD sensitivity		
INR/USD- increase by 5%	3.92	2.81
INR/USD- decrease by 5%	(3.92)	(2.81)

* Holding all other variables constant

(ii) Foreign currency risk exposure in EURO:

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in EURO	As at 31 March 2020 Amount in EURO
Trade receivables	0.75	1.35
Trade payables	(2.43)	-
Net exposure to foreign currency risk (liabilities)	(1.68)	1.35

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
EURO sensitivity		
INR/EURO- increase by 5%	(0.08)	0.07
INR/EURO- decrease by 5%	0.08	(0.07)

* Holding all other variables constant

(iii) Foreign currency risk exposure in SGD:

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in SGD	As at 31 March 2020 Amount in SGD
Trade Receivables	1.53	29.33
Trade payables	(0.28)	(0.81)
Net exposure to foreign currency risk (liabilities)	1.25	28.52

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
SGD sensitivity		
INR/SGD- increase by 5%	0.06	1.43
INR/SGD- decrease by 5%	(0.06)	(1.43)

* Holding all other variables constant

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

(iv) Foreign currency risk exposure in Canadian Dollar ("CAD"):

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in CAD	As at 31 March 2020 Amount in CAD
Trade Receivables	-	2.21
Net exposure to foreign currency risk (liabilities)	-	2.21

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
CAD sensitivity		
INR/CAD- increase by 5%	-	0.11
INR/CAD- decrease by 5%	-	(0.11)

* Holding all other variables constant

(v) Foreign currency risk exposure in GBP:

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in GBP	As at 31 March 2020 Amount in GBP
Trade Receivables	3.52	1.33
Trade payables	-	-
Net exposure to foreign currency risk (liabilities)	3.52	1.33

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
GBP sensitivity		
INR/GBP- increase by 5%	0.18	0.07
INR/GBP- decrease by 5%	(0.18)	(0.07)

* Holding all other variables constant

III Interest rate risk

i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on external financing. The Company is exposed to changes in interest rates through bank borrowings carrying variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowing	4,928.38	5,812.14

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest sensitivity*		
Interest rates – increase by 50 basis points (50 bps)	24.64	29.06
Interest rates – decrease by 50 basis points (50 bps)	(24.64)	(29.06)

* Holding all other variables constant

b) Price risk

The Company do have investments in equity instruments which create an exposure to price risk. Considering, the amount of quoted investments is insignificant, sensitivity analysis to price changes have not been disclosed.

Particulars	As at 31 March 2021	As at 31 March 2020
Investments (quoted)	0.41	0.11
	0.41	0.11

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***47 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 2021	As at 31 March 2020
Net debt	7,055.05	7,652.28
Total equity	17,614.30	14,892.70
Net debt to equity ratio	40.05%	51.38%

48 Particulars of dividend paid to non-resident and foreign shareholders:

Description	31 March 2021	31 March 2020
Number of shareholders	14	14
Number of shares held on which dividend was due (in INR)*	11,87,307	11,87,307
Amount remitted (gross): (INR lakhs)		
- Final, pertaining to financial year 2019-20 (Previous year 2018-19)	10.69	17.81
- Interim dividend, pertaining to financial year 2020-21 (Previous year 2019-20)	-	17.81

*The number of shares represent the shares held by the Non-resident and foreign shareholders who have NRE/NRO accounts and the dividend is being disbursed to those accounts.

49 Related party transactions

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

(i) Subsidiary companies

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

(ii) Key management personnel

Mr. Pratik Patel, Chairman & Managing Director
 Mr. Axel Schutte, Director
 Mr. Suresh Patel, Executive Director
 Mr. Brij Mohan Maheshwari, Independent Director
 Mr. Sunil Kumar Choksi, Independent Director
 Mr. Vishwapati Trivedi, Independent Director
 Ms. Sunita Kishnani, Independent Director
 Mr. DT Manwani, Independent Director

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

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)
 Mr. Harsh Patel (son of Mr. Pratik Patel)
 Mrs. Swati Desai (sister of Mr. Pratik Patel)
 Mr. Tarang Amin (brother-in law of Mr. Pratik Patel)
 Mrs. Tejal Desai (Daughter of Mr. Suresh Patel)

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

Patamin Investments Private Limited
 Jash Precision Tools Limited (till 31 December 2020)
 Micro Flat Datums Private Limited
 Jash Flowcon Engineers (a partnership firm)

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

(vi) 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 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Managerial remuneration (refer note 59)								
Pratik Patel	-	-	114.32	122.05	-	-	114.32	122.05
L.D. Amin	-	-	77.25	67.84	-	-	77.25	67.84
Suresh Patel	-	-	-	50.05	-	-	-	50.05
	-	-	37.08	4.16	-	-	37.08	4.16
Sale of goods	3,924.51	2,555.06	-	-	287.45	266.37	4,211.96	2,821.42
Jash Precision Tools Limited	-	-	-	-	277.86	265.23	277.86	265.23
Shivpad Engineers Private Limited	41.80	7.48	-	-	-	-	41.80	7.48
Micro Flat Datums Private Limited	-	-	-	-	9.59	1.14	9.59	1.14
Mahr Maschinenbau GmbH	-	1.54	-	-	-	-	-	1.54
Rodney Hunt Inc.	3,882.71	2,546.04	-	-	-	-	3,882.71	2,546.04
Purchase of goods	67.21	55.54	-	-	127.91	130.39	195.12	185.93
Jash Precision Tools Limited	-	-	-	-	1.16	5.15	1.16	5.15
Jash flowcon engineers	-	-	-	-	0.12	-	0.12	-
Shivpad Engineers Private Limited	61.41	43.23	-	-	-	-	61.41	43.23
Jash USA Inc.	-	-	-	-	-	-	-	-
Rodney Hunt Inc.	5.80	12.31	-	-	-	-	-	-
Micro Flat Datums Private Limited	-	-	-	-	126.63	125.24	126.63	125.24
Job work charges and labour charges	5.30	16.48	-	-	132.03	182.16	137.33	198.64
Jash Precision Tools Limited	-	-	-	-	30.33	61.65	30.33	61.65
Jash Flowcon Engineers	-	-	-	-	101.48	120.32	101.48	120.32
Micro Flat Datums Private Limited	-	-	-	-	0.21	0.19	0.21	0.19
Shivpad Engineers Private Limited	5.30	16.48	-	-	-	-	5.30	16.48
Dividend income	67.51	175.51	-	-	-	-	67.51	175.51
Shivpad Engineers Private Limited	67.51	175.51	-	-	-	-	67.51	175.51
Share options issued to employees of subsidiary companies	9.70	1.90	-	-	-	-	9.70	1.90
Shivpad Engineers Private Limited	5.30	1.33	-	-	-	-	5.30	1.33
Jash USA Inc.	4.40	0.57	-	-	-	-	4.40	0.57

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

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 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Dividend for the year (excluding dividend distribution tax)								
Pratik Patel	-	-	33.58	140.32	17.29	57.63	37.21	152.41
L.D. Adim	-	-	-	8.02	-	-	-	8.02
Axel Schutte	-	-	6.93	23.10	-	-	6.93	23.10
Patamin Investments Private Limited	-	-	-	-	-	-	3.63	12.09
Bhairavi Patel	-	-	2.27	7.57	-	-	2.27	7.57
Swati Desai	-	-	0.18	7.56	-	-	0.18	7.56
Tarang Amin	-	-	0.74	3.71	-	-	0.74	3.71
Rasesh Amin	-	-	-	13.31	-	-	-	13.31
Avani Vipul Patel	-	-	1.78	5.92	-	-	1.78	5.92
Tejal Desai	-	-	0.34	-	-	-	0.34	-
Harsh Patel	-	-	4.05	13.50	-	-	4.05	13.50
Interest expense								
Patamin Investments Private Limited*	-	-	-	-	-	-	52.35	53.10
	-	-	-	-	-	-	52.35	53.10
Interest income								
Mahr Maschinenbau GmbH	36.74	38.94	-	-	-	-	36.74	38.94
Jash USA Inc.	-	6.03	-	-	-	-	-	6.03
	36.74	32.91	-	-	-	-	36.74	32.91
Expenses incurred/paid on behalf of Company								
Jash USA Inc.	460.92	410.39	-	-	-	-	460.92	410.39
Rodney Hunt Inc.	-	51.07	-	-	-	-	-	51.07
Shivpad Engineers Private Limited	460.77	355.30	-	-	-	-	460.77	355.30
	0.15	4.02	-	-	-	-	0.15	4.02
Lease payment								
Patamin Investments Private Limited	-	-	-	-	-	-	60.00	60.00
	-	-	-	-	-	-	60.00	60.00
Purchase of capital goods								
Jash Flowcon Engineers	1.46	503.70	-	-	-	-	4.01	503.70
Micro Flat Datums Private Limited	-	-	-	-	-	-	1.25	-
Jash USA Inc.	1.46	503.70	-	-	-	-	2.76	-
	-	-	-	-	-	-	1.46	503.70
Sales promotion expense								
Mahr Maschinenbau GmbH	87.14	105.78	-	-	-	-	87.14	105.78
	87.14	105.78	-	-	-	-	87.14	105.78
Expenses incurred by Company on behalf of related parties								
Jash Flowcon engineers	2.18	84.38	-	0.78	-	-	2.18	87.68
Jash Precision Tools Limited	-	-	-	-	-	-	-	1.09
Shivpad Engineers Private Limited	2.18	84.38	-	-	-	-	2.18	84.38
Pratik Patel	-	-	-	0.78	-	-	-	0.78

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

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 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Reimbursement of expenses								
Pratik Patel	-	-	4.67	8.75	-	-	4.67	8.75
			4.67	8.75	-	-	4.67	8.75
Investments made								
Jash USA Inc.	1,819.52	-	-	-	-	-	1,819.52	-
	1,819.52	-	-	-	-	-	1,819.52	-
Sitting fees								
Mr. Brij Mohan Maheshwari	-	-	4.25	3.00	-	-	4.25	3.00
Mr. Sunil Kumar Choksi	-	-	1.00	1.00	-	-	1.00	1.00
Mr. Vishwapati Trivedi	-	-	0.50	0.50	-	-	0.50	0.50
Ms. Sumita Kishnani	-	-	1.00	0.25	-	-	1.00	0.25
Mr. DT Manwani	-	-	1.00	0.50	-	-	1.00	0.50
	-	-	0.75	0.75	-	-	0.75	0.75
Legal and professional								
Suresh Patel	-	-	-	3.66	-	-	-	3.66
	-	-	-	3.66	-	-	-	3.66

*Interest expense related to Patamin Investments Private Limited is the notional expense booked pursuant to the guidance of Ind AS 116, Leases.

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Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amounts in INR lakhs unless stated otherwise)

49 Related party transactions (continued)

(vii) Year end balances

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 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade receivables								
Jash Precision Tools Limited	5,103.73	5,509.95	-	-	4.40	367.48	5,108.13	5,877.42
Jash USA Inc.	-	-	-	-	-	301.58	-	301.58
Rodney Hunt Inc.	-	40.50	-	-	-	-	-	40.50
Micro Flat Datum Private Limited	5,103.73	5,455.59	-	-	-	-	5,103.73	5,455.59
Engineering & Manufacturing Jash Limited	-	-	-	-	4.40	65.90	4.40	65.90
	-	13.86	-	-	-	-	-	13.86
Loans and advances (including interest accrued)								
Mahr Maschinenbau GmbH	492.84	552.84	-	-	-	-	492.84	552.84
Jash USA Inc.	-	85.04	-	-	-	-	-	85.04
	492.84	467.80	-	-	-	-	492.84	467.80
Allowance for expected credit loss								
Mahr Maschinenbau GmbH	-	85.04	-	-	-	-	-	85.04
	-	85.04	-	-	-	-	-	85.04
Other recoverable								
Shivpad Engineers Private Limited	-	1.29	-	-	-	-	-	1.29
	-	1.29	-	-	-	-	-	1.29
Trade payables								
Micro Flat Datum Private Limited	20.64	179.57	-	-	81.69	91.26	102.33	270.85
Shivpad Engineers Private Limited	-	-	-	-	44.99	50.09	44.99	50.09
Jash Flowcon Engineers	5.63	105.73	-	-	-	-	5.63	105.73
Rodney Hunt Inc.	15.01	73.84	-	-	36.70	41.17	36.70	41.17
	-	-	-	-	-	-	15.01	73.84
Capital creditors								
Jash USA Inc.	-	404.49	-	-	-	-	-	404.49
	-	404.49	-	-	-	-	-	404.49
Investments in subsidiaries								
Shivpad Engineers Private Limited	5,549.49	3,720.26	-	-	-	-	5,549.49	3,720.26
Jash USA Inc.	574.97	569.67	-	-	-	-	574.97	569.67
Mahr Maschinenbau GmbH	3,397.25	1,573.32	-	-	-	-	3,397.25	1,573.32
	1,577.27	1,577.27	-	-	-	-	1,577.27	1,577.27

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

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 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Security deposits								
Patamin Investments Private Limited**	-	-	-	-	37.50	37.50	37.50	37.50
Lease liability								
Patamin Investments Private Limited	-	-	-	-	500.27	507.92	500.27	507.92
Employee related payable								
Pratik Patel	-	-	2.74	1.39	-	-	2.74	1.39
Suresh Patel	-	-	1.16	0.51	-	-	1.16	0.51
Tour advance payable/(recoverable) by/from								
Pratik Patel	-	-	-	(1.49)	-	-	-	(1.49)
L. D. Amin	-	-	-	(1.09)	-	-	-	(1.09)
				(0.40)	-	-	-	(0.40)

* Amount of investment in Engineering and Manufacturing Jash Limited is INR 8/- (31 March 2020: INR 8/-).

**The above amount of security deposit is the amount given as per agreement. However, the same has been carried at amortised cost.

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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***50 Lease related disclosures**

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

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 2021	For the year ended 31 March 2020
Short-term leases	2.98	8.17

B Total cash outflow for leases for the year ended 31 March 2021 was INR 70.35 lakhs (31 March 2020: INR 70.08 lakhs).

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 2021	69.08	64.63	64.63	64.63	64.63	1,051.14	1,378.74
31 March 2020	70.35	69.08	64.63	64.63	64.63	1,116.23	1,449.57

D Extension and termination options

The Company has lease contracts for the land sites where the manufacturing plants are being set up. The Company has considered enforceable extension options available for land leases in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease period is likely to be benefited by exercising the extension options.

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

51 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) HydroScrew
- (vii) Special purpose valve

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 2021

Revenue from contracts with customers	Goods	Services	Other operating revenue*	Total
Revenue by geography				
Domestic	11,625.23	7.14	436.07	12,068.44
Export	9,503.52	-	-	9,503.52
Total	21,128.75	7.14	436.07	21,571.96
Revenue by time				
Revenue recognised at point in time	21,128.75	7.14	436.07	21,571.96
Revenue recognised over time	-	-	-	-
Total	21,128.75	7.14	436.07	21,571.96

For the year ended 31 March 2020

Revenue from contracts with customers	Goods	Services	Other operating revenue*	Total
Revenue by geography				
Domestic	13,140.07	13.11	266.95	13,420.13
Export	7,136.66	6.11	-	7,142.77
Total	20,276.73	19.22	266.95	20,562.90
Revenue by time				
Revenue recognised at point in time	20,276.73	19.22	266.95	20,562.90
Revenue recognised over time	-	-	-	-
Total	20,276.73	19.22	266.95	20,562.90

* Export incentives has been excluded from other operating revenue as same does not pertain to contract with customers

(b) Assets and liabilities related to contracts with customers

Description	As at 31 March 2021	As at 31 March 2020
	Current	Current
Contract liabilities related to sale of goods		
Advance from customers*	1,715.49	1,009.99

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

(c) Significant change in contract liabilities

Description- Advance from customers	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening	1,009.99	944.05
Less: Goods and services delivered during the period against opening contract liabilities	(804.06)	(838.11)
Add: Advances received during the period	1,509.56	904.05
Closing balance	1,715.49	1,009.99

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

Description	For the year ended 31 March 2021	For the year ended 31 March 2020
Contract price	21,612.67	20,585.39
Less: Late delivery charges	(40.71)	(22.49)
Revenue from operations as per Statement of Profit and Loss	21,571.96	20,562.90

(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.

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)
52 Share-based payments
a) Employee option plan

The establishment of the Jash Engineering Employee Stock Option Scheme was approved by shareholders through postal ballot on 10 August 2019. The Employee Option Plan is designed to provide incentives to employees who have completed three years in company to deliver long-term returns. Under the plan, participants are granted options which vest in four tranches in four years from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one month.

Options carry no dividend or voting rights until they are exercised. When exercisable, each option is convertible into one equity share. The exercise price of the options is 20% discount on the closing market price of one day prior to the date of grant on stock exchange where the equity shares of the Company are listed.

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

	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	118.64	4,81,400	-	-
Granted during the year	-	-	118.64	4,81,400
Exercised during the year *	-	-	-	-
Lapsed during the period	-	(1,35,700)	-	-
Closing balance		3,45,700		4,81,400
Vested and exercisable	-	34,570	-	-

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

Grant Date	Expiry Date	Exercise price (INR)	Fair value of options (INR)	Share options	
				As at 31 March 2021	As at 31 March 2020
14 February 2020	14 March 2021	118.64	61.80	34,570	48,140
14 February 2020	14 March 2022	118.64	71.33	69,140	96,280
14 February 2020	14 March 2023	118.64	80.68	1,03,710	1,44,420
14 February 2020	14 March 2024	118.64	87.43	1,38,280	1,92,560
Total				3,45,700	4,81,400
Weighted average remaining contractual life of options outstanding at end of period				1.87	2.95

Fair value of options granted

The fair value of the equity-settled options at grant date is determined using the Black Scholes Model using the following key inputs:

- Options will vest in a graded manner over four years from the date of grant. These options are exercisable within a period of one month of vesting.
- Exercise price: INR 118.64
- Share price at grant date: INR 148.30
- Weighted average expected price volatility*: 72.44%
- Weighted average expected dividend yield: 1.36%
- Risk-free interest rate: 6.10% for all tranches

*The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility based on publicly available information.

(c) 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 2021	For the year ended 31 March 2020
Employee option plan	86.59	16.38
Total employee share-based payment expense	86.59	16.38

The above expense pertains to 310,700 options. The rest of the 35,000 options were issued to employees of subsidiary companies and there was no recharge done from the subsidiaries. The proportionate fair value in respect of these options amounting to INR 11.61 lakhs (31 March 2020: 1.9 lakhs) has been recorded as deemed investment in subsidiaries (refer note 9.1).

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Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)
53 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.

54 The Company has two units which is located in Special Economic Zone (the "SEZ"). Unit 1 was 100% exempted from income tax (current tax) till 31 March 2015, 50% exempted from 1 April 2015 to 31 March 2020 and from the current year onwards, the Company is not claiming 50% exemption as the same was subject to compliance of certain conditions and transfer of 50% profits to SEZ Reserve Account - under the provisions of Section 10AA of the Income Tax Act, 1961 and Unit II is 100% exempted from income tax (current tax) till 31 March 2024, 50% exempted from 1 April 2024 to 31 March 2029 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ reserve Account) from 1 April 2029 to 31 March 2034 under the provision of Section 10AA of Income Tax Act, 1961. Deferred tax pertaining to this unit is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods beyond the periods during which the respective units are exempt from income tax as aforesaid.

55 The Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India ("RBI"). Trade receivables amounting to INR 1,614.36 lakhs (31 March 2020: INR 3,215.51 lakhs) due from overseas parties is outstanding for a period of more than nine months.

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

56 As at 31 March 2021, the Company has investment of INR 3,397.24 lakhs (31 March 2020: INR 1,573.32 lakhs) in Jash USA Inc. (a wholly owned subsidiary company or 'Jash USA') and the Company has also outstanding loan of INR 492.85 lakhs (31 March 2020: INR 467.80 lakhs). Jash USA Inc. has accumulated losses amounting to INR 3,016.07 lakhs (31 March 2020: INR 3,093.44 lakhs), which has eroded a significant portion of net worth of the subsidiary. Basis the order books and certain other positive factors, the management of the Company has carried out valuation using an independent valuer for the Jash USA Inc. and is confident that it will be able to generate adequate positive cash flows in order to meet their present and future obligations in the ordinary course of business. Based on the valuation done, no provision for diminution in respect of this investment has been recognized in the standalone financial statements.

57 The Hon'ble Supreme Court of India (SC) has, vide its decision dated 28 February 2019 ('SC decision'), ruled that various allowances like conveyance allowance, special allowance, education allowance, medical allowance etc., paid uniformly and universally by an employer to its employees would form part of basic wages for computing the provident fund ('PF' or 'the fund') contribution and thereby, has laid down principles to exclude (or include) a particular allowance or payments from 'basic wage' for the purpose of computing PF contribution.

Consequent to the above SC judgement, the management implemented necessary changes to comply with the judgement prospectively. While the above SC judgement is applicable retrospectively, there are uncertainty with respect to manner in which it needs to be applied for the earlier period. Accordingly no provision has been recognized in the financial statements in respect of period prior to the judgement.

58 As per transfer pricing legislation under section 92-92F of the Income Tax Act, 1961, the Company is required to use certain specific methods in computing arm's length prices of international transaction with associated enterprises and maintain adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature, the Company has appointed independent consultant (the 'Consultant') for conducting the Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arm's length basis". Management is of the opinion that the Company's international transaction are at arm's length and require no transfer pricing adjustments.

59 Directors remuneration:

Description	31 March 2021	31 March 2020
Salaries, wages and bonus*	104.58	113.08
Contribution to provident and other funds	7.45	4.34
Perquisites	0.39	0.79
Compensated absences	1.90	3.84
Total	114.32	122.05

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

60 During the year ended 31 March 2021, the Company reclassified/regrouped certain previous year's numbers i.e. 31 March 2020. Considering the nature of these reclassification/regrouping, the Company does not intend to present opening balance sheet of previous year reported. Refer below for the same

As on 31 March 2020	Amount	Earlier reported groupings	Revised groupings
Balances with statutory authorities	23.80	Other current assets	Other non-current assets
Drawing, designing and pattern charges	67.35	Other expenses	Cost of material consumed

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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)*

61 COVID-19 has impacted the normal business operations of the Company by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. However, production and supply of goods had commenced during the month of May 2020 on various dates at all the manufacturing units of the Company after obtaining permissions from the appropriate government authorities.

Further, second wave of Covid-19 pandemic has hit India recently. Currently, the State Governments have implemented regional lockdowns based on situation in individual states/regions. There are uncertainties regarding the impact, the COVID-19 is going to have on the operations of the Company and the management is closely monitoring the developments. The management of the Company has considered all internal and external sources of information, including economic forecasts and estimates from market sources as at the date of the approval of these financial statements in determining carrying values of its assets and liabilities in accordance with applicable Ind AS. The Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, advances, property, plant and equipment, intangibles etc. as well as liabilities accrued and has concluded that no material adjustments are required at this stage in the financial statements. The actual impact of the global health pandemic may be different from that which has been estimated due to unforeseen circumstances, as the COVID-19 situation evolves in India and globally. The Company will continue to monitor any material changes to future economic conditions.

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

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021

Independent Auditor's Report

To the Members of Jash Engineering Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Jash Engineering Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group' as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, as at 31 March 2021, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Holding 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 consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to Note 61 of the accompanying consolidated financial statements which describes the uncertainties relating to Covid-19 pandemic outbreak and management's evaluation of its impact on the accompanying Consolidated Financial Statements and operations of the Group as at the balance sheet date, the extent of which is significantly dependent on future developments, as they evolve. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

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

Key audit matters	How our audit addressed the key audit matter
<p>Inventory valuation and allowances:</p> <p>At the balance sheet date 31 March 2021, the Holding Company held inventories comprising of raw materials, work-in-progress, finished goods and stores, spares and other consumables worth INR 7,140.87 lakhs as included in Note 15 of the accompanying consolidated financial statements.</p> <p>During the current year, the Holding Company has implemented a new IT system, SAP, whereby inventory valuation has been automated through such system, while allocation of various production and administration related overheads on the finished goods and work-in-progress inventory is still allocated basis manual calculations.</p> <p>Owing to the nature of the business, which involves manufacture of engineering products specific to the needs of the customers, the valuation of inventory involves evaluating reasonableness of 'Bill of materials' (BOM) determined for each product being manufactured.</p> <p>In addition to the above, the complexities involved in this assessment include:</p> <ul style="list-style-type: none"> ● Identification of products where specific administration and production overheads and others allocations such as job work costs and design costs are to be added to the cost of inventory. ● Judgement involved in computation of machine hour rate, labour hour rate, which are subject to high estimation uncertainty due to rapid technological changes. <p>Further, at the end of each reporting period, the management of the Holding Company also assesses whether there is any objective evidence that net realizable value of any item of inventory is below the carrying value. If so, such inventories are written down to their net realizable value in accordance with Ind AS 2, Inventory. Such specific identification performed by management to ascertain slow moving and obsolete inventories, and assessment of net realizable value of such slow moving and obsolete inventory items require significant judgement and estimation.</p>	<p>Our audit procedures to assess valuation and allowance for inventories included, but were not limited to the following:</p> <ul style="list-style-type: none"> ● Obtained an understanding of the management's process of valuation of inventory. ● Evaluated the design and tested the operating effectiveness of key controls around valuation including around estimates, stage of completion, complex overhead computations, and determination of net realizable value of inventory items. ● Evaluated the appropriateness of the Holding Company's accounting policy and valuation method of inventory in accordance with the accounting standards. ● Discussed with management the rationale supporting assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Tested the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Holding Company. ● On a sample basis, recomputed the cost of the inventory by applying management's valuation model, which included inspection of approved bills of material (BOM), testing underlying cost of acquisition of raw materials consumed, and testing overheads and labour cost allocation to such inventory items. ● Obtained an understanding of management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is consistently applied. ● Performed an independent analysis of the ageing of inventory line items leading to specific inquiries with the management to ensure the completeness of the inventory identified as slow moving, non-moving and obsolete.

Key audit matters	How our audit addressed the key audit matter
<p>Considering the complexities and materiality of amounts involved, this matter is considered to be a key audit matter for current year audit.</p>	<ul style="list-style-type: none"> ● For slow and non-moving inventories as on 31 March 2021 identified by the management, recomputed the allowance created by the management using management's model which has been consistently applied. ● Tested the net realizable value of finished goods inventory on a sample basis to recent selling prices less costs to sell, to identify allowance required for finished goods. ● Evaluated the disclosures made in the consolidated financial statements in accordance with the applicable accounting standards.
<p>Implementation of new Information Technology ('IT') System for financial reporting and related migration of data:</p> <p>From 01 August 2020, the Holding Company has implemented a new IT System, SAP, for supporting its operations and financial reporting, which required an extensive exercise of data migration from the erstwhile used IT systems.</p> <p>Further, the Holding Company's accounting and financial reporting processes are dependent on the automated controls enabled by IT systems which impacts key financial accounting and reporting items.</p> <p>The controls implemented by the Holding Company in its IT environment determine the integrity, accuracy, completeness and validity of data that is processed by the applications and is ultimately used for financial reporting.</p> <p>Such significant system change increases the risk to the internal financial controls environment. These changes represent a financial reporting risk while migration takes place as controls and processes that have been established over a number of years are updated and migrated into a new environment. Hence, considering the significance of the activity and the pervasive impact on the consolidated financial statements, this matter has been determined as a key audit matter for current year audit.</p>	<p>Our audit work included, but was not limited to, the following procedures:</p> <ul style="list-style-type: none"> ● Obtained the understanding of the process followed by the Holding Company for implementing the new IT system and migration of standing data from erstwhile IT systems into SAP, including the controls put in place in such process. ● Involved our IT specialists to perform following procedures in relation to the new IT system: <ul style="list-style-type: none"> ✦ Obtained an understanding of the Holding Company's IT related control environment; ✦ Tested the design and operating effectiveness of the Holding Company's IT controls; ✦ Tested IT general controls particularly, logical access, changes management and aspects of IT operational controls; ✦ Tested controls around Holding Company's periodic review of access rights and inspected requests of changes to systems for appropriate approval and authorization; ✦ Tested that requests for access to systems were appropriately reviewed and authorized; ✦ Tested various specific key controls configured in the system; ✦ Where deficiencies were identified, tested compensating controls or performed alternative procedures.
	<ul style="list-style-type: none"> ● Performed substantive procedures on completeness and accuracy of data migrated to the new IT system.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated 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;

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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 Standards on Auditing 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 consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated 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;

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated 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

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

S/d-
Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 21507568AAAACO8149

Place: Faridabad
Date: 23 June 2021

Annexure A**List of wholly owned subsidiaries and ESOP Trust included in the Statement**

Entities	Country of incorporation
Jash USA Inc.	USA
Rodney Hunt Inc. (Wholly owned Subsidiary of Jash USA Inc.)	USA
Mahr Maschinenbau Gesellschaft m.b.H	Austria
Shivpad Engineers Private Limited	India
Engineering and Manufacturing Jash Limited	Hongkong
Jash Group Employee ESOP Trust	India

Annexure B to the Independent Auditor's Report of even date to the members of Jash Engineering Limited on the consolidated financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Jash Engineering Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

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

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

6. A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable

Annexure B to the Independent Auditor's Report of even date to the members of Jash Engineering Limited on the consolidated financial statements for the year ended 31 March 2021

Independent Auditor's Report on the internal financial controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Jash Engineering Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Consolidated Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether

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

S/d-
Nitin Toshniwal
Partner
Membership No.: 507568
UDIN: 21507568AAAACO8149

Place: Faridabad
Date: 23 June 2021

Jash Engineering Limited
Consolidated Balance Sheet as at 31 March 2021
(All amount in INR lakhs unless stated otherwise)

	Notes	As at 31 March 2021	As at 31 March 2020
ASSETS			
Non-current assets			
Property, plant and equipment	5	6,820.47	7,220.57
Capital work-in-progress	6	1,023.51	554.71
Intangible assets	7	839.99	840.40
Intangible assets under development	8	153.81	59.35
Goodwill on consolidation	9	2,102.44	2,043.76
Financial assets			
Loans	10	56.34	54.06
Other financial assets	11	34.38	-
Non-current tax assets (net)	12	124.49	35.69
Deferred tax assets (net)	13	15.87	10.96
Other non-current assets	14	53.73	120.85
Total non-current assets		11,225.03	10,940.35
Current assets			
Inventories	15	7,140.87	6,109.89
Financial assets			
Investments	16	0.41	0.11
Trade receivables	17	9,571.02	8,441.42
Cash and cash equivalents	18	385.94	309.32
Other bank balances	19	1,829.99	1,459.53
Loans	20	15.81	7.89
Other financial assets	21	275.04	266.02
Other current assets	22	425.69	141.31
		19,644.77	16,735.49
Assets classified as held for sale	23	771.80	791.55
Total current assets		20,416.57	17,527.04
Total assets		31,641.60	28,467.39
EQUITY AND LIABILITIES			
Equity			
Equity share capital	24	1,183.66	1,183.66
Other equity	25	14,450.10	11,363.47
Total equity		15,633.76	12,547.13
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	26	2,430.96	1,691.31
Provisions	27	485.24	390.44
Deferred tax liabilities (net)	13	82.08	218.22
Other non-current liabilities	28	45.62	1.22
Total non-current liabilities		3,043.90	2,301.19
Current liabilities			
Financial liabilities			
Borrowings	29	4,269.02	5,607.40
Trade payables	30		
Total outstanding dues of micro enterprises and small enterprises		515.67	755.99
Total outstanding dues of creditors other than micro enterprises and small enterprises		4,026.66	3,263.96
Other financial liabilities	31	1,308.14	1,873.92
Other current liabilities	32	2,720.02	1,823.56
Provisions	33	119.67	12.25
Current tax liabilities (net)	34	4.76	281.99
Total current liabilities		12,963.94	13,619.07
Total liabilities		16,007.84	15,920.26
Total equity and liabilities		31,641.60	28,467.39

Summary of significant accounting policies 3
The accompanying notes form an integral part of these consolidated financial statements

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Place: Faridabad
Date: 23 June 2021

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

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Dharmendra Jain
Chief Financial officer

Place: Indore
Date: 23 June 2021

Sd/-
Suresh Patel
Executive director
DIN:00012072

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

Jash Engineering Limited
Consolidated Statement of Profit and Loss for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

	Notes	For the year ended 31 March 2021	For the year ended 31 March 2020
Income			
Revenue from operations	35	29,942.69	27,773.79
Other income	36	286.27	790.34
Total income		30,228.96	28,564.13
Expenses			
Cost of materials consumed	37	12,321.03	12,111.20
Purchase of traded goods	38	1,108.38	1,176.68
Changes in inventories of finished goods, work-in-progress and stock-in-trade	39	(440.01)	(735.52)
Employee benefits expense	40	5,530.13	4,891.05
Finance costs	41	981.70	1,033.50
Depreciation and amortisation expense	42	855.38	782.22
Other expenses	43	6,255.50	6,530.65
Total expenses		26,612.11	25,789.78
Profit before tax		3,616.85	2,774.35
Tax expense	44		
Current tax		690.12	787.22
Deferred tax credit		(125.14)	(22.55)
Total tax expense		564.98	764.67
Net profit for the year		3,051.87	2,009.68
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement losses on defined benefit obligations		(54.84)	(68.57)
Income tax relating to these items		15.92	19.75
Items that will be reclassified to profit or loss			
Exchange differences on translating foreign operations		83.91	(4.07)
Income tax relating to these items		-	-
Other comprehensive loss for the year		44.99	(52.90)
Total comprehensive income for the year		3,096.86	1,956.78
Earnings per equity share (Nominal value of equity share INR 10/- each)			
Basic	45	25.78	16.98
Diluted		25.73	16.98
Summary of significant accounting policies	3		
The accompanying notes form an integral part of these consolidated financial statements			

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

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021

Jash Engineering Limited
Consolidated Cash Flow Statement for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

	For the year ended 31 March 2021	For the year ended 31 March 2020
A CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	3,616.85	2,774.35
Adjustments for:		
Depreciation of property, plant and equipment	701.71	652.14
Amortization of intangible assets	153.67	130.08
(Profit)/ loss on disposal of property, plant and equipment (net)	(4.51)	6.73
Interest income on bank deposits	(85.72)	(89.79)
Interest income on other financials assets measured at amortised cost	(3.57)	(12.67)
Interest income on government grant	(12.73)	(6.81)
Net unrealised gain on foreign currency	(192.75)	(318.06)
Net loss on fair valuation of short term investment	(0.30)	0.45
Unclaimed balances written back	(33.63)	(10.96)
Advances and other balance written off	69.34	239.40
Share based payments to employees	96.30	18.28
Loss allowance for expected credit losses	100.00	183.50
Provision for warranty expense	94.75	-
Finance cost	981.70	1,033.50
	5,481.11	4,600.14
Change in operating assets and liabilities:		
-in trade receivables	(1,179.84)	(859.94)
-in inventory	(1,064.80)	89.91
-in financial and other assets	(355.33)	381.20
-in provisions	52.62	109.90
-in financial and other liabilities	952.89	462.92
-in trade payables	719.99	(2,311.07)
Cash generated from operations	4,606.64	2,473.06
Income-tax paid (net of refunds)	(1,064.54)	(625.79)
Net cash flow generated from operating activities (A)	3,542.10	1,847.27
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(946.73)	(426.83)
Proceeds from sale of property, plant and equipment	4.51	0.84
Investment in bank deposits	(379.09)	(439.10)
Sale/(Purchase) of asset held for sale	-	(65.57)
Interest received	110.64	111.70
Net cash flow used from investing activities (B)	(1,210.67)	(818.96)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	1,118.64	1,184.68
Repayment of long term borrowings	(868.69)	(1,334.77)
Proceeds from short term borrowings (net)	(1,338.38)	692.96
Repayment of principal component of lease obligation	(57.60)	(54.12)
Payment of interest on lease obligation	(79.92)	(64.90)
Other Interest paid	(915.57)	(914.71)
Dividend paid (including DDT)	(106.54)	(428.11)
Net cash flow used in financing activities (C)	(2,248.06)	(918.97)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	83.37	109.34
Cash and cash equivalents at the beginning of the year	309.32	181.01
Effect of exchange rate changes in cash and cash equivalents	(6.75)	18.97
Cash and cash equivalents at the end of the year	385.94	309.32

Jash Engineering Limited
Consolidated Cash Flow Statement for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

	For the year ended 31 March 2021	For the year ended 31 March 2020
Reconciliation of cash and cash equivalents as per cash flow statement		
Cash in hand	10.00	9.57
Balances with banks- in current accounts and cash credits	375.94	299.75
Cash credit		
Floating charges	-	
Bank deposits with original maturity less than three months	-	-
	385.94	309.32

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

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021

Jash Engineering Limited
Consolidated Statement of Changes in Equity for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

A Equity share capital						
Particulars	Amount					
Balance as at 31 March 2019	1,183.66					
Changes in equity share capital during the year	-					
Balance as at 31 March 2020	1,183.66					
Add: Shares issued during the year to ESOP Trust	3.46					
Total share capital as at 31 March 2021	1,187.12					
Less: Shares held by ESOP Trust	(3.46)					
Balance as at 31 March 2021	1,183.66					
B Other equity						
	Securities premium	General reserve	ESOP reserve	Foreign currency translation reserve	Retained earnings	Total
Balance as at 31 March 2019	4,514.75	1,147.16	-	(43.58)	4,198.18	9,816.51
Profit for the year	-	-	-	-	2,009.68	2,009.68
Movement during the year	-	-	18.28	(4.07)	-	14.21
Dividends paid	-	-	-	-	(355.13)	(355.13)
Tax on dividends	-	-	-	-	(72.98)	(72.98)
Other comprehensive loss for the year	-	-	-	-	(48.82)	(48.82)
Transferred to general reserve	-	53.11	-	-	(53.11)	-
Balance as at 31 March 2020	4,514.75	1,200.27	18.28	(47.65)	5,677.82	11,363.47
Profit for the year	-	-	-	-	3,051.87	3,051.87
Movement during the year	-	-	96.30	83.91	-	180.21
Add: Security premium on shares issued to ESOP Trust	37.56	-	-	-	-	37.56
Less: Impact of ESOP Trust consolidation	(37.56)	-	-	-	-	(37.56)
Dividends paid	-	-	-	-	(106.53)	(106.53)
Other comprehensive loss for the year	-	-	-	-	(38.92)	(38.92)
Balance as at 31 March 2021	4,514.75	1,200.27	114.58	36.26	8,584.24	14,450.10

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

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021

Jash Engineering Limited

Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021

1. Group overview

Jash Engineering Limited ('Jash Engineering' or 'the Holding Company') along with its subsidiaries, collectively referred to as 'the Group' in following notes. The Holding Company is a public limited company domiciled in India and is incorporated on 29 September 1973. Its shares are listed on National Stock Exchange of India limited. The registered office of the Holding Company is situated at 31, Sector-C, Sanwer Road, Industrial Area, Indore - 452015, Madhya Pradesh.

The Group is engaged in the business of manufacturing and trading of varied engineering products for general engineering industry, water and wastewater industry and bulk solids handling industry as well as plant supply as a total system for water treatment, wastewater treatment and sewage treatment plants.

Following are the details of the subsidiaries consolidated in these financial statements:

Name of the entity	Principal activities	Country of Incorporation	% equity interest	
			31 March 2021	31 March 2020
Shivpad Engineers Private Limited	Trading business of equipment as well as plant supply	India	100%	100%
Jash USA Inc.	Manufacture and trading of measuring tools, machine tools, water control gates etc.	USA	100%	100%
Rodney Hunt Inc.	Manufacture and trading of measuring tools, machine tools, water control gates etc.	USA	100%	100%
Mahr Maschinenbau GmbH	Manufacture of other non - economic machines	Austria	100%	100%
Engineering and Manufacturing Jash Limited	Trading of engineered goods	Hong Kong	100%	100%

2. General information and statement of compliance with Ind AS

These consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs ('MCA') under section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies for the periods presented.

The consolidated financial statements for the year ended 31 March 2021 were authorized and approved for issue by the Board of Directors on 23 June 2021.

Basis of preparation

The consolidated financial statements have been prepared on going concern basis in accordance with the accounting principles generally accepted in India. Further, the consolidated financial statements have been prepared have been prepared on accrual and going concern basis. All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The consolidated financial statements have been prepared under historical cost convention basis except for the following –

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value

Jash Engineering Limited

Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021

- Share based payments which are measured at fair value of the options; and
- Assets held for sale – measured at lower of carrying amount and fair value less cost to sell

Basis of consolidation

The consolidated financial statements have comprised financial statements of the Holding Company and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

Functional and presentation currency

The consolidated financial statements have been prepared and presented in Indian Rupees (INR), which is the Group's functional and presentation currency.

3. Summary of significant accounting policies

The consolidated financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at cost, less accumulated depreciation and amortisation. The cost comprises purchase price and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit and loss as incurred.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021***Subsequent measurement (depreciation and useful lives)*

Depreciation on property, plant and equipment is provided on a straight-line basis, computed on the basis of useful lives (as set out below) prescribed in Schedule II to the Act.

Asset class	Useful life (years)
Plant & Machinery	15
Buildings (RCC structures)	60
Factory building	30
Computers	3
Furniture and fixtures	10
Office Equipment	5
Vehicles	8-10

De-recognition

An item of property, plant and equipment and any significant component initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset/significant component (calculated as the difference between the net disposal proceeds and the carrying amount of the asset/significant component) is recognised in statement of profit and loss, when the asset is derecognised.

3.2 Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost and related incidental expenses acquire property, plant and equipment. Assets which are not ready to be intended use are also shown under capital work-in-progress.

3.3 Intangible assets*Recognition and initial measurement*

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

Other Intangible assets are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement

Intangible assets consisting of technical know-how and computer software. These are amortised on a straight-line basis over the estimated useful lives from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

Asset class	Useful life (years)
Technical know how	15
Computer Software	3 to 6

3.4 Intangible assets under development

Intangible assets under development represents expenditure incurred in respect of intangible assets under development and are carried at cost. Cost includes development cost, borrowing costs and other direct expenditure necessary to create, produce and prepare the asset to be capable of operating in the manner intended by management. These are recognised as assets when the Group can demonstrate following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Group intends to and has sufficient resources to complete the project

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

- The Group has the ability to use or sell such intangible asset
- The software will generate probable future economic benefits.

Amortisation of the asset begins when development is complete and the asset is available for use.

3.5 Revenue recognition

The Group generates revenue from sale of varied engineering products for general engineering industry, water and waste, water industry, bulk solids handling industry and also from rendering installation services along with the sale of goods, if specified in the contract with customers.

To determine whether to recognise revenue, the Group follows a 5-step process in accordance with Ind AS -115 - Revenue from contracts with customers.

1. Identifying the contract with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied.

Revenue is measured at fair value of consideration received or receivable, after deduction of any trade discounts, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as goods and services tax (GST). In case of multi-element revenue arrangements, which involve delivery or performance of multiple products, services, evaluation will be done of all deliverables in an arrangement to determine whether they represent separate units of accounting at the inception of arrangement. Total arrangement consideration related to the bundled contract is allocated among the different elements based on their relative fair values (i.e., ratio of the fair value of each element to the aggregated fair value of the bundled deliverables). In case the relative fair value of different components cannot be determined on a reasonable basis, the total consideration is allocated to the different components based on residual value method.

Revenue is recognised either at a point in time or over time, when (or as) the Group satisfies performance obligations by transferring the promised goods or services to its customers.

The Group recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Group satisfies a performance obligation before it receives the consideration, the Group recognises either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

Sale of goods

Revenue from sale of goods is recognised when the control of goods is transferred to the buyer as per the terms of the contract, in an amount that reflects the consideration the Group expects to be entitled to in exchange for those goods. Control of goods refers to the ability to direct the use of and obtain substantially all of the remaining benefits from goods.

Sale of services

Revenue from sale of services in respect of ancillary field services relating to its products for which revenue is recognised when the performance obligation is completed.

Export benefits

Income from export incentives are accounted for on exports of goods if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are reasonable expected to be fulfilled.

Interest income

Interest income is recognised on time proportion basis considering the amount outstanding and rate applicable. For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****Dividend income**

Dividend income is recognised at the time when right to receive the payment is established.

3.6 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease in accordance with Ind AS- 116 Leases. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

a) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

b) Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

c) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Group as a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****3.7 Inventories**

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

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- *Raw materials*: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- *Finished goods and work in progress*: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.
- *Goods purchased for resale (traded goods)*: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on first in, first out basis.

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

3.8 Impairment testing of goodwill, other intangible assets and property, plant and equipment and right-of-use asset

At the end of each reporting period, the Group 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 Group 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 recognised 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 recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of P&L.

3.9 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received, & all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021****3.10 Foreign currency***Initial recognition of Transactions*

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate applicable as at the date of the transaction.

Subsequent recognition of balances

Foreign currency non-monetary items (item balances) which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Monetary items denominated in foreign currency are restated at the exchange rate prevailing on the balance sheet date.

Exchange differences

Exchange differences arising on the settlement/restatement of monetary items at the exchange rates different from those at which they were initially recorded during the year or reported in the previous consolidated financial statements, are recognised as income or expense in the year in which they arise.

Foreign operations

In the Group's financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date. Fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Indian Rupee at the closing rate. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period. Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to the statement of profit or loss and are recognized as part of the gain or loss on disposal.

3.11 Financial instruments*Recognition and initial measurement*

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets*Subsequent measurement*

Financial assets carried at amortised cost – A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Non-derivative financial liabilities*Subsequent measurement*

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities 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 Group or the counterparty.

4 Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is provided for when there has been a significant increase in credit risk and then, factors historical trends and forward looking information. An impairment loss is recognised either based on the 12 months' probability of default or lifetime probability of default.

Trade receivables

In respect of trade receivables, the Group applies the simplified approach of Ind AS 109, which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of such receivables.

Other financial assets

In respect of its other financial assets, the Group assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Group measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

3.13 Income taxes

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

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961. Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax liabilities are generally recognised in full for all taxable temporary differences. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss, unused tax credits (Minimum alternate tax credit entitlement) or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

3.14 Dividend

The Group recognises a liability to pay dividend to equity holders of the Holding Company when the distribution is authorized & the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3.15 Employee benefits*Short-term employee benefits*

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Defined contribution plan

Provident fund benefit is a defined contribution plan under which the Group pays fixed contributions to Regional Provident Fund Commissioner in accordance with Employees Provident Fund and Miscellaneous Provision Act, 1952. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in non-current/current liabilities or non-current/current assets, respectively.

Defined benefit plan

The Group provides for gratuity, a defined benefit retirement plan, which defines an amount of benefit that an employee will receive on separation from the Group, usually dependent on one or more factors such as age, years of service and remuneration. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation ('DBO') at the balance sheet date, together with adjustments for unrecognised actuarial gains or losses and past service costs. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations. The present value of DBO is calculated annually by an independent actuary using the projected unit credit method. Actuarial gains/losses resulting from re-measurements of the liability due to change in actuarial assumptions are included in other comprehensive income.

Other long-term employee benefits

The Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after time balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method, actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses are determined.

3.16 Non-current assets held for sale and discontinued operations

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. Profit or loss from discontinued operations comprise the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from the measurement and disposal of assets classified as held for sale. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

3.17 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when there is a present obligation, as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When provisions are discounted, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed for:

- Possible obligations which will be confirmed only by future events not wholly within the control of the Group or
- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised. However, when inflow of economic benefits is probable, related asset is disclosed.

3.18 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

3.19 Share based payments

The Group has equity-settled share-based remuneration plans for its employees. None of the Group's plans are cash-settled.

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

All share-based remuneration is ultimately recognised as an expense in profit or loss with a corresponding credit to equity. If vesting periods or other vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest.

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Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021

Upon exercise of share options, the proceeds received, net of any directly attributable transaction costs, are allocated to share capital up to the nominal (or par) value of the shares issued with any excess being recorded as share premium.

The ESOP trust has been treated as an extension of the Holding Company and accordingly shares held by ESOP Trust are netted off from the total share capital of Holding Company. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Holding Company.

3.20 Segment Reporting

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

The board of directors assess the financial performance and position of the Group and makes strategic decisions and therefore the board would be the chief operating decision maker. Refer note 56 for segment information presented.

3.21 Recent accounting pronouncement

On 24 March 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from 1 April 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a Group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of Holding Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of consolidated financial statements.

The amendments are extensive and the Group will evaluate the same to give effect to them as required by law.

Amendment to Ind AS 116 "Leases" – Insertion of practical expedient for COVID-19 related lease concessions

The amendment provides lessee with a practical expedient and an exemption to assess whether a COVID-19 related rent concession is a lease modification to payments originally due on or before 30 June 2021. Amendment also requires disclosure of the amount recognised in statement of profit and loss to reflect changes in lease payments that arise from such concession. The Group has not recognised any amount as reversal of lease liability in the statement of profit and loss.

4. Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Group's consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgements

Jash Engineering Limited**Summary to the significant accounting policies and other explanatory information for the year ended 31 March 2021**

- a) **Recognition of deferred tax assets** – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized.
- b) **Evaluation of indicators for impairment of Plant, property and equipment** – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.
- c) **Contingent liabilities** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- d) **Provisions** – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Group assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.
- e) **Impact of Covid-19 Outbreak** – The extent to which the Covid-19 pandemic will impact the Group will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the Covid-19 pandemic and any further action by the Government or the Group to contain its spread or mitigate its impact.

Significant estimates

- a) **Impairment of financial assets** – At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables and advances. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.
- b) **Fair value measurements** – Management applies valuation techniques to determine fair value of stock options. This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of stock options.
- c) **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.
- d) **Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.
- e) **Impairment of Goodwill** – Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

5 Property plant and equipment

	Right of use - land	Right of use - office premises	Freehold land	Buildings	Plant and equipments	Computers	Furniture and fixtures	Vehicles	Office equipments	Total
Gross carrying value										
Balance as at 1 April 2019	682.54	-	589.65	3,727.39	4,360.60	215.41	336.85	206.88	173.13	10,292.45
Additions	174.75	161.30	-	767.90	414.58	47.98	47.34	(5.80)	34.19	1,642.24
Disposals/adjustment	-	-	-	-	(0.37)	(0.32)	-	(0.45)	(26.63)	(27.77)
Exchange differences	1.02	10.26	-	34.74	28.53	0.83	-	0.30	4.57	80.25
Balance as at 31 March 2020	858.31	171.56	589.65	4,530.03	4,803.34	263.90	384.19	200.93	185.26	11,987.17
Additions	-	-	-	72.66	140.09	42.39	7.74	14.76	47.87	325.51
Disposals/adjustment	(5.50)	-	-	-	(0.45)	(0.23)	(0.13)	(9.91)	(0.26)	(16.48)
Exchange differences	0.58	(4.28)	-	(10.52)	(9.03)	(0.30)	-	0.18	(0.90)	(24.27)
Balance as at 31 March 2021	853.39	167.28	589.65	4,592.17	4,933.95	305.76	391.80	205.96	231.97	12,271.93
Accumulated depreciation										
Balance as at 1 April 2019	80.54	-	-	998.98	2,446.37	186.85	216.02	77.59	91.23	4,097.58
Depreciation charge	48.61	24.24	-	169.67	295.55	27.58	34.19	41.49	10.81	652.14
Reversal on disposal/adjustment of assets	-	-	-	-	(0.25)	(0.30)	-	(0.43)	(0.24)	(1.22)
Exchange differences	0.32	1.19	-	5.13	8.87	0.50	-	0.12	1.97	18.10
Balance as at 31 March 2020	129.47	25.43	-	1,173.78	2,750.54	214.63	250.21	118.77	103.77	4,766.60
Depreciation charge	46.74	33.84	-	171.63	347.26	29.62	30.44	21.51	20.67	701.71
Reversal on disposal/adjustment of assets	-	-	-	-	-	(0.22)	-	(7.20)	-	(7.42)
Exchange differences	(1.60)	(0.95)	-	(2.24)	(3.78)	(0.20)	-	0.09	(0.75)	(9.43)
Balance as at 31 March 2021	174.61	58.32	-	1,343.17	3,094.02	243.83	280.65	133.17	123.69	5,451.46
Net block										
Balance as at 31 March 2020	728.84	146.13	589.65	3,356.25	2,052.80	49.27	133.98	82.16	81.49	7,220.57
Balance as at 31 March 2021	678.78	108.96	589.65	3,249.00	1,839.93	61.93	111.15	72.79	108.28	6,820.47

Notes:

- (i) **Contractual obligations**
Refer note 46 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- (ii) **Property, plant and equipment pledged as security**
Refer note 26 and 29 for information on property, plant and equipment pledged as security by the Group.
- (iii) **Right of use assets**
Refer note 52 for contractual commitments for lease payments.
- (iv) Depreciation for the year has been included in "Depreciation and amortisation expense" line item in statement of profit and loss.

6 Capital work in progress

Capital work in progress*

*Capital work in progress above pertains to under construction factory equipments.

	As at 31 March 2021	As at 31 March 2020
	1,023.51	554.71

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

7 Intangible asset

	Technical know how and trademarks	Computer software	Total
Gross block			
Balance as at 31 March 2019	1,093.54	238.43	1,331.97
Additions	-	4.91	4.91
Exchange differences	90.11	-	90.11
Balance as at 31 March 2020	1,183.65	243.34	1,426.99
Additions	-	171.34	171.34
Exchange differences	(27.28)	-	(27.28)
Balance as at 31 March 2021	1,156.37	414.68	1,571.05
Accumulated depreciation			
Balance as at 31 March 2019	285.89	146.05	431.95
Amortization	104.08	26.01	130.08
Exchange differences	24.56	-	24.56
Balance as at 31 March 2020	414.53	172.06	586.59
Amortization	111.56	42.11	153.67
Exchange differences	(9.20)	-	(9.20)
Balance as at 31 March 2021	516.89	214.17	731.06
Net block			
Balance as at 31 March 2020	769.12	71.28	840.40
Balance as at 31 March 2021	639.48	200.51	839.99

Notes:

(i) Contractual obligations

Refer note 46 for disclosure of contractual commitments for the acquisition of intangible assets

(iii) Amortisation for the year has been included in line item 'Depreciation and amortisation expense' in statement of profit and loss.

8 Intangible assets under development

	As at 31 March 2021	As at 31 March 2020
Intangible assets under development*	153.81	59.35

*In the current year, intangible assets under development pertains to Know How transfer fees, whereas in the previous year it pertained to software under development

9 Goodwill on consolidation

	Goodwill
Gross carrying value	
As at 31 March 2019	1,940.85
Exchange differences	102.91
As at 31 March 2020	2,043.76
Exchange differences	58.69
As at 31 March 2021	2,102.44

(i) Impairment tests for goodwill

Goodwill is monitored by management at the level of the different Cash generating units as follows:

Goodwill	Trading operations under Shivpad Engineers Private Limited	Manufacturing of industrial components*	Total
31 March 2021	445.42	1,657.02	2,102.44
31 March 2020	445.42	1,598.34	2,043.76

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)*

*As at 31 March 2021, the Group has recognised goodwill on consolidation amounting to INR 1,657.02 lakhs (31 March 2020: INR 1,598.34 lakhs) related to its earlier acquisition of Mahr Maschinenbau GmbH ('Mahr') in these consolidated financial statements.

Considering, the net assets in Mahr does not collectively fall into the definition of separate cash-generating unit ('CGU') as specified in Ind AS 36, Impairment of Assets as they are significantly integrated with Holding Company's manufacturing process. Therefore, for the purposes of impairment testing as per Ind AS 36, the carrying amount of goodwill mentioned above has been allocated to the net assets of the larger CGU in which the Group operates i.e. "Manufacturing of industrial components. Based on assessment carried out by the management of the Company, there is no impairment of goodwill as at 31 March 2021 and 2020.

(ii) Significant estimate: key assumptions used for value-in-use calculations

Pursuant to Ind AS-36, Impairment of Assets, the Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash generating units (CGUs) was determined based on amounts of value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

Cash flows beyond the five-year period are extrapolated using the estimated growth rates (normalised) stated below.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

Particulars	Trading operations under Shivpad Engineers Private Limited	Manufacturing of industrial components
31 March 2021		
Growth rate	2.50%	5.00%
Pre-tax discount rate (%)	22.91%	16.78%
31 March 2020		
Growth rate	2.50%	5.00%
Pre-tax discount rate (%)	26.10%	19.87%

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption	Approach used to determining values
Growth rate	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Pre-tax discount	Reflect specific risks relating to relevant businesses in which they operate.

The management have considered and assessed reasonably possible parameters and other key assumptions and have not identified any instances that could cause the carrying amount of the CGU to exceed its recoverable amount.

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

10 Loans (Non-current)

	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Security deposits	56.34	54.06
	56.34	54.06

11 Other financial assets

	As at 31 March 2021	As at 31 March 2020
Grant receivable*	34.38	-
	34.38	-

*District Trade and Industries Centre pursuant to MSME policy, 2017 has given subsidy of INR 57.29 lakhs on admissible value of plant and machinery to the Group, out of which INR 11.45 lakhs has been received during the year and remaining will be receivable in four equal annual installment of INR 11.45 lakhs.

12 Non-current tax assets (net)

	As at 31 March 2021	As at 31 March 2020
Income tax assets (net)	124.49	35.69
	124.49	35.69

13 Deferred tax (net)

	As at 31 March 2021	As at 31 March 2020
Deferred tax liability arising on account of :		
Temporary difference on account of property, plant and equipment and intangibles assets	508.31	479.99
Financial assets and liabilities at amortised cost	(1.32)	3.83
Deferred tax asset arising on account of :		
Provision for employee benefits	153.84	116.28
Deduction u/s 35D	-	12.26
MAT credit entitlement	52.61	-
Impairment of financial assets	180.34	121.79
Right of use asset and related liabilities	43.39	18.52
Deferred government grant	-	1.04
Others	10.61	6.67
Net deferred tax liabilities	(66.21)	(207.26)
Disclosed in financial statements:		
Deferred tax assets	15.87	10.96
Deferred tax liabilities	82.08	218.22

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

Particulars	Deferred tax assets as at 01 April 2020	Deferred tax liabilities as at 01 April 2020	Deferred tax charge/credit in profit and loss	Deferred tax charge/credit in other comprehensive income	Deferred tax liabilities as at 31 March 2021	Deferred tax assets as at 31 March 2021
Deferred tax asset/(liability) arising on account of :						
Temporary difference on account of property, plant and equipment and intangibles assets	1.13	(481.12)	(28.32)	-	(510.33)	2.01
Financial assets and liabilities at amortised cost	0.04	(3.87)	5.14	-	1.27	0.05
Provision for employee benefits	1.38	114.90	21.64	15.92	152.17	1.67
Deduction u/s 35D	-	12.26	(12.26)	-	-	-
Impairment of financial assets	-	121.79	58.55	-	180.34	-
Right of use asset and related liabilities	1.74	16.78	24.87	-	41.86	1.52
Deferred government grant	-	1.04	(1.04)	-	-	-
Others	6.67	-	3.94	-	-	10.62
Net deferred tax assets/(liabilities)	10.96	(218.22)	125.14	15.92	(82.08)	15.87

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

Movement in deferred tax liabilities for the year ended 31 March 2020

Particulars	Deferred tax assets as at 01 April 2019	Deferred tax liabilities as at 01 April 2019	Deferred tax charge/credit in profit and loss	Deferred tax charge/credit in other comprehensive income	Deferred tax liabilities as at 31 March 2020	Deferred tax assets as at 31 March 2020
Deferred tax asset/(liability) arising on account of :						
Temporary difference on account of property, plant and equipment and intangibles assets	0.40	(455.07)	(25.33)	-	(481.12)	1.13
Financial assets and liabilities at amortised cost	0.62	(0.73)	(3.72)	-	(3.87)	0.04
Provision for employee benefits	3.32	60.63	32.58	19.75	114.90	1.38
Deduction u/s 35D	-	-	12.26	-	12.26	0.00
MAT credit entitlement	-	35.55	(35.55)	-	-	-
Impairment of financial assets	-	82.27	39.52	-	121.79	0.00
Contract liabilities	-	9.59	(9.59)	-	-	0.00
Right of use asset and related liabilities	0.56	12.29	5.67	-	16.78	1.74
Deferred government grant	-	1.00	0.04	-	1.04	0.00
Others	-	-	6.67	-	-	6.67
Net deferred tax assets/(liabilities)	4.90	(254.47)	22.55	19.75	(218.22)	10.96

14 Other non-current assets

	As at 31 March 2021	As at 31 March 2020
Capital advances	7.54	68.90
Balance with statutory authorities	37.44	37.44
Prepaid expenses	8.75	13.97
Others	-	0.54
	53.73	120.85

15 Inventories

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

	As at 31 March 2021	As at 31 March 2020
Raw material*	3,382.10	2,725.52
Work-in-progress	1,553.02	1,822.32
Finished goods	1,334.52	1,245.53
Stores, spares and other consumables	79.55	316.52
Goods in transit	791.68	-
	7,140.87	6,109.89

*Includes stock lying with third parties amounting NIL (31 March 2020: INR 7.03 lakhs)
Refer note 26 and 29 for details of inventories pledged against borrowings by the Company.

16 Current investments

	As at 31 March 2021	As at 31 March 2020
Investment in equity instruments(quoted)		
Ramky Infrastructure Limited 489 (31 March 2020: 489) equity shares (fully paid up) of INR 10 each	0.38	0.10
VA Tech Wabag Limited 12 (31 March 2020: 12) equity shares (fully paid up) of INR 10 each	0.03	0.01
	0.41	0.11

Note: The carrying amount of the above quoted investments represents the current market value.

17 Trade receivables

	As at 31 March 2021	As at 31 March 2020
Trade receivables		
Unsecured, considered good	10,206.34	8,964.92
Less: Allowance for expected credit loss	(635.32)	(523.51)
	9,571.02	8,441.42
Credit impaired receivables	-	97.06
Less: Allowance for expected credit loss	-	(97.06)
	9,571.02	8,441.42

Refer note 26 & 29 for information on trade receivables pledged as security by the Group.
Refer note 51 for receivables from related parties included in trade receivables.

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

18 Cash and cash equivalents

	As at 31 March 2021	As at 31 March 2020
Balances with banks:		
- in current and cash credit accounts	375.94	299.75
Cash in hand	10.00	9.57
	385.94	309.32

19 Other bank balances

	As at 31 March 2021	As at 31 March 2020
Margin money deposits*	1,674.69	978.86
Fixed deposits	155.30	480.67
	1,829.99	1,459.53

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

20 Loans (Current)

	As at 31 March 2021	As at 31 March 2020
<i>Unsecured, considered good</i>		
Security deposits	2.49	1.56
Tender fee and earnest money deposit	13.32	6.33
	15.81	7.89

21 Other financial assets (current)

	As at 31 March 2021	As at 31 March 2020
Export benefits receivables	113.63	126.92
Accrued revenue	-	139.10
Other receivables	105.88	-
Derivative assets*	55.53	-
	275.04	266.02

**Derivatives are measured at fair value and are carried as asset when their fair value is positive and are carried as liability when their fair value is negative. The above derivative is a currency derivative pertaining to a forward exchange contract. This contract is entered by the Holding Company to mitigate the risk involved in expected foreign currency cash inflows and outflows. Refer note 48 for details of valuation techniques used.

22 Other current assets

	As at 31 March 2021	As at 31 March 2020
Advances to suppliers	314.76	24.96
Balances with statutory authorities	4.27	23.02
Prepaid expenses	99.66	84.69
Advances to financial institutions	-	2.95
Advances given to employees	7.00	5.69
	425.69	141.31

23 Asset held for sale

	As at 31 March 2021	As at 31 March 2020
Tangible assets held for sale*		
- Land and factory shed	771.80	791.55
	771.80	791.55

*After the acquisition of land and factory shed by Jash USA Inc from VAG USA LLC, the management had decided to sell major portion of land and factory shed and identified a buyer for the same. However, such sale of land and factory shed got delayed because of certain circumstances which were beyond the control of management. Revised proposal was given to the buyer, but the buyer denied to conclude the deal. Firstly, management is trying to come out from old agreement and is searching new buyers for sale of complete plot & building to avoid further complications. Moreover, management has decided to shift total facility in Houston, once Jash USA Inc.'s profitability is stable. Further, the carrying value of assets held for sale has been valued at lower of cost or realizable value.

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

24 Equity share capital	As at 31 March 2021		As at 31 March 2020	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of INR 10 each	1,34,90,000	1,349.00	1,34,90,000	1,349.00
Preference shares of INR 10 each	5,10,000	51.00	5,10,000	51.00
	1,40,00,000	1,400.00	1,40,00,000	1,400.00
Issued, subscribed and fully paid up				
Equity Shares of INR 10 each	1,18,36,598	1,183.66	1,18,36,598	1,183.66
	1,18,36,598	1,183.66	1,18,36,598	1,183.66

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

	For the year ended 31 March 2021	For the year ended 31 March 2020
Balance at the beginning of the year	1,18,36,598	1,18,36,598
Add: shares issued during the year to ESOP Trust	34,570	-
Total shares outstanding at the end of the year	1,18,71,168	1,18,36,598
Less: shares held by ESOP Trust (Refer note b below)	(34,570)	-
Balance at the end of the year	1,18,36,598	1,18,36,598

b) Note for shares held under ESOP Trust:

The ESOP trust has been treated as an extension of the Holding Company and accordingly shares held by ESOP Trust are netted off from the total share capital. Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company. For the details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company refer note 54.

c) Details of shareholders holding more than 5% of the shares of the Group

	As at 31 March 2021		As at 31 March 2020	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Pratik Patel	19,93,921	16.80%	19,21,065	16.23%
Mr. Axel Schutte	7,70,000	6.49%	7,70,000	6.51%
Sundaram Alternative Opportunitites fund	1,29,065	1.09%	5,94,000	5.02%

c) Terms/rights attached to equity shares

The Group has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

d) Shares reserved for issue under options

Information relating to Jash Engineering Employee Stock Option Scheme, including the details of options granted during the financial year and options outstanding at the end of reporting period are specified in note 54.

e) 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.

	As at 31 March 2021	As at 31 March 2020
25 Other equity		
Securities premium	4,514.75	4,514.75
General reserve	1,200.27	1,200.27
ESOP reserve (refer note 54)	114.58	18.28
Foreign currency translation reserve	36.26	(47.65)
Surplus in the Statement of Profit and Loss	8,584.24	5,677.82
	14,450.10	11,363.47

The Board of Directors of the Holding Company, in their meeting held on 23 June 2021, recommended a final dividend of INR 3.2 per fully paid up equity share of INR 10 each, aggregating to INR 379.88 lakhs for the year ended 31 March 2021, subject to approval of shareholders at the ensuing Annual General Meeting of the Holding Company.

Securities premium: Securities premium represents premium received on issue of shares. The reserve is being utilised in accordance with the provisions of the Companies Act, 2013.

General reserve: General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another.

ESOP reserve: This reserve represents recognition of the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

Foreign currency translation reserve: Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***26 Non-current borrowings**

	As at 31 March 2021	As at 31 March 2020
Secured		
Term loans		
-Term loans from banks (refer note (i) below)	1,469.10	381.57
-Foreign currency loans from banks (refer note (i) below)	641.99	1,389.96
-Term loans from financial institutions (refer note (ii) below)	118.76	238.61
Vehicle loans from banks (refer note (iii) below)	9.68	5.03
Lease liabilities	689.76	747.35
	2,929.29	2,762.52
Less : Current maturities of lease liabilities	(102.17)	(122.03)
Less : Current maturities of other non-current borrowings	(396.16)	(949.18)
	2,430.96	1,691.31

Details of guarantee for each type of borrowings**Guaranteed by directors and related parties**

Term loans from banks and financial institutions	2,229.86	1,481.87
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Repayment terms and security for the outstanding long term borrowings (including current maturities):**i) Term loans from banks**

1) The Group availed loan against property facility from HDFC Bank amounting to INR 385.00 lakhs at rate of interest of 9.55 %. Repayment of term loan is to be done in 119 monthly installments of INR 5.02 lakhs with last installment falling due in year 2029-30. Outstanding book balance of term loan is INR 347.40 lakhs (31 March 2020: 364.86 lakhs).

The aforesaid term loan is secured by way of :

First parri passu charge on all current assets.

First parri passu charge on 30% shares of Shivapad Engineers Private Limited.

Second parri passu charge on plant, property and equipment (including land and building) of Unit 1, unit 2 and SEZ.

Second pari passu charge by way of equitable mortgage of factory land and building situated at Bardari village, Sanwer district Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare and first charge on khasra no 76/1/3 admeasuring 0.183 hectare and 76/1/1 admeasuring 0.243 hectare in the name of Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.

Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel.

2) The Group availed term loan facility from Axis Bank amounting to INR 918.94 lakhs at rate of interest of Axis Bank MCLR 8.45% plus 1.05% i.e. 9.50%. Repayment of term loan is to be done in 51 monthly installments of with last installment falling due in year 2024-25. The Group has converted its rupee term loan into foreign currency loan amounting to INR 871.95 lakhs during the previous year. Outstanding book balance of rupee term loan is INR 16.70 lakhs (31 March 2020: 16.71 lakhs) and Outstanding book balance of foreign currency loan is INR 641.99 lakhs (31 March 2020: 1389.96 lakhs)

The aforesaid term loan is secured by way of :

(a) First Charge by way of equitable mortgage of factory land & building situated at plot no. M 19, SEZ PH II, Pithampur admeasuring total area 8,661.67 sq. meters in name of Company.

(b) First Charge by way of hypothecation over plant & machinery situated at Plot No. M 19, SEZ PH II, Pithampur.

Further secured by following collateral securities:

(a) Second pari-passu charge on captioned property and plant and machinery with SBI, HDFC & for residual charge of SIDBI for their exposure on reciprocal basis.

(b) Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel.

(c) Corporate guarantee by Patamins Investment Private Limited.

3) The Group has availed working capital term loan from Axis Bank of amounting to INR 755.00 lakhs at rate of interest of repo rate + 3.5% i.e. 7.50% p.a. . Repayment of working capital term loan in 48 equal monthly principal instalments of INR 15.73 lakhs and moratorium period of 12 months from the date of first disbursement. Outstanding book balance of working capital term loan is INR 755.00 lakhs (31 March 2020: Nil).

The aforesaid working capital loan is secured by way of :

a) Extension of second charge on existing security referred in 2 above.

b) Extension of second charge on existing collateral security referred in 2 above.

4) The Group also availed working capital term loan from HDFC Bank of amounting to INR 350.00 lakhs at rate of interest 7.50% p.a. Repayment of working capital term loan in 48 equal monthly principal instalments of INR 7.29 lakhs and moratorium period of 12 months from the date of disbursement. Outstanding book balance of working capital term loan is INR 350.00 lakhs (31 March 2020: Nil)

The aforesaid working capital loan is secured by way of :

Extension of existing security referred in 1 above.

5) The Group obtained a loan from HDFC Bank, Bahrain amounting to \$1,450,000 on 24 January 2017. It further obtained additional loan amounting to \$1,400,000 during the year ended 31 March 2018. The Group utilized this loan for acquisition of assets from VAG USA LLC. The loan is entirely guaranteed by the Holding Company. The said loans bear an interest of prevailing 6-month LIBOR+2.5% (average interest rate for the year ended 31 March 2020: 4.45%). These loans are payable in 42 months from the date of borrowing. Outstanding balance of the term loan is INR Nil (31 March 2020: INR 528.26 lakhs).

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

(All amount in INR lakhs unless stated otherwise)

ii) Term loans from financial institutions

1) The Group availed term loan facilities from Small Industries Development Bank of India amounting to INR 400 lakhs and INR 224.3 lakhs at rate of interest of 9.50%. Repayment of term loan is to be done in 36 monthly installments which commenced in the year ending 01 April 2018 with last installment falling due in year 2020-2021. Outstanding book balance of term loan is INR 118.76 lakhs (31 March 2020: INR 238.61 lakhs)

The aforesaid term loan is secured by way of :

- (a) First hypothecation charge over the Holding Company's movable such as plant machinery, vehicle, machinery spares, tools, office equipments, computer, computer fixture acquired under the project.
- (b) Extension of first charge by way of hypothecation of all movables including plant, machinery, vehicles, machinery spares, tools office equipments, computers acquired earlier financial assistance.
- (c) Residual charge by way of mortgage of leasehold factory land and Building (Unit-1) situated at Survey No. 18B2, 18E2, 18 D2, 18C, 19, 29, 30, 31 & 32B industrial area Sector C, village Sukhliya Tehsil & Dist Indore.
- (d) Residual charge by way of mortgage of leasehold factory land and Building situated at survey no. 74/1, 74/2/1, 76/1,3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district, Indore and survey no. 77, Patwari Halka no. 36, Bardari tehsil, Sanwer district, Indore.
- (e) Residual charge by way of mortgage of land and building situated at plot no. M-11 SEZ, Pithampur, Tehsil & district Dhar.
- (f) Residual charge by way of mortgage of land and building situated at survey no. 74/2/2, 76/1/1 village Bardari, Sanwer, Dist. Indore owned by Patamin Investment Private Limited.
- (g) Further secured by personal guarantee of Directors, Mr. Pratik Patel and Mr. L. D. Amin and corporate guarantee of M/s Patamin Investments Private Limited.

iii) Vehicle loans from banks

As at 31 March 2021	Principal amount	Amount outstanding	Number of remaining installments	Installment amount	Date of loan	Rate of interest
Vehicle loan	11.86	9.68	31.00	0.35	29-Jun-20	8.20%

As at 31 March 2020	Principal amount	Amount outstanding	Number of remaining installments	Installment amount	Date of loan	Rate of interest
Vehicle loan	6.34	1.57	8.00	0.20	1 November 2017	9.60%
Vehicle loan	6.00	0.75	4.00	0.19	28 June 2017	8.60%
Vehicle loan	38.00	1.20	1.00	1.21	24 April 2017	9.10%
Vehicle loan	9.00	1.51	5.00	0.28	8 August 2017	8.60%

27 Provisions (non-current)**Provision for employee benefits***

	As at 31 March 2021	As at 31 March 2020
Gratuity	337.97	269.49
Leave encashment	147.27	120.95
	485.24	390.44

* Refer note 47 for details

28 Other non-current liabilities

	As at 31 March 2021	As at 31 March 2020
Deferred grant *	45.62	1.22
	45.62	1.22

*Deferred grant is the component of the concessional rate borrowings availed from the bank at a lower rate than the market rate and subsidy received in respect of plant and machinery.

29 Current borrowings**Secured**

	As at 31 March 2021	As at 31 March 2020
Cash credit facilities from bank (refer note (i),(iii) and (iv) below)	4,269.02	4,422.80
Short term loan from bank (refer note (i) below)	-	500.00
Short term loan from financial institution (refer note (ii) below)	-	684.60
	4,269.02	5,607.40

Notes:**(i) Security for the outstanding short term borrowings :**

(i) 'Fund based credit facility of INR 2,100 lakhs (31 March 2020: INR 2,100 lakhs) sanctioned to the Company from HDFC Bank . It comprise of Cash Credit ('CC') facility including sub-limit of short term loan facility at annual rate of interest of 1.2% above MCLR-1 year. Outstanding book balance for CC account from HDFC as on 31 March 2021 is INR 1,881.13 lakhs (31 March 2020 is INR 1,331 lakhs) and outstanding balance of short term loan facility is Nil (31 March 2020: 500 lakhs).

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***The facilities from bank are secured by way of:**

Primary security: First pari passu charge on all current assets of the Group as on 31 March 2021.

Collateral:

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

Also secured by way of guarantees from:

- Mr. Suresh Patel
- Mr. Pratik Patel

ii) Fund based credit facility sanctioned from Bajaj Finance Limited for purchase bills discounting amounting to INR 1,000.00 lakhs (31 March 2020: INR 1,000 lakhs) at annual rate of interest of 9% per annum and repayable at the end of each tranche tenor. Outstanding Book balance as on 31 March 2021 is INR Nil (31 March 2020: 684.60 lakhs). The facility from Bajaj Finance Limited is secured by existing secured multiple banking arrangement and secured by way of guarantees from Mr. Suresh Patel and Mr. Pratik Patel.

iii) Fund based credit facility sanctioned from State Bank of India comprise of cash credit facility amounting to INR 2,900 lakhs (31 March 2020: INR 2,900 lakhs) at an annual rate of interest 2% above 6M MCLR, export packing credit ('EPC') within CC limit amounting to INR 2,100 lakhs (31 March 2020: INR 2,100 lakhs) and Standby letter of credit ('SLOC') amounting to INR 500 lakhs (31 March 2020: INR 500 lakhs) at an annual rate of 0.55% above 6M MCLR. Outstanding book balance for CC account as on 31 March 2021 is INR 325.51 lakhs (31 March 2020 : INR 1,853.93 lakhs), EPC account as on 31 March 2021 is INR 1502.14 lakhs (31 March 2020: INR 799.95 lakhs) and overdraft book balance is INR 85.24 lakhs (31 March 2020: Nil).

The facilities from bank are secured by way of:

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

Collateral:

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

Also secured by way of guarantees from:

- Mr. Suresh Patel
- Mr. Pratik Patel
- Patamin Investments Private Limited

iv) Fund based credit facility sanctioned from Axis Bank during the year comprise of cash credit ('CC') facility of INR 550 lakhs (31 March 2020: 550 lakhs, 01 April 2018: Nil) at annual rate of interest of 1.2% above 3 month MCLR. Outstanding Book balance for CC account as on 31st march 2021 is INR 475.00 lakhs (31 March 2020: 437.92 lakhs).

The facilities from bank are secured by way of:

Primary security: First pari-passu charge over JEL's entire stock comprising raw materials, stock-in-process, finished goods, consumable stores and spares and receivables at 18C, 29-31, 32B, Sector C, Industrial area, Sanwar road, Indore, plot no. M-11, Misc zones, Phase-II SEZ, Pithampur Distt., Dhar, and Survey No. 74/1, 74/2/1, 76/1/3, 76/1 PH no. 19, Bardari Tehsil, distt. Sanwer, Indore and survey no. 77, PH No. 36, Bardari Tehsil, Sanwar District, Indore, Plot no. M 19, SEZ PH-II, Pithampur or at such other places approved by the bank including goods in transit/shipment in the name of the Group with SBI, HDFC Bank and Axis bank.

Collateral:

- a) Extension of first charge by way of mortgage over land and building of the Group situated at Plot No. M-19, SEZ Phase II, Pithampur admeasuring total area 8661.67 square meter in the name of the Group and first charge by way of hypothecation over plant and machinery situated at Plot no. M19, SEZ phase II, Pithampur (2nd pari-passu charge of SBI, HDFC and residual charge of SIDBI for their exposure respectively.
- b) Second pari passu charge with HDFC Bank by way of equitable mortgage of land, Shed/building and hypothecation of Plant and Machinery situated at Unit-1, Unit-II and SEZ unit.
- c) Second pari passu charge with HDFC Bank by way of equitable mortgage on land in the name of Patamin Investment private Limited.
- d) Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel
- e) Corporate guarantee by Patamins Investment Private Limited

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

(iii) Reconciliation of liabilities arising from financing activities

	Non-current borrowings and Current maturities of non-current borrowings	Current borrowings
As at 1 April 2019	2,464.20	4,914.44
Cash flows:		
Proceeds from borrowings	1,184.68	692.96
Repayment of borrowings	(1,334.77)	-
Repayment of principal component of lease obligation	(54.12)	-
Non-cash:		
Effective interest rate adjustment	14.97	-
Adjustment in lease liability through right-of-use asset	333.33	-
Others	154.23	-
As at 31 March 2020	2,762.52	5,607.40
Cash flows:		
Proceeds from borrowings	1,118.64	(1,338.38)
Repayment of borrowings	(868.69)	-
Repayment of principal component of lease obligation	(57.60)	-
Non-cash:		
Effective interest rate adjustment	8.63	-
Others	(34.22)	-
As at 31 March 2021	2,929.28	4,269.02

30 Trade payables

	As at 31 March 2021	As at 31 March 2020
Due to micro and small enterprises [refer note (i) below]	515.67	755.99
Dues to others	4,026.66	3,263.96
	4,542.33	4,019.95

(i) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

	As at 31 March 2021	As at 31 March 2020
Principal amount remaining unpaid	515.67	755.99
Interest accrued and due thereon remaining unpaid	-	-
Interest paid by the Group in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year.	-	-
Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year), but without adding the interest specified under MSMED Act, 2006.	-	-
Interest accrued and remaining unpaid as at the end of the year	-	-
Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-
	515.67	755.99

31 Other financial liabilities (current)

	As at 31 March 2021	As at 31 March 2020
Current maturities of long-term debts (refer note 26)	498.33	1,071.21
Interest accrued but not due on borrowings	8.66	30.84
Employee related payables	540.30	539.74
Book overdraft	0.53	67.52
Expenses payable	139.10	70.86
Derivative liabilities*	-	76.22
Capital creditors	46.29	-
Warranty claims	-	3.06
Employee ESOP Obligation**	41.01	-
Security deposit	33.92	14.47
	1,308.14	1,873.92

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)*

*Derivatives are measured at fair value and are carried as asset when their fair value is positive and are carried as liability when their fair value is negative. The above derivative is a currency derivative pertaining to a forward exchange contract. This contract is entered by the company to mitigate the risk involved in expected foreign currency cash inflows and outflows. Refer note 49 for details of valuation techniques used.

**It represents amount received from employees in ESOP trust against which shares have not been issued to employees yet.

32 Other current liabilities

	As at 31 March 2021	As at 31 March 2020
Income received in advance (refer note 53 for details)	2,577.20	1,541.59
Payable to statutory authorities	136.44	275.58
Deferred grant*	6.38	6.39
	2,720.02	1,823.56

*Deferred grant is the component of the concessional rate borrowings availed from the bank at a lower rate than the market rate.

33 Provisions (current)

	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits*		
Gratuity	1.57	1.13
Leave encashment	17.04	11.12
Provision for warranty**	94.76	-
Provision for litigation***	6.30	-
	119.67	12.25

* Refer note 47 for details

** A provision for warranty for expected claims/ expenditure is based on past experiences of the Company of the level of claims/ expense incurred in the past. The Company expects significant portion of the cost will have to be incurred in next financial year, therefore, has accordingly classified the entire amount as current provision.

i) Provision for warranty

	As at 31 March 2021	As at 31 March 2020
At the beginning of the year	-	-
Arising during the year	94.76	-
Utilised during the year	-	-
At the end of the year	94.76	-

***Provisions for litigations relate to the estimated outflow in connection with pending C-forms.

ii) Provision for litigation

	As at 31 March 2021	As at 31 March 2020
At the beginning of the year	-	-
Arising during the year	6.30	-
Utilised during the year	-	-
At the end of the year	6.30	-

34 Current tax liabilities (net)

	As at 31 March 2021	As at 31 March 2020
Provision for tax (net)	4.76	281.99
	4.76	281.99

*Amount of advance tax paid INR 720.35 lakhs (31 March 2020: INR 444.64 lakhs)

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

35 Revenue from operations

	For the year ended 31 March 2021	For the year ended 31 March 2020
Operating revenue		
Sale of products	29,238.54	26,308.73
Sale of services	168.99	124.09
Other operating revenues		
Scrap sales	436.07	1,286.83
Export benefits	99.09	54.14
	29,942.69	27,773.79

36 Other income

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest from		
Bank deposits	85.72	89.79
Other financial assets carried at amortised cost	3.57	12.67
Interest others	-	0.67
Rental income	20.22	19.27
Foreign currency gain (net)	48.18	460.15
Unclaimed balances written back	33.63	10.96
Profit on sale of property, plant and equipment (net)	4.51	0.05
Grant income	12.73	6.81
Miscellaneous income	77.71	189.97
	286.27	790.34

37 Cost of materials consumed

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock		
Raw material	2,725.52	3,566.40
Add: Purchases made during the year	12,983.68	11,250.03
	15,709.20	14,816.43
Less: Closing stock		
Raw material	3,382.10	2,725.52
	12,327.10	12,090.91
Exchange differences	(6.07)	20.29
	12,321.03	12,111.20

38 Purchase of traded goods

Purchase of traded goods	1,108.38	1,176.68
	1,108.38	1,176.68

39 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening stock		
Work-in-progress	1,822.32	1,215.95
Finished goods	1,245.53	1,198.65
Goods in transit	199.10	52.77
	3,266.95	2,467.36
Closing stock		
Work-in-progress	(1,553.03)	(1,822.32)
Finished goods	(1,334.52)	(1,245.53)
Goods in transit	(791.68)	(199.10)
	(3,679.21)	(3,266.95)
Exchange differences	(27.75)	64.07
	(440.01)	(735.52)

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***40 Employee benefits expense**

	For the year ended 31 March 2021	For the year ended 31 March 2020
Salary, wages and bonus	4,906.32	4,521.17
Contribution to provident and other funds	248.91	205.95
Share based payments to employees (refer note 54)	96.30	18.28
Staff welfare expenses	278.60	145.65
	5,530.13	4,891.05

41 Finance costs

	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest on		
Term loans/ Working Capital	668.14	709.02
On income tax delays	8.06	18.41
On lease obligations	79.92	64.90
On others	-	40.77
Other borrowing costs	225.58	200.40
	981.70	1,033.50

42 Depreciation and amortisation expense

	For the year ended 31 March 2021	For the year ended 31 March 2020
Depreciation of property, plant and equipment*	701.71	652.14
Amortisation of intangible assets (refer note 7)	153.67	130.08
	855.38	782.22

*Includes depreciation on right-of-use assets amounting to INR 80.59 lakhs (31 March 2020: INR 72.85 lakhs). Refer note 5 for further details.

43 Other expenses

	For the year ended 31 March 2021	For the year ended 31 March 2020
Advertisement and sales promotion expenses	75.14	95.02
Advances and other balance written off	69.34	239.40
Charity and donation	31.62	14.99
Commission and brokerage	426.99	577.55
Communication expenses	49.57	37.50
Consumption of stores and spare parts	953.76	900.39
Conveyance expenses	12.02	22.85
Drawing, designing and pattern charges	56.76	124.34
Factory expenses	18.33	-
Freight, loading and unloading and packing charges	658.22	685.60
Housekeeping and security expense	25.12	37.33
Import/ Export expenses	533.17	252.38
Insurance	139.93	115.10
Job work charges	399.84	430.24
Legal and professional fees	261.50	222.16
Power, fuel and water charges	354.33	362.20
Loss allowance for expected credit losses (refer note 48)	100.00	183.50
Rates and taxes	103.60	97.36
Rent	3.66	17.27
Repairs and maintenance		
on buildings	9.74	71.63
on others	259.03	121.21
Royalty	33.28	78.16
Sub-contracting and labour charges	1,331.80	1,137.22
Travelling expenses	57.95	234.00
Vehicle running and maintenance	21.28	24.17
Service charges	-	31.23
Loss on sale of property, plant and equipment	-	6.73
Miscellaneous expenses	269.52	411.12
	6,255.50	6,530.65

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)
44 Tax expense
The income tax expense consists of the following:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Current tax expense		
<i>Tax expense for current year</i>	690.12	787.22
Deferred tax expense / (credit)	(125.14)	(22.55)
Total tax expense	564.98	764.67

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 29.12% (previous year: 29.12%) and the reported tax expense in profit or loss are as follows:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Accounting profit before income tax	3,616.85	2,774.35
At India's statutory income tax rate of 29.12% (31 March 2020: 29.12%)	1,053.23	807.89

Tax effect of amounts which are not deductible (taxable) in calculating taxable income:

Effect of tax incentive u/s 10AA (refer note 57)	(507.73)	(100.56)
Non-deductible expenses	12.94	11.08
Effect of tax to be reversed during tax holiday period	19.22	(10.14)
Effect of different tax rate of subsidiaries	(19.10)	9.13
Earlier years tax adjustments (net)	(0.60)	(2.25)
Items on which deferred tax was not created	(39.57)	135.32
Others	46.59	(85.80)
Income tax expense	564.98	764.67

Unsuited tax losses

The Group has two subsidiary companies where there are unused tax losses or credits for which no deferred tax assets are recognised.

a) In Jash USA INC, total accumulated net operating tax losses as at 31 March 2021 amounts to INR 3,223.50 lakhs (31 March 2020: INR 3,492.15 lakhs). The expiry of these losses are based on US federal and state tax laws. Significant tax losses under the US federal laws will begin to expire after 2031 and only tax losses amounting to INR 2.67 lakhs (31 March 2020: INR 91.13 lakhs) is allowed to be carried forward indefinitely.

b) In Mahr Maschinenbau GmbH, the amount of assessed unused tax losses as at the end of reporting period amounts to INR 769.61 lakhs and the Group expects that these losses shall be settled in the next accounting period on liquidation of this entity.

Unrecognised temporary differences

A subsidiary of the Group have undistributive earnings of INR 1,044.64 lakhs (31 March 2020: INR 746.49 lakhs) which, if paid out as dividends, would be subject to tax in the hand of the recipient. An assessable temporary differences exists, but no deferred tax liability has been recognised as the Holding company is able to control the timings of the distributions from this subsidiary and is not expected to distribute these profits in the foreseeable future.

45 Earnings per equity share

	For the year ended 31 March 2021	For the year ended 31 March 2020
a) Net profit attributable to equity shareholders	3,051.87	2,009.68
b) Weighted average number of common equity shares for basic EPS	1,18,36,598	1,18,36,598
c) Weighted average number of common and dilutive common equivalent shares*	1,18,61,259	1,18,36,598
d) Nominal value of shares	10.00	10.00
d) Earnings per share		
Basic earnings per share	25.78	16.98
Diluted earnings per share*	25.73	16.98

*The Holding Company has granted employee stock option during the year 2019-20. However, the same were anti-dilutive for the year ended 31 March 2020. In current year ended 31 March 2021, the same are dilutive in nature, therefore in addition to common shares, 24,661 dilutive shares have been considered for computing Diluted earning per share.

46 Contingent liabilities and other matters

	As at 31 March 2021	As at 31 March 2020
a) Contingent liabilities (under litigation), not acknowledged as debt, include:		
Demand for central sales tax <i>Financial year 2016-17</i>	124.92	131.22
Demand for service tax <i>Financial year 2016-17</i>	2.13	2.13
<i>Financial year 2017-18</i>	3.85	-
	130.90	133.35

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

b) Commitments

Estimated amount of contracts remaining to be executed on capital accounts and not provided for (net of advances)	85.08	23.08
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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***47 Employee benefits****A Gratuity**

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

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

Particulars	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Gratuity	1.57	337.97	1.13	269.49

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

Description	31 March 2021	31 March 2020
Current service cost	86.49	73.89
Net interest cost	18.59	8.78
Net impact on profit (before tax)	105.08	82.67
Actuarial loss/(gain) recognised during the year	54.84	68.58
Amount recognised in the statement of profit and loss	159.92	151.25

(iii) Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:

Description	31 March 2021	31 March 2020
Present value of defined benefit obligation as at the start of the year	731.67	568.06
Current service cost	86.49	73.89
Interest cost	45.98	43.27
Actuarial loss/(gain) recognised during the year	54.84	68.57
Benefits paid	(37.95)	(22.12)
Present value of defined benefit obligation as at the end of the year	881.03	731.67

(iv) Movement in the plan assets recognised in the balance sheet is as under:

Description	31 March 2021	31 March 2020
Fair value of plan assets at beginning of year	461.05	452.11
Expected return on plan assets	34.83	31.06
Employer's contribution	83.56	-
Benefits paid	(37.95)	(22.12)
Fair value of plan Assets at the end of the year	541.49	461.05

(v) Breakup of actuarial (gain)/loss:

Description	31 March 2021	31 March 2020
Actuarial (gain)/loss on arising from change in demographic assumption	-	0.36
Actuarial (gain)/loss on arising from change in financial assumption	11.88	55.37
Actuarial (gain)/loss on arising from experience adjustment	42.96	12.85
Total actuarial (gain)/loss	54.84	68.58

(vi) Actuarial assumptions

Description	31 March 2021	31 March 2020
Discount rate	6.50%-6.91%	6.50%-6.91%
Future salary increase	8.00%-10.00%	8.00%-10.00%
Expected average remaining working lives of employees (years)	60/70 years	60/70 years

Gratuity is payable to the employees on death or resignation or on retirement at the attainment of superannuation age. To provide for these eventualities, the Actuary has used Indian Assured Lives Mortality (2006-08) Ultimate table.

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

Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(vi) Sensitivity analysis for gratuity liability

Description	31 March 2021	31 March 2020
Impact of the change in discount rate		
- Impact due to increase of 0.5 %	(67.34)	(54.45)
- Impact due to decrease of 0.5 %	73.01	59.13
Impact of the change in salary increase		
- Impact due to increase of 0.5 %	70.95	57.30
- Impact due to decrease of 0.5 %	(66.09)	(53.53)

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(viii) Maturity profile of defined benefit obligation

Description	31 March 2021	31 March 2020
Within next 12 months	108.99	74.40
Between 1-5 years	159.67	142.41
Beyond 5 years	593.39	514.88

(ix) Category of plan assets :

Particulars	31 March 2021	31 March 2020
Investments with Life Insurance corporation of India	100.00%	100.00%

- (x) Expected expense on the gratuity plan of the Group in the next accounting period amounts to INR 113.19 lakhs (31 March 2020: INR 97.17 lakhs) and the extent of its contribution to the plan assets is based on future liquidity position.

B Compensated absences (unfunded)

The leave obligations cover the Group's liability for sick and earned leaves. The Group does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. Amount of INR 49.63 lakhs (previous year: INR 67.11 lakhs) has been recognised in the statement of profit and loss.

Particulars	31 March 2021		31 March 2020	
	Current	Non-current	Current	Non-current
Compensated absences (unfunded)	17.04	147.27	11.12	120.95

C Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance Scheme for the year aggregated to INR 248.91 lakhs (31 March 2020: INR 205.95 lakhs).

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

48 Financial instruments

A Financial assets and liabilities

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

Measured at	As at 31 March 2021		As at 31 March 2020	
	Amortised Cost*	FVTPL**	Amortised Cost*	FVTPL**
Investments	-	0.41	-	0.11
Trade receivables	9,571.02	-	8,441.42	-
Loans	72.14	-	61.95	-
Cash and cash equivalents	385.94	-	309.32	-
Other bank balances	1,829.99	-	1,459.53	-
Other financial assets	253.89	55.53	266.02	-
Total	12,112.98	55.94	10,538.24	0.11
Measured at				
Borrowings (including current maturities of non-current borrowings)	7,198.31	-	8,369.92	-
Trade payables	4,542.33	-	4,019.95	-
Other financial liabilities	809.81	-	726.48	76.22
Total	12,550.45	-	13,116.35	76.22

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.

(i) Current investments (level 1) - The fair value of quoted equity shares amounting to INR 0.41 lakhs (31 March 2020: INR 0.11 lakhs) are based on the current bid price of respective investment as at the balance sheet date.

(ii) Derivative liabilities (level 2) - These derivative liabilities amounting to Nil (31 March 2020: 76.22 lakhs) are fair valued based on mark to market forward rates provided by the banks.

(iii) Derivative assets (level 2) - These derivative assets amounting to INR 55.43 lakhs (31 March 2020: Nil) are fair valued based on mark to market forward rates provided by the banks.

C Financial Risk Management

Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group'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	Aging analysis	Bank deposits, diversification of asset base and credit limits.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract, if required
Market risk - Interest rate	Long-term and short-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors

The Group's risk management is carried out by a finance department (of the Group) 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.

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

(All amount in INR lakhs unless stated otherwise)

I Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and other financial assets measured at amortised cost. The Group 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 Group 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 Group 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 Group 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 Group. The Group 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 Group recognises lifetime expected credit losses on trade receivables using a simplified approach, wherein Group 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* –

Particulars	As at 31 March 2021	As at 31 March 2020
Low credit risk on financial reporting date		
Cash and cash equivalents	385.94	309.32
Other bank balances	1,829.99	1,459.53
Loans	72.14	61.95
Other financial assets	309.42	266.02

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 Group 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 Group. The Group 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, accrued revenue 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) Concentration of trade receivables

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Details of the such identified concentrations of credit risk are disclosed below:

Particulars	As at 31 March 2021	As at 31 March 2020
Rajkamal Builders	1,038.59	1,390.93
Total	1,038.59	1,390.93

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

b) Expected credit losses

i) Financial assets (other than trade receivables)

The Group 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 Group 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 comprising security deposits paid - Credit risk for security deposits and loans is considered low because the Group is in possession of the underlying asset.

- For other financial assets - Credit risk is evaluated based on Group'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 2021	Gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Loans	72.14	-	72.14
Cash and cash equivalents	385.94	-	385.94
Other bank balances	1,829.99	-	1,829.99
Other financial assets	309.42	-	309.42

As at 31 March 2020	Gross carrying amount	Expected credit losses	Carrying amount net of impairment provision
Loans	72.14	-	72.14
Cash and cash equivalents	385.94	-	385.94
Other bank balances	1,829.99	-	1,829.99
Other financial assets	309.42	-	309.42

ii) Expected credit loss for trade receivables under simplified approach

The Group recognizes lifetime expected credit losses on trade receivables using a simplified approach, wherein Group 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 Group 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 Group. Hence, no provision on account of expected credit loss model has been considered for such related party balances.

As at 31 March 2021	Gross carrying amount- trade receivables	Expected loss rate	Expected credit loss
Unrelated			
Not Due	2,235.01	1.30%	29.10
Less than 6 Months past due	5,647.33	2.72%	153.60
6 Months to 1 Year past due	258.78	9.84%	25.46
1 Year to 2 Year past due	1,185.92	6.72%	79.64
2 Year to 3 Year past due	166.50	38.42%	63.97
More than 3 Years past due / credit impaired	183.55	100.00%	183.55
Additional provision *	-	-	100.00
Other trade receivables**	524.85	-	-
Related	4.40	-	-
Total	10,206.34		635.32

*In addition to expected credit loss the Company has made a provision for impairment of receivables amounting to INR 100.00 lakhs, while performing recoverability assesment.

As at 31 March 2020	Gross carrying amount- trade receivables	Expected loss rate	Expected credit loss
Unrelated			
Not Due	2,546.17	0.89%	22.69
Less than 6 Months past due	4,418.11	6.89%	304.21
6 Months to 1 Year past due	708.72	11.89%	84.29
1 Year to 2 Year past due	607.32	18.02%	109.43
2 Year to 3 Year past due	6.15	46.98%	2.89
More than 3 Years past due / credit impaired	97.06	100.00%	97.06
Other trade receivables**	310.97	0.00%	-
Related	367.48	0.00%	-
Total	9,061.98		620.57

**This represents trade receivables of certain subsidaires, where no expected credit loss provision has been created as there is no past trend of credit losses.

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

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

Reconciliation of loss allowance	Trade receivables
Loss allowance on 1 April 2019	416.58
Add : Changes in loss allowances	203.99
Loss allowance on 31 March 2020	620.57
Add : Changes in loss allowances	14.75
Loss allowance on 31 March 2021	635.32

II Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

a) Financing arrangements

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

Floating rate	As at 31 March 2021	As at 31 March 2020
- Expiring within one year (cash credit and other facilities)	1,515.50	1,591.92
- Expiring beyond one year (bank loans)	-	-
Total	1,515.50	1,591.92

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

b) Maturities of financial liabilities

The tables below analyse the Group'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 52 for maturities of lease liabilities

As at 31 March 2021	Less than 1	1-2 years	2-3 years	More than 3	Total
Borrowings (including current maturities of non-current borrowings and excluding lease liabilities)	4,665.18	516.15	519.18	817.68	6,518.19
Trade payables	4,542.33	-	-	-	4,542.33
Other financial liabilities	809.81	-	-	-	809.81
Total	10,017.32	516.15	519.18	817.68	11,870.33

As at 31 March 2020	Less than 1	1-2 years	2-3 years	More than 3	Total
Borrowings (including current maturities of non-current borrowings and excluding lease liabilities)	6,556.58	283.28	232.06	570.39	7,642.31
Trade payable	4,019.95	-	-	-	4,019.95
Other financial liabilities	726.48	-	-	-	726.48
Total	11,303.01	283.28	232.06	570.39	12,388.75

III Market risk

a) Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO, Singapore Dollar (SGD), Canadian Dollar(CAD) and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. Considering the volume of foreign currency transactions, the Group's exposure to foreign currency risk is limited and the Group has taken forward contracts to manage its exposure. The Group does not hedge these foreign currency exposures by a derivative instrument or otherwise.

(i) Foreign currency risk exposure in USD:

The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in USD	As at 31 March 2020 Amount in USD
Trade receivables	19.33	1.32
Trade payables	(0.20)	-
Non-current borrowings	(8.73)	(11.57)
Net exposure to foreign currency risk (liabilities)	10.40	(10.25)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
USD sensitivity		
INR/USD- increase by 5%	0.52	(0.51)
INR/USD- decrease by 5%	(0.52)	0.51

* Holding all other variables constant

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

(ii) Foreign currency risk exposure in EURO:

The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in EURO	As at 31 March 2020 Amount in EURO
Trade receivables	0.75	1.35
Trade payables	(2.43)	-
Net exposure to foreign currency risk (liabilities)	(1.68)	1.35

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
EURO sensitivity		
INR/EURO- increase by 5%	(0.08)	0.07
INR/EURO- decrease by 5%	0.08	(0.07)

* Holding all other variables constant

(iii) Foreign currency risk exposure in SGD:

The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in SGD	As at 31 March 2020 Amount in SGD
Trade receivables	1.53	29.33
Trade payables	(0.28)	(0.81)
Net exposure to foreign currency risk (liabilities)	1.25	28.52

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
SGD sensitivity		
INR/SGD- increase by 5%	0.06	1.43
INR/SGD- decrease by 5%	(0.06)	(1.43)

* Holding all other variables constant

(iv) Foreign currency risk exposure in Canadian Dollar ("CAD"):

The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in CAD	As at 31 March 2020 Amount in CAD
Trade receivables	-	2.21
Net exposure to foreign currency risk (liabilities)	-	2.21

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
CAD sensitivity		
INR/CAD- increase by 5%	-	0.11
INR/CAD- decrease by 5%	-	(0.11)

* Holding all other variables constant

(v) Foreign currency risk exposure in GBP:

The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

Particulars	As at 31 March 2021 Amount in GBP	As at 31 March 2020 Amount in GBP
Trade receivables	3.52	1.33
Trade payables	-	-
Net exposure to foreign currency risk (liabilities)	3.52	1.33

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
GBP sensitivity		
INR/GBP- increase by 5%	0.18	0.07
INR/GBP- decrease by 5%	(0.18)	(0.07)

* Holding all other variables constant

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

a) Interest rate risk

i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on external financing. The Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Group to interest rate risk:

Particulars	As at 31 March 2021	As at 31 March 2020
Variable rate borrowings	4,928.38	6,340.41

Sensitivity

Below is the sensitivity of profit or loss in interest rates.

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Interest sensitivity*		
Interest rates – increase by 100 basis points (100 bps)	49.28	63.40
Interest rates – decrease by 100 basis points (100 bps)	(49.28)	(63.40)

* Holding all other variables constant

b) Price risk

The Group do have investments in equity instruments which create an exposure to price risk. Considering, the amount of quoted investments is insignificant, sensitivity analysis to price changes have not been disclosed.

Particulars	As at 31 March 2021	As at 31 March 2020
Investments (quoted)	0.41	0.11
	0.41	0.11

49 Capital management

The Group's capital management objectives are

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

The Group 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 Group'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 Group's various classes of debt. The Group 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 Group 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 2021	As at 31 March 2020
Net debt	7,198.31	8,369.92
Total equity	15,633.76	12,547.13
Net debt to equity ratio	0.46	0.67

50 Particulars of dividend paid to non-resident and foreign shareholders:

Description	31 March 2021	31 March 2020
Number of shareholders	14.00	14.00
Number of shares held on which dividend was due (in INR)*	11,87,307	11,87,307
Amount remitted (gross):		
- Final, pertaining to financial year 2019-20 (Previous year 2018-19)	10.69	17.81
- Interim dividend, pertaining to financial year 2020-21 (Previous year 2019-20)	-	17.81

*The number of shares represent the shares held by the Non-resident and foreign shareholders who have NRE/NRO accounts and the dividend is being disbursed to those accounts.

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Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

51 Related party transactions

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

(i) Key management personnel

Mr. Pratik Patel, Managing Director
 Mr. Axel Schutte, Director
 Mr. Suresh Patel, Executive Director
 Mr. Brij Mohan Maheshwari, Independent Director
 Mr. Sunil Kumar Choksi, Independent Director
 Mr. Vishwapati Trivedi, Independent Director
 Ms. Sunita Kishnani, Independent Director
 Mr. DT Manwani, Independent Director

(ii) Relatives of key managerial personnel with whom there are transactions/balances during

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)
 Mr. Harsh Patel (son of Mr. Pratik Patel)
 Mrs. Swati Desai (sister of Mr. Pratik Patel)
 Mr. Tarang Amin (brother-in law of Mr. Pratik Patel)
 Mrs. Tejal Desai (Daughter of Mr. Suresh Patel)

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

Patamin Investments Private Limited
 Jash Precision Tools Limited (till 31 December 2020)
 Micro Flat Datums Private Limited
 Jash Flowcon Engineers (a partnership firm)

(v) Transactions with related parties during the year

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/interested/ entity having significant influence over the Group		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Managerial remuneration (refer note 58)	114.32	122.05	-	-	114.32	122.05
Pratik Patel	77.25	67.84	-	-	77.25	67.84
L.D. Amin	-	50.05	-	-	-	50.05
Suresh Patel	37.08	4.16	-	-	37.08	4.16
Sale of goods	-	-	287.45	266.37	287.45	266.37
Jash Precision Tools Limited	-	-	277.86	265.23	277.86	265.23
Micro Flat Datums Private Limited	-	-	9.59	1.14	9.59	1.14
Purchase of goods	-	-	127.91	130.39	127.91	130.39
Jash Precision Tools Limited	-	-	1.16	5.15	1.16	5.15
Jash Flowcon Engineers	-	-	0.12	-	0.12	-
Micro Flat Datums Private Limited	-	-	126.63	125.24	126.63	125.24
Job work charges and labour charges	-	-	132.03	182.16	132.03	182.16
Jash Precision Tools Limited	-	-	30.33	61.65	30.33	61.65
Jash Flowcon Engineers	-	-	101.48	120.32	101.48	120.32
Micro Flat Datums Private Limited	-	-	0.21	0.19	0.21	0.19
Dividend for the year (excluding dividend distribution tax)	33.58	140.71	3.63	12.09	37.21	152.80
Pratik Patel	17.29	57.63	-	-	17.29	57.63
L.D. Adim	-	8.02	-	-	-	8.02
Axel Schutte	6.93	23.10	-	-	6.93	23.10
Patamin Investments Private Limited	-	-	3.63	12.09	3.63	12.09
Bhairavi Patel	2.27	7.96	-	-	2.27	7.96
Swati Desai	0.18	7.56	-	-	0.18	7.56
Tarang Amin	0.74	3.71	-	-	0.74	3.71
Rasesh Amin	-	13.31	-	-	-	13.31
Avani Vipul Patel	1.78	5.92	-	-	1.78	5.92
Tejal Desai	0.34	-	-	-	0.34	-
Harsh Patel	4.05	13.50	-	-	4.05	13.50

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

(v) Transactions with related parties during the year (Cont'd)

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Group		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Interest expense	-	-	52.35	53.10	52.35	53.10
Patamin Investments Private Limited			52.35	53.10	52.35	53.10
Lease payments	-	-	60.00	60.00	60.00	60.00
Patamin Investments Private Limited	-	-	60.00	60.00	60.00	60.00
Purchase of capital goods	-	-	4.01	-	4.01	-
Jash Flowcon Engineers	-	-	1.25	-	1.25	-
Micro Flat Datums Private Limited	-	-	2.76	-	2.76	-
Expenses incurred by Group on behalf of related parties	-	0.78	-	2.52	-	3.30
Jash Flowcon engineers	-	-	-	1.09	-	1.09
Jash Precision Tools Limited	-	-	-	1.43	-	1.43
Pratik Patel	-	0.78	-	-	-	0.78
Reimbursement of expenses	4.67	8.75	-	-	4.67	8.75
Pratik Patel	4.67	8.75	-	-	4.67	8.75
Sitting fees	4.50	3.00	-	-	4.50	3.00
Mr. Brij Mohan Maheshwari	1.00	1.00	-	-	1.00	1.00
Mr. Sunil Kumar Choksi	0.50	0.50	-	-	0.50	0.50
Mr. Vishwapati Trivedi	1.00	0.25	-	-	1.00	0.25
Ms. Sunita Kishnani	1.00	0.50	-	-	1.00	0.50
Mr. DT Manwani	1.00	0.75	-	-	1.00	0.75
Legal and professional	-	-	-	3.66	-	3.66
Suresh Patel	-	-	-	3.66	-	3.66

*Interest expense related to Patamin Investments Private Limited is the notional expense booked pursuant to the guidance of IND AS 116, Leases.

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Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)

51 Related party transactions (continued)

(vi) Year end balances

Particulars	Key management personnel and their relatives		Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Group		Total	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Trade receivables						
Jash Precision Tools Limited	-	-	4.40	367.48	4.40	367.48
Micro Flat Datums Private Limited	-	-	-	301.58	-	301.58
	-	-	4.40	65.90	4.40	65.90
Trade payables						
Micro Flat Datums Private Limited	-	-	81.69	91.26	81.69	91.27
Jash Flowcon Engineers	-	-	44.99	50.09	44.99	50.09
	-	-	36.70	41.17	36.70	41.17
Lease liability						
Patamin Investments Private Limited	-	-	500.27	507.92	500.27	507.92
	-	-	500.27	507.92	500.27	507.92
Security deposits*						
Patamin Investments Private Limited	-	-	37.50	37.50	37.50	37.50
	-	-	37.50	37.50	37.50	37.50
Remuneration payable						
Pratik Patel	2.74	1.39	-	-	2.74	1.39
Suresh Patel	1.16	0.51	-	-	1.16	0.51
	1.58	0.88	-	-	1.58	0.88
Tour advance payable.(recoverable) by/from						
Pratik Patel	-	(1.49)	-	-	-	(1.49)
L. D. Amin	-	(1.09)	-	-	-	(1.09)
	-	(0.40)	-	-	-	(0.40)

*The above amount of security deposit is the notional amount as per agreement. However, the same has been carried forward at amortised cost.

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***52 Lease related disclosures**

The Group has applied Ind AS 116 "Leases" for accounting of Leases. The Group has leases for various land locations at different plant sites across India and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. Variable lease payments which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and right of use assets. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

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 2021	For the year ended 31 March 2020
Short-term leases	3.66	17.27

b) Total cash outflow for leases for the year ended 31 March 2021 was INR 137.52 lakhs (March 31, 2020: INR 119.02 lakhs)

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 2021	115.24	108.31	100.66	71.64	64.63	1,051.14	1,511.62
31 March 2020	125.68	121.72	109.12	101.42	71.82	1,116.23	1,645.99

d) Extension and termination options

The Group has lease contracts for the land sites where the manufacturing plants are being set up. The Group has considered enforceable extension options available for land leases in lease period assessment since the Group can enforce its right to extend the lease beyond the initial lease periodic likely to be benefited by exercising the extension options.

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Jash Engineering Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021
(All amount in INR lakhs unless stated otherwise)
53 Disclosures of revenue recognition as per Ind AS 115

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contracts with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

The Group 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 Group.

Description of kind of goods and services

- (i) Castings
- (ii) Screening equipment
- (iii) Sluice gate
- (iv) Valves and valves components
- (v) Process Equipments
- (vi) HydroScrew
- (vii) Special purpose valve

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

(a) Disaggregation of revenue

The Group 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 2021

Revenue from contracts with customers	Goods	Services	Other operating revenue*	Total
Revenue by geography			-	-
India	12,027.53	12.83	436.07	12,476.43
USA	10,303.34	69.49	-	10,372.83
Singapore	232.07	-	-	232.07
Hongkong	1,337.47	-	-	1,337.47
France	1,258.93	-	-	1,258.93
Qatar	1,017.86	-	-	1,017.86
Others	3,061.34	86.67	-	3,148.01
Total	29,238.54	168.99	436.07	29,843.60
Revenue by time				
Revenue recognised at point in time	29,238.54	168.99	436.07	29,843.60
Revenue recognised over time	-	-	-	-
Total	29,238.54	168.99	436.07	29,843.60

For the year ended 31 March 2020

Revenue from contracts with customers	Goods	Services	Other operating revenue*	Total
Revenue by geography				
India	12,294.31	24.98	321.16	12,640.45
USA	8,919.03	93.00	965.67	9,977.71
Singapore	2,132.93	-	-	2,132.93
Hongkong	774.49	-	-	774.49
Philippines	645.43	-	-	645.43
Canada	610.49	-	-	610.49
Others	932.04	6.11	-	938.15
Total	26,308.73	124.10	1,286.83	27,719.65
Revenue by time				
Revenue recognised at point in time	26,308.73	124.10	1,286.83	27,719.65
Revenue recognised over time	-	-	-	-
Total	26,308.73	124.10	1,286.83	27,719.65

* Export incentives has been excluded from other operating revenue as same does not pertain to contract with customers

Jash Engineering Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021

(All amount in INR lakhs unless stated otherwise)

(b) Assets and liabilities related to contracts with customers

Description	As at 31 March 2021	As at 31 March 2020
	Current	Current
Contract liabilities		
Advance from customers*	2,577.20	1,541.59
Contract assets		
Accrued revenue	-	139.10

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

(c) Significant change in contract assets/liabilities

(i) Description- Advance from customers

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance	1,541.59	1,293.40
Less: Goods and services delivered during the period	(1,567.53)	(1,419.33)
Add: Advances received during the period	2,603.14	1,667.52
Closing Balance	2,577.20	1,541.59

(ii) Description- Accrued revenue

	For the year ended 31 March 2021	For the year ended 31 March 2020
Opening balance	139.10	269.00
Less: Revenue recognised/billed during the period	(139.10)	(269.00)
Add: Revenue accrued during the period	-	139.10
Closing Balance	-	139.10

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

Description	For the year ended 31 March 2021	For the year ended 31 March 2020
Contract price	29,884.31	27,772.69
Less: Late delivery charges, discount, rebates, credits etc.	(40.71)	(53.03)
Revenue from operations as per Statement of Profit and Loss	29,843.60	27,719.65

(e) The Group 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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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)***54 Share-based payments****a) Employee option plan**

The establishment of the Jash Engineering (Holding Company) Employee Stock Option Scheme was approved by shareholders through postal ballot on 10 August 2019. The Employee Option Plan is designed to provide incentives to employees who have completed three years in company to deliver long-term returns. Under the plan, participants are granted options which vest in four tranches in four years from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one month.

Options carry no dividend or voting rights until they are exercised. When exercisable, each option is convertible into one equity share. The exercise price of the options is 20% discount on the closing market price of one day prior to the date of grant on stock exchange where the equity shares of the Group are listed.

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

	For the year ended 31 March 2021		For the year ended 31 March 2020	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	118.64	4,81,400	-	-
Granted during the year	-	-	118.64	4,81,400
Exercised during the year *	-	-	-	-
Lapsed during the period	-	(1,35,700)	-	-
Closing balance		3,45,700		4,81,400
Vested and exercisable	-	34,570	-	-

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

Grant Date	Expiry Date	Exercise price (INR)	Fair value of options (INR)	Share options	
				As at 31 March 2021	As at 31 March 2020
14 February 2020	14 March 2021	118.64	61.80	34,570	48,140.00
14 February 2020	14 March 2022	118.64	71.33	69,140	96,280.00
14 February 2020	14 March 2023	118.64	80.68	1,03,710	1,44,420.00
14 February 2020	14 March 2024	118.64	87.43	1,38,280	1,92,560.00
Total				3,45,700	4,81,400.00
Weighted average remaining contractual life of options outstanding at end of period				1.87	2.95

Fair value of options granted

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended 31 March 2021 included:

- Options will vest in a graded manner over four years from the date of grant. These options are exercisable within a period of one month of vesting.
- Exercise price: INR 118.64
- Share price at grant date: INR 148.30
- Weighted average expected price volatility*: 72.44%
- Weighted average expected dividend yield: 1.36%
- Risk-free interest rate: 6.10% for all tranches

*The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility based on publicly available information.

(c) 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 2021	For the year ended 31 March 2020
Employee option plan	96.30	18.28
Total employee share-based payment expense	96.30	18.28

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Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021**

(All amount in INR lakhs unless stated otherwise)

55 Segment Reporting

In accordance with Ind AS 108, the Board of Directors, being the Chief operating decision maker of the Group has determined "Manufacturing and trading of varied engineering products for general engineering industry, water and waste water industry and bulk solids handling industry" as the only operating segment. Further in terms of paragraph 31 of Ind AS 108, entity wide disclosures have been presented below:

Particulars	For the year ended 31 March 2021	For the year ended 31 March 2020
Revenue from external customers		
Within India	12,575.52	15,114.16
Outside India	17,367.17	12,659.63
Revenue from operations	29,942.69	27,773.79

Particulars	As at 31 March 2021	As at 31 March 2020
Non-current assets		
Within India	7,920.70	7,710.30
Outside India	2,954.63	3,141.23
Non-current assets	10,875.33	10,851.53

56 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III of the

Name of the entity	Net assets as on 31 March 2021, i.e. total assets minus total liabilities		Share in profit or (loss) for 31 March 2021		Share in other comprehensive income for 31 March 2021		Share in total comprehensive income for 31 March 2021	
	Amount	As a % of consolidated net assets	Amount	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss	Amount	As a % of consolidated profit and loss
Holding Company								
Jash Engineering Limited	17,614.30	112.67%	2,769.88	90.76%	(38.05)	(84.57%)	2,731.83	88.21%
Subsidiaries								
Shivpad Engineers Private Limited	1,064.78	6.81%	366.54	12.01%	(0.87)	(1.93%)	365.67	11.81%
Jash USA Inc. (inclusive of Rodney Hunt Inc.)*	594.96	3.81%	(4.25)	(0.14%)	30.51	67.82%	26.26	0.85%
Mahr Maschinenbau GmbH	16.63	0.11%	150.83	4.94%	(6.27)	(13.94%)	144.56	4.67%
Engineering and Manufacturing Jash Limited	10.20	0.07%	(8.25)	(0.27%)	(0.31)	(0.69%)	(8.56)	(0.28%)
Less: Inter Group eliminations	(3,667.11)	(23.46%)	(222.88)	(7.30%)	59.98	133.32%	(162.90)	(5.26%)
Total	15,633.76	100.00%	3,051.87	100.00%	44.99	100.00%	3,096.86	100.00%

*Rodney Hunt Inc. is a wholly owned subsidiary of Jash USA Inc, incorporated with no capital. The management is not required to maintain separate books of accounts of Rodney Hunt Inc., hence, the management has prepared consolidated books of accounts of Jash USA Inc. Therefore, It is impracticable to disclose the above note separately for Rodney Hunt Inc. Hence, the disclosure for Rodney Hunt Inc. has been included with Jash USA Inc.

57 The Holding Company has two units which is located in Special Economic Zone (the "SEZ"). Unit 1 is 100% exempted from income tax (current tax) till 31 March 2015, 50% exempted from 1 April 2015 to 31 March 2020 and from the current year onwards, the Holding Company is not claiming 50% exemption as the same was subject to compliance of certain conditions and transfer of 50% profits to SEZ Reserve Account - under the provisions of Section 10AA of the Income Tax Act, 1961 and Unit II is 100% exempted from income tax (current tax) till 31 March 2024, 50% exempted from 1 April 2024 to 31 March 2029 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ reserve Account) from 1 April 2029 to 31 March 2034 under the provision of Section 10AA of Income Tax Act, 1961. Deferred tax pertaining to this unit is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods beyond the periods during which the respective units are exempt from income tax as aforesaid.

58 Directors remuneration:

Description	31 March 2021	31 March 2020
Salaries, wages and bonus*	104.58	113.08
Contribution to provident and other funds	7.45	4.34
Perquisites	0.39	0.79
Compensated absences	1.90	3.84
Total	114.32	122.05

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

59 As per transfer pricing legislation under section 92-92F of the Income Tax Act, 1961, the Group is required to use certain specific methods in computing arm's length prices of international transaction with associated enterprises and maintain adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature, the Group has appointed independent consultant (the 'Consultant') for conducting the Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arm's length basis". Management is of the opinion that the Group's international transaction are at arm's length and require no transfer pricing adjustments.

60 During the year ended 31 March 2021, the Group reclassified/regrouped previous year's number i.e. 31 March 2020. Considering the nature of this reclassification/regrouping, the Company does not intend to present opening balance sheet of previous year reported. Refer below for the same.

As on 31 March 2020	Amount	Earlier reported groupings	Revised groupings
Balances with statutory authorities	23.80	Other current assets	Other non-current assets

Jash Engineering Limited**Summary of significant accounting policies and other explanatory information for the year ended 31 March 2021***(All amount in INR lakhs unless stated otherwise)*

61 COVID-19 has impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, closure / lock down of production facilities etc. However, production and supply of goods had commenced during the month of May 2020 on various dates at all the manufacturing units of the Group after obtaining permissions from the appropriate government authorities.

Further, second wave of Covid-19 pandemic has hit India recently. Currently, the State Governments have implemented regional lockdowns based on situation in individual states/regions. There are uncertainties regarding the impact, the COVID-19 is going to have on the operations of the Group and the management is closely monitoring the developments. The management of the Group has considered all internal and external sources of information, including economic forecasts and estimates from market sources as at the date of the approval of these financial statements in determining carrying values of its assets and liabilities in accordance with applicable Ind AS. The Group has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, advances, property, plant and equipment, intangibles etc. as well as liabilities accrued and has concluded that no material adjustments are required at this stage in the financial statements. The actual impact of the global health pandemic may be different from that which has been estimated due to unforeseen circumstances, as the COVID-19 situation evolves in India and globally. The Group will continue to monitor any material changes to future economic conditions.

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

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

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

Sd/-
Nitin Toshniwal
Partner
Membership No.: 507568

Sd/-
Pratik Patel
Managing Director
DIN - 00780920

Sd/-
Suresh Patel
Executive director
DIN:00012072

Place: Faridabad
Date: 23 June 2021

Sd/-
Dharmendra Jain
Chief Financial officer

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

Place: Indore
Date: 23 June 2021



IAAW Davenport UV Disinfection Project, IA, USA
Structural Steel Swing Gate
 20'-8" X 9'-4 3/4" - 1 nos.



GCWA Pump House Levee Structure, Sienna Parkway, TX, USA
Knife Gate Valve
 Dia. 72" - 3 nos.



GCWA, Sienna Parkway, TX, USA
CI Sluice Gate
 8' x 8' - 3 nos.



Daldowie WWTW, UK.
Side Wall Embedded Open Channel penstock
 1600 x 1900 mm - 10 nos.



Hillsboro Dam, WI, USA
Structural Steel Roller Gates
 20' X 6.75' - 4 nos.



Kundalia Lift Irrigation Package, M.P. India
Trash Rack Grab Cleaner Mechanism
 31 m height and 4.5 m width (Per bay width).
 Total no of bay is 10 - 3 nos.



Bayan Baru A.S.P., Malaysia

Archimedean Screw Pump

**Screw Dia. – 2900 mm, Pump Capacity - 4 x 3000 LPS
1 nos.**



Hydro Power Project Bhikhi, Punjab, India

Archimedean Hydro Power Screw

**Screw Dia. – 3900 mm, Rated Generation - 2 x 130 kW
2 nos.**



Parit Merbau A.S.P., Malaysia

Archimedean Screw Pump

**Screw Dia. – 2150 mm, Pump Capacity- 3 x 1500 LPS
3 nos.**



90 MLD STP Bellendur, BWSSB, Bengaluru, India

Jash Mahr Multi-Rake Screen

1402 x 4672 mm - 5 nos.



5 MLD STP Kadugodi, BWSSB, Bengaluru, India

Jash Mahr Multi-Rake Screen

1100x15000 - 2 nos.

PRODUCT AT A GLANCE

Water Control Gates



Penstocks / Sluice Gates



Open Channel Gates



Downward Opening Weir Gates



Flap Gates



Stop Logs

Heavy Fabricated Gates



Bulk Head Slide Gates



Roller Gates



Butterfly Gates



Crest Gates



Radial / Tainter Gates



Bonneted Gates

Coarse Screening Equipment



Trash Rack



Jash MMR Screen



"JMR" Multi-rake Screen



Jash Back Rake Screen



Suspended Trash Rack

Fine Screening Equipment



Screenmat Step Screen



Rotoclean Rotary Drum Screen



Rotobrush Rotary Screen



Mahr Perscalator Screen



Travelling Band Screen

Screening Conveying Equipment



Belt Conveyor



Screw Conveyor



Screw Conveyor with wash compactor



Jet Breaker Washer Compactor

Knife Gate Valves



"ZFI" Series Knife Gate Valve



"MONO" Series Knife Gate Valve

Special Purpose Valves



Zero Velocity Valve



Air Cushion Valve



Energy Dissipating Valve

Bulk Solid Handling Valves



Slide Gate Valve - Version ZFB



Swing Gate Valve - Version KU



Double Flap Valve - Version DFG



Fabricated Slide Gate Valve-VEG



Slide Gate Valve-ZFS

Jash Engineering Ltd.

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