



JASH ENGINEERING LTD.

**45th Annual Report
(2018-19)**



Contributing to a sustainable environment



JASH ENGINEERING LIMITED

CIN : L28910MP1973PLC001226

Board of Directors

Mr. Pratik Patel (Managing Director)

Mr. L.D. Amin (Executive Director)

Mr. Axel Schutte (Director)

Mr. Vishwapati Trivedi (Independent Director)

Mr. Brij Mohan Maheshwari (Independent Director)

Mr. Durgalal Tuljaram Manwani (Independent Director)

Mr. Sunil Choksi (Independent Director)

Ms. Sunita Kishnani (Independent Director)

Mr. Dharmendra Jain (Chief Financial Officer)

Mr. Tushar Kharpade (Company Secretary)

Bankers

State Bank of India

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

HDFC Bank Ltd.

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

Statutory Auditors

Walker Chandiok & Co. LLP

(Formerly Walker Chandiok & 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, Arent Heights, PU-3, Sch. No. 54

Opp. Malhar Mega Mall, A.B. Road, Indore

Cost Auditors

M.P. Turukhia & Associates (Cost Accountants)

404, Shalimar Corporate Centre

8-B, South Tukoganj, Indore - 452 001

Secretarial Auditor

CS Ankit Joshi

15/5, Snehlatajanj,

Indore 452 001

Registrar and Share Transfer Agent

Link Intime India Pvt. Ltd.

C101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai 400083

45th Annual General Meeting

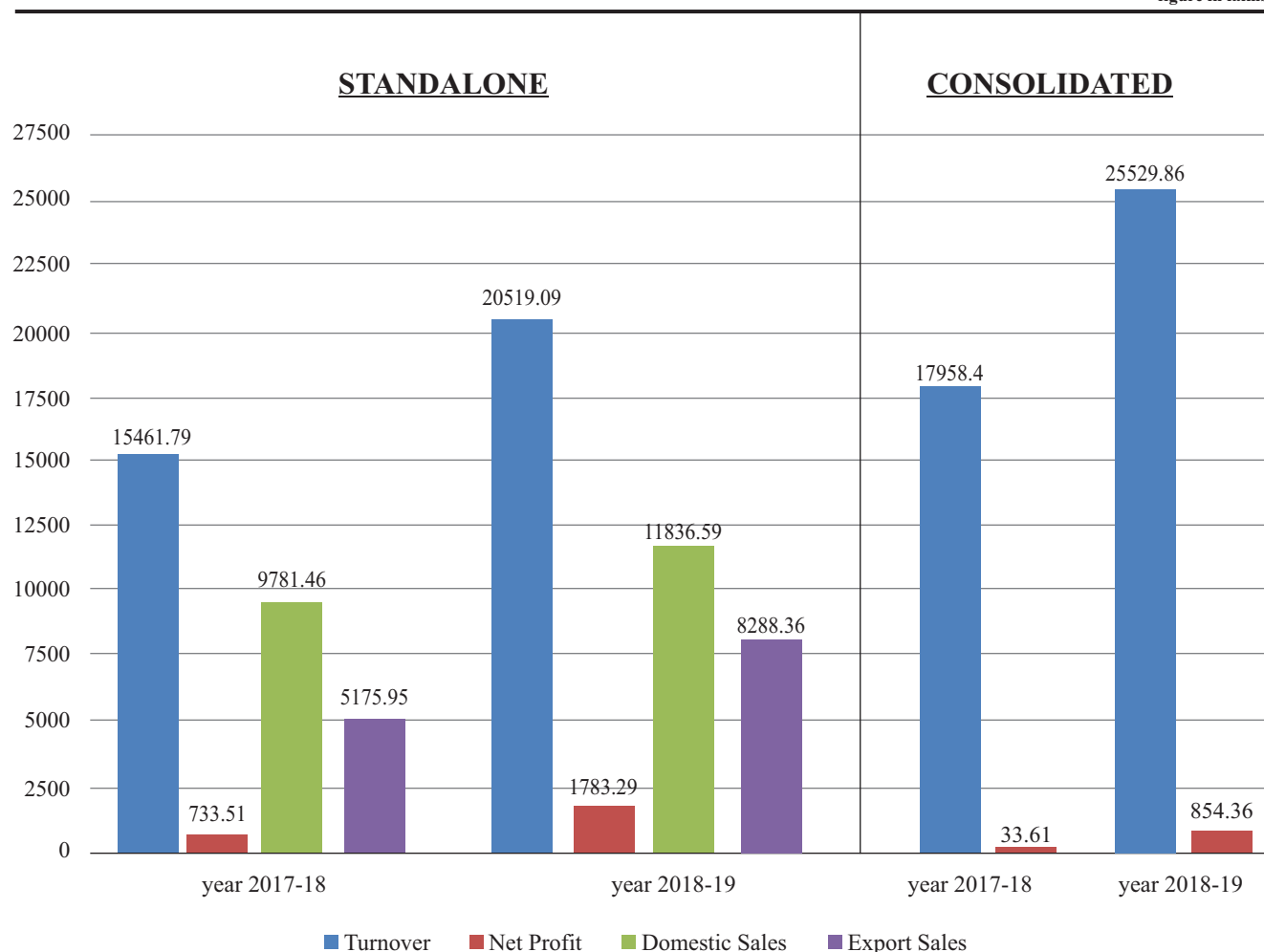
at 11:00 am on Saturday, 14th September, 2019

At the Registered Office of the Company

HIGHLIGHTS OF THE YEAR

1. Financial Year 2018-19 Turnover and Growth of Jash Engineering Limited

*figure in lakhs



2. The construction work of new unit IV at Plot No. M-19, SEZ Phase – 2, Pithampur – 454775, Distt. – Dhar (MP), has been completed during the year. This unit was established to cater to increased export business resulting out of acquisition of Rodney Hunt in USA. The commercial production has commenced w.e.f. 12th July 2019.



HIGHLIGHTS OF THE YEAR

3. Various photographs of new SEZ plant at Pithampur



Fabrication Bay



Machine Shop



Store & Fabrication bay



Assembly Bay

4. The first consignment from the new SEZ unit was dispatched in end July 2019 for Waterfront Fluid Controls Ltd. UK for Project Dalmarnock WWTW of Scottish Water



Open Channel Gate for Dalmarnock WWTW Scottish Water, UK

NOTICE

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

| | | |
|----------------------|---|----------------------------------------------------------------------------|
| Day & Date | : | Saturday, 14 th September 2019 |
| Time | : | 11:00 AM (IST) |
| Venue (Regd. Office) | : | 31, Sector-C, Sanwer Road Industrial Area, Indore (M.P) - 452015, INDIA |

Ordinary Businesses:

- 1 To receive, consider and adopt:
 - a. Audited standalone financial statements of the Company for the financial year ended March 31, 2019 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, 2019 together with the Report of the Auditor's thereon.
- 2 To consider and declare Final Dividend of 15% on the face value of equity shares for the year 2018-19.
- 3 To ratify the appointment M/s Walker, Chandiok & 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 46th 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 Chandiok & Co.LLP Chartered Accountants, Gurgaon (Firm Reg. No. 001076N/N500013) as auditors of the company for the financial year 2019-20 and to hold office from the conclusion of this Annual General Meeting up to the conclusion of the 46th 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 45th AGM and ending at the date of the 46th 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, 2020, 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 continue the appointment of Shri Laxmi Nandan Amin (DIN : 00007735) as a Chairman & Executive Director of the Company for 2 years with effect from 1st April, 2019 to 31st March 2021.

To consider and if thought fit, to pass with or without modification(s), the following resolutions as Special Resolutions:

“RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors and pursuant to the provisions of Sections 196, 197, 198 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, the approval of the Members of the Company be and is hereby accorded for the continuation of appointment and payment of remuneration to Shri Laxmi Nandan Amin (DIN : 00007735) as Chairman & Executive Director of the Company for a period with effect from 1st April, 2019 upto 31st March 2021 on the terms and conditions as mentioned below and specifically approved with powers to the Board of Directors (which term shall be deemed to include any committee thereof for the time being and from time to time, to which all or any of the powers hereby conferred on the Board by this resolution may have been delegated) to alter, amend, vary and modify the terms and conditions of the said continuation of appointment and remuneration payable from time to time 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:

1. **Term of Appointment:** With effect from 1st April, 2019 to 31st March 2021
2. **Remuneration:**
 - I **Basic Salary:** up to a maximum of Rs. 3,75,000/- 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, Shri Laxmi Nandan Amin (DIN : 00007735) 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.

3. **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 Executive 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.
4. **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

Other Terms and Conditions:

- a. Shri Laxmi Nandan Amin (DIN : 00007735), shall be vested with substantial powers of the management subject to the supervision, control and direction of the Board.
- b. As long as Shri Laxmi Nandan Amin (DIN : 00007735) functions as Executive 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 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."

"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 Shri Laxmi Nandan Amin (DIN : 00007735) as Chairman & Executive Director 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 Shri Laxmi Nandan Amin (DIN : 00007735), Chairman & Executive Director 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."

By order of the Board
Jash Engineering Limited

Place: Indore
Date: 13th August 2019

Sd/
Tushar Kharpade
Company Secretary
& Compliance Officer

Notes:

1. The statement pursuant to Sec. 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of Notice.
2. **A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy, duly completed, stamped and signed, should however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting (on or before September 12th, 2019 11:00 hrs IST). Proxies submitted on behalf of limited companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.**
3. **A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.**
4. In terms of Section 101 of the Act and Rule 18 of the Companies (Management and Administration) Rules, 2014, the Notice of AGM and other documents including the Annual Report are being sent in electronic mode by e-mail to those shareholders who have furnished their e-mail address in their demat accounts. However, Members may please note that they will be entitled to a hard copy of the Annual Report of the company and all attachments thereto upon receipt of a requisition, free of cost. Members interested to receive the documents in physical form may please give the intimation to the Company's Registrar Link Intime India Pvt. Ltd. at the earliest, duly quoting the demat A/c details. Alternatively, the request, duly quoting the Demat A/c details, may be sent by email at email id rnt.helpdesk@linkintime.co.in. 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.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, will be available for inspection by the Members at the AGM.
6. **Book Closure and Record Date:** The Register of Members and the Share Transfer Books of the Company will be closed from Sunday, September 8th, 2019 to Saturday, September 14th, 2019 (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 Saturday, September 7th, 2019 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 Saturday, September 7th, 2019.
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 Saturday, September 7th, 2019 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 Saturday, September 7th, 2019.
8. **Unclaimed Dividend: Transfer to Investor Education and Protection Fund:** Members are hereby informed that under the Companies Act, 2013, the Company is obliged to transfer any money lying in the Unpaid Dividend Account, which remains unpaid or unclaimed for a period of seven years from the date of such transfer to the Unpaid Dividend Account, to the credit of the Investor Education and Protection Fund ('the Fund') established by the Central Government. Further, pursuant to the provisions of section 124 of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended ('IEPF Rules'), all the shares on which dividend remain unpaid / unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Hence, the Company urges all the shareholders to encash / claim their respective dividend during the prescribed period.

9. Members/proxyholders and authorised representatives are requested to bring to the Meeting the duly filled in attendance slip enclosed herewith along with their copy of Annual Report. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Act are requested to send to the Company, a certified copy of the Board Resolution authorising representative to attend and vote on its behalf at the Meeting.
10. In case of joint holders attending the Meeting, only such joint holder attending the Meeting who is higher in the order of names as per the Register of Members of the Company will be entitled to vote.
11. Members are requested to: i) Intimate to the Company/ Company's Registrar & Share Transfer Agent, changes if any, in their respective addresses along with the pin code number at an early date. ii) Quote folio numbers in all their correspondences. iii) Consolidate holdings into one folio in case of multiplicity of folios with names in identical orders.
12. Non- Resident Indian Shareholders are requested to inform the Company immediately the change in the residential status on return to India for permanent settlement.
13. The route map to reach the venue of the Annual General Meeting including prominent land mark for easy location forms part of the Notice.
14. The documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (i.e., except Sundays and Public Holidays) during business hours up to the date of the Meeting. The above said documents will be also available for inspection by the members at the Meeting.
15. Relevancy of question and the order of speakers will be decided by the Chairman. Members seeking any information with regard to Annual Accounts at the time of meeting are requested to send their queries to the Company at least 7 days before the date of meeting so as to enable the management to keep the information ready.
16. Shareholders, who are holding the shares in electronic form, are requested to update their email IDs with the concerned demat account, to enable the Company / Registrar to send communications through e-mail.
17. Members are requested to send all communications relating to shares to our Registrar & Share Transfer Agent at the following address Link Intime India Pvt. Ltd, C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083. PH. 022 - 4918 6270 Fax - 022 - 4918 6060 E-mail: mumbai@linkintime.co.in
18. **Instructions for Voting through electronic mode**
 - 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 In time (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.
 - b) The voting period begins on Wednesday, September 11th, 2019 (09.00 a.m.) and ends on Friday, September 13th, 2019 (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, Saturday, September 7th, 2019 may cast their vote electronically. The e-voting module shall be disabled by M/s. Link In time India Pvt. Ltd. for voting thereafter. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
 - c) Persons who have acquired shares and become members of the Company after the dispatch of notice and hold shares as on cut-off date of Saturday, September 7th, 2019 may obtain the login ID and password by sending request at the RTA, M/s. Link In time India Pvt. Ltd at their e-mail enotices@linkintime.co.in.
 - d) The results declared along with the Scrutinizer's Report, will be placed on the website of the Company www.jashindia.com and on the website of <https://instavote.linkintime.co.in> immediately after the declaration of results by the Chairman or a person authorised by him in writing. The results shall also be immediately forwarded to the Stock Exchanges where the Company's shares are listed viz., National Stock Exchange of India Limited (SME). The results shall also be displayed on the notice board at the Registered Office of the Company.

Instructions for shareholders to vote electronically:**❖ Log-in to e-Voting website of Link Intime India Private Limited (LI IPL)**

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

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

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

| | For Shareholders holding shares in Demat Form or Physical Form |
|-----------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| PAN | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field. |
| DOB/ DOI | Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format. |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number.</p> <ul style="list-style-type: none"> Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (4-c). |

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

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

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

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

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

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

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

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View “Event No” of the company, you choose to vote.
7. On the voting page, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting. Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.
9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “YES”, else to change your vote, click on “NO” and accordingly modify your vote.
10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

❖ **General Guidelines for shareholders:**

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

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

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

By order of the Board
Jash Engineering Limited

Place: Indore
Date: 13th August 2019

Sd/
Tushar Kharpade
Company Secretary
& Compliance Officer

ANNEXURE TO THE NOTICE

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

Item No. 5

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

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

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

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for all its existing manufacturing units for manufacture of Steel Products and Machinery and Mechanical appliances during the financial year ending March 31, 2020 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, 2020. 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

Shri Laxmi Nandan Amin was re-appointed as a Managing Director of the Company pursuant to provisions of Sections 196, 197, 203 read with Schedule V to the Companies Act, 2013 by the members of the Company at the Annual General Meeting held on 19th September, 2014 for a period of 5 years w.e.f. 1st April, 2014 and his term has ended on 31st March, 2019. As per the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in their respective meetings held on 28th May 2019 subject to approval of Members at this Annual General Meeting and considering the activities, responsibilities and contribution of Shri Laxmi Nandan Amin in development and growth of the Company, consent of the Members was sought for the continuation of appointment of Shri Laxmi Nandan Amin as Chairman & Executive Director of the Company for further period of 2 years w.e.f. 1st April, 2019 to 31st March, 2021, on the terms and conditions as set out in this item of the Notice.

Shri Laxmi Nandan Amin satisfied all the conditions set out in Part-I of Schedule V to the Companies Act, 2013 (including any amendments thereto) as also the conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for the appointment. Disclosure under Regulation 36(3) of the Listing Regulations and Secretarial Standard-2 issued by the Institute of Company Secretaries of India are set out in the enclosure to the Explanatory Statement. Accordingly, consent of the Members is sought for passing Special Resolution as set out in this item of the Notice for appointment of Shri Laxmi Nandan Amin as Chairman & Executive Director of the Company w.e.f. 1st April, 2019 for 2 years upto 31st March 2021.

Mr. Laxminandan Amin is an Indian National and has been a Director since incorporation of the Company. He holds a bachelor's degree in Mechanical engineering from Sardar Patel University, Vallabh Vidyanagar, Gujarat. He has the responsibility of managing the overall functions of the company. His elongated knowledge, extensive skills and practices have facilitated in the immense development of the company. He has been associated with the Company since incorporation.

Under the able leadership of Shri Laxmi Nandan Amin, the Company since incorporation has seen drastic growth in production, utilization of plant capacity, technical advancement and levels of profitability and dividend payout and a good level of management. Shri Laxmi Nandan Amin has experience of more than 4 decades in successfully managing the state of affairs of the Company especially the matters concerning to management, quality production, and achieving growth through domestic and overseas acquisitions of wholly owned subsidiaries

The Board of Directors of the Company has received formal approval from the Nomination & Remuneration Committee regarding proposal to continue the appointment of Shri Laxmi Nandan Amin as a Chairman & Executive of the Company for the aforesaid period as per terms and conditions and other details as mentioned in above resolution of this Notice, on basis the fact that Shri Laxmi Nandan Amin has signified his consent in prescribed format and the fact that he is not disqualified for the said appointment, if approved at the said AGM.

The Board of Directors of the Company express their confidence and trust in the competence and vision of Shri Laxmi Nandan Amin for and thus recommends to the shareholders of the Company, to consider passing the Special Resolution mentioned in the Item No. 7 of the Notice of the AGM, with amendments, if any, at the upcoming AGM.

None of the Directors and Key Managerial Personnel of the Company and their relatives, except Shri Laxmi Nandan Amin himself and his relatives is concerned or interested, financial or otherwise in the resolutions set out as Item No. 7

By order of the Board
Jash Engineering Limited

Place: Indore
Date: 13th August 2019

Sd/
Tushar Kharpade
Company Secretary
& Compliance Officer

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

Enclosure I to Notice of AGM 2019

| | | | |
|----|-------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------------------------------------------------------------|
| 1 | Name in Full | Axel Schutte | Laxmi Nandan Amin |
| 2 | DIN | 02591276 | 00007735 |
| 3 | Age | 66 years | 82 Years |
| 4 | Father's name/ Husband name in full | Mr. Alfred Hans Schutte | Shri Dadubhai Amin |
| 5 | Business occupation | Business | Business |
| 6 | Present nationality | Germany | Indian |
| 7 | Nationality of origin | Germany | Indian |
| 8 | No. of shares held in the company | 7,70,000 Eq. Shares | 2,67,385 Eq. Shares |
| 9 | Educational Qualification | B.A. (Economics) | B.E. (Mechanical) |
| 10 | Expertise/Experience in specific functional areas | He has an enormous experience of over 37 years in the Engineering Industry | He has an enormous experience of over 40 years in the Engineering Industry |
| 11 | Date of first Appointment on the Board | 30 th September 1995 | Since Incorporation |
| 12 | Remuneration Last Drawn | NIL | Rs. 46,34,204 (Total Remuneration drawn in FY 2018-19) |
| 13 | Relationship with other Directors, manager and Key Managerial Personnel of the company | Not relative of other Directors, manager and Key Managerial Personnel of the company | Uncle of Mr. Pratik Patel |
| 14 | List of outside Company's directorships/ Membership/ Chairmanship of Committees of other boards | NIL | 1. Shivpad Engineers Pvt. Ltd 2. Jash USA Inc. |

Enclosure II To Notice of AGM 2019**PROPOSED RELATED PARTY TRANSACTIONS 2019-20**

| Sr. No. | 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 2019-20 | Salient Terms of the Contracts or Arrangement or Transactions | Monetary Value (Rs.) |
|---------|---------------------------------------|---------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------|--------------------------------------------------------------------------|----------------------|
| 1 | Jash Precision Tools Pvt. Ltd. | Sale | Mr. Pratik Patel Mr. L. D. Amin | A private company in which a director or his relative is a member or director | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 10,00,00,000/- |
| 2 | Shivpad Engineers Pvt Ltd. | Sale | Mr. Pratik Patel Mr. L. D. Amin | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 10,00,00,000/- |
| 3 | Jash USA Inc. | Sale | Mr. Pratik Patel Mr. L. D. Amin | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 10,00,00,000/- |
| 4 | Mahr Maschinenbau Ges.m.b.h | Sale | - | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 5,00,00,000/- |
| 5 | Engineering & Manufacturing Jash Ltd. | Sale | 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/- |
| 6 | Micro Flat Datums Pvt. Ltd. | Sale | Mr. Pratik Patel Mr. L. D. Amin | a private company in which a director or his relative is a member or director | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 5,00,00,000/- |
| 7 | Rodney Hunt Inc. | Sale | - | SDS of JASH USA INC. | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 50,00,00,000/- |
| 8 | Jash Precision Tools Pvt. Ltd. | Purchase | Mr. Pratik Patel Mr. L. D. Amin | a private company in which a director or his relative is a member or director | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 5,00,00,000/- |

| | | | | | | | |
|----|-----------------------------------|------------|------------------------------------|-------------------------------------------------------------------------------|------------|--------------------------------------------------------------------------------|---------------|
| 9 | Shivpad Engineers Pvt Ltd. | Purchase | Mr. Pratik Patel Mr. L. D. Amin | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 5,00,00,000/- |
| 10 | Jash USA Inc. | Purchase | Mr. Pratik Patel Mr. L. D. Amin | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 5,00,00,000/- |
| 11 | Jash Precision Tools Pvt. Limited | Job Work | Mr. Pratik Patel Mr. L. D. Amin | a private company in which a director or his relative is a member or director | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 2,50,00,000/- |
| 12 | Jash USA Inc. | Job Work | Mr. Pratik Patel Mr. L. D. Amin | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 2,00,00,000/- |
| 13 | JASH Flowcon Engineers | Job Work | Mr. Pratik Patel Mr. L. D. Amin | A firm, in which a director, manager, or his relative is a partner | Continuous | As per agreed terms & on Arm's Length and in ordinary course of business | 2,00,00,000/- |
| 14 | Micro Flat Datums Pvt. Ltd. | Purchase | Mr. Pratik Patel Mr. L. D. Amin | a private company in which a director or his relative is a member or director | Continuous | As per agreed terms & on Arm's Length basis | 2,00,00,000/- |
| 15 | Jash USA Inc. | Supply | Mr. Pratik Patel Mr. L. D. Amin | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length basis and in ordinary course of business | 1,00,00,000/- |
| 16 | Patamin Investments Pvt Ltd. | Lease | Mr. Pratik Patel | a private company in which a director or his relative is a member or director | Continuous | As per agreed terms & on Arm's Length basis | 2,00,00,000/- |
| 17 | Mahr Maschinenbau Ges.m.b.h | Commission | - | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length basis | 50,00,000/- |
| 18 | Mahr Maschinenbau Ges.m.b.h | Services | - | Wholly Owned Subsidiary | Continuous | As per agreed terms & on Arm's Length basis | 1,00,00,000/- |

FORM NO. MGT- 11**PROXY FORM**

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

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

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

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

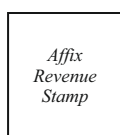
1. Name:.....
Address:.....
E-mail Id:.....
Signature:..... or failing him
2. Name:.....
Address:.....
E-mail Id:.....
Signature:..... or failing him
3. Name:.....
Address:.....
E-mail Id:.....
Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General Meeting of the Company, to be held on the **Saturday, 14th September, 2019** at 11.00 a.m. at Plot No. 31, C-Sector, Sanwer Road, Industrial Area, Indore-452 015 (M.P.) INDIA and at any adjournment thereof in respect of such resolutions as are indicated below:

* I wish my above Proxy to vote in the manner as indicated in the box below:

| Sr. No. | Resolutions | For | Against |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|---------|
| | ORDINARY BUSINESS | | |
| 1. | The Audited financial statement of the Company for the financial year ending 31st March, 2019, | | |
| 2. | To consider and declare Final Dividend of 15% on the face value of equity shares for the year 2018-19 | | |
| 3. | To ratify reappointment M/s Walker Chandiok & Co Chartered Accountants, Gurgaon as Auditors of the Company for the period commencing from the conclusion of this meeting till the conclusion of the 46 th Annual General Meeting to be held in year 2020 and to fix their remuneration. | | |
| 4. | To appoint a Director in place of Mr. Axel Schutte (DIN: 02591276) who retires by rotation and, being eligible, offers himself for re-election. | | |
| | SPECIAL BUSINESS | | |
| 5. | To consider and, if thought fit to pass with or without modification(s), the following resolution for the approval of Related Party Transactions as an Ordinary Resolution | | |
| 6. | To consider and if, thought fit to pass with or without modification(s), the following resolution for ratifying the remuneration of Cost Auditor of the Company as an Ordinary Resolution | | |
| 7. | To continue the appointment of Shri Laxmi Nandan Amin (DIN: 00007735) as a Chairman & Executive Director of the Company for 2 years with effect from 1st April, 2019 to 31st March 2021 and in this regard consider and if though fit to pass with or without modification(s), the following resolution as an Special Resolution | | |

Signed this..... day of..... 2019



Signature of shareholder

Signature of Proxy holder(s)

Note:

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

JASH ENGINEERING LIMITED

CIN: L28910MP1973PLC001226

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

45th Annual General Meeting**ATTENDANCE SLIP**

ANNUAL GENERAL MEETING ON SATURDAY, 14th SEPTEMBER, 2019

Registered Folio No/ Client Id No

Full Name of Member (in BLOCK LETTERS)

No. of Shares held

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

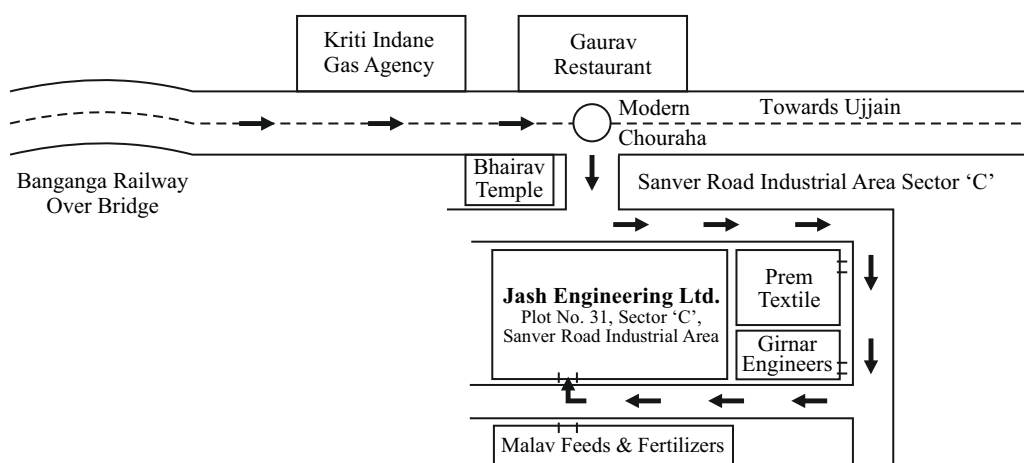
I/We hereby record my/our presence at the 45th Annual General Meeting of the Company at Plot No. 31, Sector-C, Sanwer Road, Industrial Area, Indore-452 015 (M.P.) INDIA on Saturday, 14th September, 2019.

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

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

Note:

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.
3. Electronic copy of the Annual Report for 2018-19 and Notice of Annual General Meeting (AGM) along with attendance slip and proxy form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip

Map For AGM Venue

DIRECTOR'S REPORT

To,
The Members of
JASH ENGINEERING LIMITED

Your Directors have pleasure in presenting the 45th Directors' Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March, 2019.

1. FINANCIAL HIGHLIGHTS

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The standalone and consolidated financial highlights of your Company for the Financial Year ended March 31st, 2019 are summarized below:

A. STANDALONE FINANCIAL HIGHLIGHTS

| | (Rs. In Lacs) | |
|-----------------------------------------------------------|----------------------|----------------------|
| Particulars | 2018-19 | 2017-18 |
| Sales and other Income | 20,519.09 | 15,461.79 |
| Expenditure other than financial charges and depreciation | 17,183.22 | 13,479.60 |
| Gross Profit before Interest, Depreciation & Taxes | 3,335.87 | 1,982.19 |
| Less: Interest & Financial Charges | 694.61 | 606.56 |
| Depreciation | 499.13 | 447.47 |
| Less: Earlier years adjustments | - | - |
| Net profit before tax for the year | 2,142.12 | 928.16 |
| Provisions for tax | 452.11 | 176.63 |
| Minimum Alternate Tax | (35.54) | - |
| Deferred Tax Liabilities / (Assets) | (58.09) | 13.21 |
| Previous year tax adjustments | 0.36 | 4.81 |
| Net Profit after Tax | 1,783.29 | 733.51 |
| No. of Equity Shares | 11,836,598.00 | 11,836,598.00 |
| Earnings Per Share | 15.07 | 6.90 |

B. CONSOLIDATED FINANCIAL HIGHLIGHTS

| | (Rs. In Lacs) | |
|-----------------------------------------------------------|-----------------|-----------------|
| Particulars | 2018-19 | 2017-18 |
| Sales and other Income | 25529.86 | 17958.4 |
| Expenditure other than financial charges and depreciation | 22591.19 | 16581.07 |
| Gross Profit before Interest, Depreciation & Taxes | 2938.66 | 1377.33 |
| Less: Interest & Financial Charges | 786.49 | 680.89 |
| Depreciation | 689.80 | 574.3 |
| Less: Earlier years adjustments | - | - |
| Net profit before tax for the year | 1462.36 | 122.14 |
| Provisions for tax | 552.91 | 209.31 |
| Minimum Alternate Tax | (35.54) | - |
| Deferred Tax Liabilities / (Assets) | 89.58 | (126.93) |
| Previous year tax adjustments | 1.05 | 6.14 |
| Net Profit after Tax | 854.36 | 33.62 |
| No. of Equity Shares | 11836598 | 11836598 |
| Earnings Per Share | 7.22 | 0.32 |

2. STATE OF AFFAIRS OF THE COMPANY:

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

(A) YEAR IN RETROSPECT

(i) PERFORMANCE

In the financial year 2018-19 the company achieved significant growth in its turnover.

The standalone total revenue of the Company for the year at Rs. 20519.09 lacs (Rs. 2015.90 million) shows a growth of approximately 32.71% over the previous year turnover of Rs. 15461.79 lacs (Rs. 1546.17 million). The standalone domestic sales of the Company during the year was Rs. 11836.59 lacs (Rs. 1183.56 million) as compared to previous year sales of Rs. 9781.46 lacs (Rs. 978.14 million), exhibiting an increase of 21% over the previous year. The standalone export sales of the Company during the year was Rs. 8288.36 lacs (Rs. 828.83 million) as compared to previous year sales of Rs. 5175.95 lacs (Rs. 517.95 million), exhibiting an increase of 60 % over the previous year. The net profit of the Company for the year was Rs. 1783.29 (Rs. 178.32 million) as compared to previous year net profit of Rs. 733.51 lacs (Rs. 73.35 million), showing a growth of approximately 143.12 % over the previous year.

The Consolidated total revenue of the Company for the year at Rs. 25529.86 lacs (Rs. 2552.98 million) shows a growth of approximately 42.15% over the previous year turnover of Rs. 17958.40 lacs (Rs. 1795.84 million). The Consolidated net profit of the Company for the year was Rs. 854.36 (Rs. 85.43 million) as compared to previous year net profit of Rs. 33.61 lacs (Rs. 3.31 million), showing a growth of approximately 2441.2 % over the previous year.

The main reason for the consolidated net profit being lower than the standalone net profit is the losses from US business.

Our acquisition of Rodney Hunt brand in USA in September 2016 gave us an entry into a USD 150 million dollar market. That the acquisition of this brand was the right step can be seen from the fact that after acquiring Rodney Hunt, our US business has grown from USD 1 million dollars (Rs. 691.17 .00 lacs) in 2016-17 to USD 5.5 million (Rs. 3804.35 0 lacs) in 2017-18 and to USD 10.5 million (Rs. 7262.85 lacs) in 2018-19. The Company expects that the US business will contribute approximately USD 25 million (Rs. 1729.25 million) to its revenue by year 2023.

Due to the changed circumstances in USA after advent of Donald Trump in January 2017, it became imperative to start a manufacturing facility in USA to meet urgent delivery requirement of 3-4 months for some projects, to meet “Make in USA” terms for some of the projects and at the same time increase confidence of the clients in USA about the company. In view of this, the manufacturing facility of Rodney Hunt was acquired by the company in Orange, Massachusetts, USA in July 2017. This was a large facility and before acquisition it was decided that this facility will be divided in two parts of which smaller part will be retained by the company as US manufacturing facility and bigger part will be sold off. An agreement to sell the other part comprising of over 25 acres of land with over 300,000 square feet of manufacturing shed and offices has been signed with a buyer and he shall pay the agreed sum upon sanctioning of his loan from his bankers before the end of this year.

The smaller part comprising of approx. 5 acres of land with approx. 60,000 square feet of manufacturing shed has been retained for starting manufacturing activities under Rodney Hunt in USA. After relocation of machinery and induction of manufacturing people, the new Rodney Hunt facility has commenced production in August 2018 and is now producing gates and screens for projects in USA. In the first full year of operation in 2019-20, this facility is expected to produce products worth USD 2.5-3 million (Rs. 1750 – 2100 lacs) and eventually this facility will start contributing upto 5-6 million dollars in sales in next 3 years time.

The acquisition in US and start of manufacturing in US is quite recent and this business is still developing. We expect this to stabilize by the current year and breakeven by next year when the revenue is expected to cross USD 17 million (Rs. 11900 lacs). This will contribute upto Rs. 5000 lacs (Rs. 500 million) to Indian operations wherein the company is able to realize a contribution of close to Rs. 1500 lacs (Rs. 150 million).

(ii) NEW ACTIVITIES & DEVELOPMENTS

The civil construction work and installation of machinery for the Unit 4 at SEZ Pithampur was done in Financial year 2018-19. The Commercial Production at this plant has commenced from 12th July 2019 and this facility shall tremendously help in meeting increasing export business.

The company has achieved stupendous progress in Auto generation of drawings resulting into capability to complete the work of General Arrangement Drawings and Manufacturing drawings within less than 10% of the time taken earlier. Investment in Auto Generation of drawings will result into our being able to cut down the total delivery period by up to 25 days from that existing earlier, reduce error and significantly improve profitability of the company in the long term due to peripheral benefits accrued.

The company developed and manufactured for the first time Bascule type Crest gates of 40 feet width and 2 feet height for supply to Rodney Hunt for their Chocolate Batou project of Gulf coast water authority, Texas, USA. The company also carried out detailed engineering and drawings for another Bascule type Crest gates of 100 feet width and 6 feet height for Rodney Hunt's Green mountain power dam, USA. This gate will be manufactured in Rodney Hunt facility at Orange, MA, USA.

The company also carried out development of special type of Aluminum stoplogs for prevention of flooding at LaGuardia Airport, Newyork. This project will be completed by third quarter of 2019.

(iii) UTILIZATION OF IPO PROCEEDS

The proceeds realized by the Company from the Issue has been utilized as per the Objects of the Issue. The proceeds of the issue has been utilized for to meet working capital requirement of our Company, Expansion of Manufacturing facilities at Unit I, II and III, To acquire leased land and to set- up new manufacturing plant at SEZ Pithampur (i.e. Proposed Unit IV) and General Corporate Purposes. The Company has submitted detail statement towards the utilization of the issue proceeds under Note no. 44 of the notes to the accounts of the financials for the FY 2018-19.

(iv) SUBSIDIARIES**1. SHIVPAD ENGINEERS PVT. LTD.**

The total revenue of the Company for the FY 2018-19 was Rs. 1356.66 lacs (Previous year Rs. 978.97 lacs). The Company registered a profit of Rs. 251.95 lacs (Previous year Rs. 102.47) during the year under review.

2. JASH USA INC. / RODNEY HUNT INC.

The total revenue of the Company for the FY 2018-19 was USD 10.74 million (equivalent to Rs. 7433.13 lacs) Previous year USD 5.72 million (equivalent to Rs. 3956.76 lacs). The Company registered a loss of USD -1.52 million (equivalent to Rs. -1054.94 lacs) [Previous year USD - 1.01 million (equivalent to Rs. -701.19 lacs)] during the year under review.

3. Engineering & Manufacturing JASH Limited

The total revenue of the Company for the FY 2018-19 was HKD 1.24 million (equivalent to Rs. 111.31 lacs) [Previous year HKD 2.81 million (equivalent to Rs. 233.71 lacs). The Company registered a loss of HKD -0.061 million (equivalent to Rs. - 5.47 lacs) (Previous year HKD - 0.039 million (equivalent to Rs. - 3.29 lacs)] during the year under review.

4. Mahr Maschinenbau Ges.m.b.H

The total revenue of the Company for the FY 2018-19 was Euro 0.172 million (equivalent to Rs. 134.19 - lacs) [Previous year Euro.175 million (equivalent to Rs. 141.22. lacs)]. The Company registered a loss of Euro -0.195 million (equivalent to Rs. -152.27 lacs) [Previous year Euro -0.119 (equivalent to Rs -96.24 lacs)] during the year under review

(B) PROSPECTS FOR YEAR 2019-20**(I) DOMESTIC MARKET SITUATION:**

The standalone domestic order book position of the Company as on 1st August 2019 (Orders in hand as on 1st April 2019 plus orders received till 31st July 2019 less sales effected till 31st July end 2019) is Rs. 12369.00 lacs. Further orders worth Rs. 752.00 lacs (Rs. 75.20 million) are already negotiated and expected to be received within next two month from domestic market.

The potential of Indian water and waste water industry is enormous on account of the burgeoning urban and semi-rural population and the fact that even after 70 years of independence the total waste water treatment does not meet even 50% of total country requirement. The city of Mumbai has invited tenders for projects worth over Rs 15,000 crores to take care of only its waste water treatment needs till year 2034 and this will result into over Rs 200 crores worth of business for company's products. Above investment does not cover investments required by Mumbai for water and storm water management which is a sore point affecting loss of business and lives every year due to flooding in the city 2 to 3 times during monsoon. This should well give an idea of the monstrous investments required for the entire country to be at par infrastructurally with global standards.

Domestically we are banking on the recent National Green Tribunal order on waste water treatment output quality and the NDA government policy of "Water for all" & "Namami Gange" to achieve significant growth in revenue in the coming years.

Overall the company performance in the domestic market is expected to improve based on revival in the Indian water and waste water projects business, strong order book position, new product launches and general improvement in projects execution. However Indian infrastructure industry is limping due to cash flow crisis, partially inflicted by banks and partially by delayed payment by executing agencies. This can lead to projects getting stuck and deliveries getting delayed. Nearly 55% of our revenues are still coming from Indian business and so some part of our growth will be affected if higher percentage of Indian projects are affected by this crisis. We are looking at overall year on year growth between 17% to 23% in the year 2019-20. However if many Indian projects are affected by this crisis then projected growth in domestic market will come down to 14%-20% range.

(ii) INTERNATIONAL MARKET SITUATION:

The standalone export order book position of the Company as on 1st August 2019 (Orders in hand as on 1st April 2019 plus orders received till 31st July 2019 less sales effected till 31st July 2019) is Rs. 5758.00 lacs.

Further orders worth Rs. 798.00 lacs (Rs. 79.80 million) are already negotiated and expected to be received within next two month from export market.

The company has got its first export order for 4 number screw pumps from Malaysia worth approximately Rs. 415 Lacs (Rs. 41.5 million) and now expects significant growth in this business in Malaysia and South East Asian region. The company has also received its biggest export order for Knife gate valves from Singapore worth approximately Rs. 1566 lacs (Rs. 156.6 million) and on the basis of this order is expecting significant increase in new orders from Singapore for Knife gate valves. Singapore is investing nearly 4 billion dollars in Tuas water reclamation project wherein over Rs 250 crores worth of company's products will be required. The company expects orders worth over 75 crores from Singapore in next 2 years time. The company expects robust growth in the export orders from markets in South East Asia, Far East Asia, Middle East and UK.

The company have been able to grow our export business to North America significantly by virtue of acquisition of Rodney Hunt in USA. In the year 2017-18 our revenue from sales to Rodney Hunt was Rs. 2284.25 Lacs (Rs. 228.42 million) and this has grown to Rs. 3310.58 Lacs (Rs. 331.10 million) in year 2018-19. This is the major cause for growth in the company revenue and profitability in the year 2018-19. We expect robust growth in revenue from North America in current year as well.

We are looking at overall year on year growth between 25% to 30% in the year 2019-20. However, if execution of projects are affected by the Trade war waged by US with various countries then the projected growth in export market will come down to 20%-25% range.

(iii) SALES GROWTH:

(a) JASH ENGINEERING LIMITED

The total standalone order book position of the company as on 31st July 2019 (Orders in hand as on 1st April 2019 plus orders received in from 1st April 2019 till 31st July less sales effected till 31st 2019) is Rs. 18127.00 lacs (Rs. 1812.70 Million).

On the basis of the current order book position and expected order inflow, we are looking at overall year on year growth between 17% to 23% in the year 2019-20.

(b) SUBSIDIARIES

1. SHIVPAD ENGINEERS PVT. LTD.

The total order book position of the company as on 31st July 2019 (Orders in hand as on 1st April 2019 plus orders received in from 1st April 2019 till 31st July less sales effected till 31st 2019) is Rs. 1388.00 lacs (Rs. 138.80 Million). The sales effected till 31st July is Rs 453.00 lacs.

On the basis of the sales already realized, the current order book position and expected order inflow, we are looking at an overall growth between 38% to 40% in the year 2019-20.

2. JASHUSAINC./RODNEYHUNTINC.

“The total order book position of the company as on 31st July 2019 (Orders in hand as on 1st April 2019 plus orders received in from 1st April 2019 till 31st July less sales effected till 31st 2019) is USD 9.497 Million. The sales effected till 31st July is USD 3.151 Million.

On the basis of the sales already realized, the current order book position and expected order inflow, we are looking at overall year on year growth between 35% to 45% in the year 2019-20”.

3. ENGINEERING & MANUFACTURING JASH LIMITED

“The total order book position of the company as on 31st July 2019 (Orders in hand as on 1st April 2019 plus orders received from 1st April 2019 till 31st July less sales effected till 31st 2019) is USD 0.126 Million.

4. MAHR MASCHINENBAU GES.M.B.H

“The total order book position of the company as on 31st July 2019 (Orders in hand as on 1st April 2019 plus orders received from 1st April 2019 till 31st July less sales effected till 31st 2019) is USD .0035 Million.

(C) FUTURE GROWTH STRATEGY

The company has decided following strategic priorities to make itself stronger in future.

- Strategy for Market Spread - To ensure revenue from exports reach 65% of total revenue by year 2023 of which North America should be contributing 35% and rest of world 30%. This will reduce over dependency on any one market.
- Strategy for Product Spread - To improve product spread by ensuring that company has at least 5 product groups each having contribution varying between 15-25% in the turnover.
- Strategy for Improved PAT Margins - To improve PAT margins to over 12% on the basis of growth in Export business, higher value-added products and reduction in overheads.

(D) OTHER DEVELOPMENTS:

(i) COLLABORATION WITH INVENT AG, GERMANY:

In line with Company strategy to improve product spread the company has entered into technical tie up with INVENT AG, Germany to manufacture Disc filters in India and commercial production for these products will be started in year 2020. The scope of tie up with Invent will be subsequently be increased by adding Mixer-Aerators in the coming years. All these new products should be able to bring additional 15% to the domestic revenues of the company once manufacturing and sales of these products achieve its potential in next 3 to 4 years time.

3. DIVIDEND:

The Board has recommend a dividend of 15% on F.V. fully paid up shares i.e. Rs. 1.5/- per share of Rs.10/- each for the year 2018-19.

4. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a. that in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently. Judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019.
- c. that they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d. that they have prepared the Annual Accounts on a going concern basis;
- e. that they have laid down internal financial controls for the company and such internal financial controls were adequate and were operating effectively.
- f. that they have devised proper systems to ensure compliance with the provisions of all applicable laws and such system are adequate and operating effectively.

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

For the financial year ended 31st March, 2019, Your Company has not transferred any amount to General Reserve out of profits available for appropriation.

6. 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, 2019. 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.

7. 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.

8. 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 2018-19 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under “Corporate Social Responsibility (CSR)”, the Company has undertaken activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013. The Annual Report on CSR activities is annexed herewith as “Annexure A”.

9. 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. 2018 -19 | No. of complaints filed during the F.Y. 2018 - 19 | No. of complaints pending as at the end of F.Y. 2018 -19 |
|-------------------|-------------------------------------------------------------|---------------------------------------------------|----------------------------------------------------------|
| Sexual Harassment | Nil | Nil | Nil |

10 OCCUPATIONAL HEALTH & SAFETY (OH&S)

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

11. RISK MANAGEMENT:

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

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

12. INTERNAL CONTROL:

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

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

The Internal Control System provides for well documented policies/guidelines, authorizations and approval procedures. Your Company, through its Internal Auditors M/s. Mahesh C Solanki & Co, Chartered Accountants, engaged as Internal auditors for the financial year 2018-19 carried out periodic audits at all locations and functions based on the plan approved by the Audit Committee and brought out any deviation to Internal Control procedures. The observations arising out of the audit are periodically reviewed and compliance ensured.

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

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

13. VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES :

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

14. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE OF THE COMPANY

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

Further the Company does not have any associate or joint venture company at the beginning or closing or any time during the year 2018-19.

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

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

15. BOARD OF DIRECTORS, THEIR MEETINGS & KMPs

The Board of directors are comprising of total 8 (Eight) Directors, which includes 5 (Five) Independent. The Board members are highly qualified with the varied experience in the relevant field of the business activities of the Company, which plays significant roles for the business policy and decision making process and provide guidance to the executive management to discharge their functions effectively.

| S.No. | Director Name | DIN | Designation |
|-------|-------------------------------|----------|-------------------------------|
| 1. | MR. LAXMINANDAN AMIN | 00007735 | CHAIRMAN & EXECUTIVE DIRECTOR |
| 2. | MR. PRATIK PATEL | 00780920 | MANAGING DIRECTOR |
| 3. | MR. AXEL SCHUTTE | 02591276 | DIRECTOR |
| 4. | MR. DURGALAL TULJARAM MANWANI | 07114081 | INDEPENDENT DIRECTOR |
| 5. | MR. SUNIL CHOKSI | 00155078 | INDEPENDENT DIRECTOR |
| 6. | MR. BRIJ MOHAN MAHESHWARI | 00022080 | INDEPENDENT DIRECTOR |
| 7. | MS. SUNITA KISHNANI | 06924681 | INDEPENDENT WOMEN DIRECTOR |
| 8. | MR. VISHWAPATI TRIVED | 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 is having total 8 directors in the Board out of them the following directors are independent directors;

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

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

Declaration by the Independent Directors

All the Independent Directors have given their declaration of Independence stating that they meet the criteria of independence as prescribed under section 149(6) of the Companies Act, 2013. Further that the Board is of the opinion that all the independent directors fulfill the criteria as laid down under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015 during the year 2018-19.

Changes in Directors and Key Managerial Personnel

1. Mr. Vishwapati Trivedi (DIN: 00158435) has been appointed as Additional Director under Independent Category of the Company w.e.f. 13th August 2018. His appointment was also approved by the Members at Annual General Meeting held on 21st September 2018 for period of five years.
2. Mr. Laxmi Nandan Amin was re-appointed as the Managing Director of the Company as per agreed terms with effect from 01st April 2014 for a period of 5 years ending on 31st March 2019 and his appointment was confirmed by the Members at the Annual General Meeting held on 19th September 2014 by way of special resolution as per applicable provisions of the erstwhile Companies Act, 2013 and rules made thereunder read with other applicable provisions of the law in force for the time being. As per the terms and conditions of appointment tenure as a Managing Director ended on 31st March 2019 and the board has approved the continuation of Mr. Laxmi Nandan Amin as a Chairman & Executive Director of the company in the meeting dated 28th May 2019 for two years w.e.f. 01.04.2019 subject to approval of shareholders in the upcoming general meeting.

MEETINGS OF THE BOARD

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

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

The following Meetings of the Board of Directors were held during the Financial Year 2018-19:

| S.No. | Date of Meeting |
|-------|--------------------------------|
| 1. | 29 th May 2018 |
| 2. | 13 th August 2018 |
| 3. | 13 th November 2018 |
| 4. | 11 th February 2019 |

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

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

Annual evaluation by the Board

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

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

The evaluation involves self-evaluation by the Board Member and subsequently assessment by the Board of directors. A member of the Board will not participate in the discussion of his/her evaluation. In a separate meeting of independent directors, performance of non-independent directors, the board as a whole and the Chairman of the Company were evaluated, taking into account the views of executive directors and non-executive directors and the Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

CODE OF CONDUCT:

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

17. COMMITTEES OF THE BOARD

The Company has following Committees:

AUDIT COMMITTEE:

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

The Composition of Audit Committee is as follow:

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

NOMINATION AND REMUNERATION COMMITTEE:

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

The Composition of Nomination & Remuneration Committee are as follow:

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

STAKEHOLDERS' RELATIONSHIP COMMITTEE :

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

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

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

EXECUTIVE & BORROWING COMMITTEE

| S.No. | Name | Nature of Directorship | Designation in Committee |
|-------|----------------------|------------------------|--------------------------|
| 1 | MR. LAXMINANDAN AMIN | EXECUTIVE DIRECTOR | CHAIRMAN |
| 2 | MR. PRATIK PATEL | MANAGING DIRECTOR | MEMBER |

18. RELATED PARTY TRANSACTIONS

All Related Party Transactions that were entered into during the Financial Year 2018-19 were on Arm's Length Basis and were in the Ordinary Course of business. There are no materially significant Related Party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

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

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

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

20. AUDITORS, THEIR REPORT & COMMENTS BY THE MANAGEMENT

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

for ratification by the Members for appointment as Statutory Auditors of the Company for Financial Year 2018-19. As required under Regulation 33(d) of the SEBI (LODR) Regulation, 2015, the auditor has also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

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

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Ankit Joshi, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the year, 2018-19. The Report of the Secretarial Auditors in Form MR-3 is annexed herewith as "Annexure E" of this report.

The Secretarial Audit Report for the year 2018-19 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 time line 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. 24.36 lacs during the financial year 2018-19, however the Company has spent Rs. 2.10 lacs only during the year 2018-19.

Management Response to Point No (2) : The company has contributed Rs.2.10 lakhs during the year towards CSR initiatives. The areas targeted by the Company were new therefore the planning and management of activities was not so smooth and took a reasonable amount of time.

COST AUDITOR

Section 148 of the Companies Act, 2013 pertaining to audit of cost records is applicable to the Company. The Board has appointed M/s M. P. Turakhia & Associates, Cost Accountant to audit the cost records of your company for the financial year 2018-19.

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 2018-19. 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 2019-20 also.

21. 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 year 2018-19.

22. CORPORATE GOVERNANCE:

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

23. CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

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

Except that as stated in the relevant places, the material changes, development, regarding project which is ongoing, from the 31st March, 2019 till the date of the Board Reports, there are no material changes which may affect the financial position of the Company.

26. THE INDIAN ACCOUNTING STANDARDS (IND-AS)

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

In view of the planning of migration to mainboard during financial year 2019-20, the board has adopted IND AS for the preparation of financials of year 2019-20.

27. EMPLOYEES' STOCK OPTION SCHEME

Stock options have long been recognized internationally as an effective instrument to align the interest of employees with those of the company and its shareholders, providing an opportunity to employees to share the growth of the company, and to create long term wealth in the hands of the employees. It creates a sense of ownership between the company and its employees, paving the way for a unified approach to the common objective of enhancing overall shareholders value.

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). In view of that the scheme in the name of "Jash Engineering Employee Stock Option Scheme 2019" has been formulated by the company subject to approval of the shareholders of the Company. The Company can grant up to 5,75,000 options to the eligible employees of the Company and its subsidiaries under the "Jash Engineering Employee Stock Option Scheme 2019".

28. EXTRACT OF ANNUAL RETURN

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

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

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

30. MANAGEMENT DISCUSSION AND ANALYSIS

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

31. INDUSTRIAL RELATIONS

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

32. PREVENTION OF INSIDER TRADING

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

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

32. CAUTIONARY STATEMENT

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

33. ACKNOWLEDGMENTS

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

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

Place: Indore
Date: 13th August 2019

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

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

ANNEXURE A

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

2. The composition of the CSR Committee:

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

3. Average net profit of the company for the last three financial years: Rs. 1218.00lacs

| Financial Year | Profit (Rs. In Lacs) |
|----------------------------------|----------------------|
| 2015-16 | 1284.00 |
| 2016-17 | 1442.00 |
| 2017-18 | 928.00 |
| Total | 3654.00 |
| Average of the above said profit | 1218.00 |
| 2% of Average Profit | 24.36 |

4. Prescribed CSR Expenditure (2 percent of the amount as in item 3 above): Rs. 24.36 lacs
5. Details of CSR spend during the financial year.
- a) Total amount to be spent for the financial year: Rs. 24.36 Lacs
 - b) Total amount spent during the financial year: Rs. 2.10 Lacs
 - c) Amount unspent of FY 2018-19, if any: Rs. 22.26 Lacs
 - d) Manner in which the amount spent during the financial year is detailed below. (Rs. In Lacs)

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
|-------|-------------------------------------|-----------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------------------------|
| S. No | CSR project or activity identified. | Sector in which the Project is covered. | Projects or programs (1) Local Area or other (2) Specify the State and district where projects or programs was undertaken | Amount outlay (budget) project programs wise (Rs. in Lakhs) | Spent on the projects or programs Sub subheads (1) Direct expenditure on projects or programs. Overheads: (Rs.in Lakhs) | Cumulative expenditure upto the reporting period (Rs.in Lakhs) | Amount spent: Direct or through implementing agency (Rs.in Lakhs) |
| 1 | Ved Vignan Mahavidya Peeth | Education | Local Area i.e. Indore (MP) | Rs. 2.10 Lacs | Rs. 2.10 Lacs | Rs. 7.83 Lacs | Rs. 7.83 Lacs |

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

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

Place: Indore

Date: 13th August 2019

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

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

“ANNEXURE B”**Form No. AOC-1**

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

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

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

| S. No. | 1 | 2 | 3 | 4 | 5 |
|--------|------------------------------------------------------------------------------------------------------------------------------|------------------------------------------|---------------|----------------------------|--------------------------------------------|
| 1 | Name of the subsidiary | Shivpad Engineers Pvt. Ltd. | Jash USA Inc. | 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 69.17 | EURO 77.70 | HKD 8.92 |
| 4 | Share capital | 1,350,300 | 168,612,112 | 2,823,339 | 8.92 |
| 5 | Reserve & surplus | 62,807,680 | (251,028,997) | 125,983,872 | 2,730,537 |
| 6 | Total assets | 98,268,974 | 576,927,395 | 95,210,794 | 14,889,514 |
| 7 | Total liabilities | 98,268,974 | 576,927,395 | 95,210,794 | 14,889,514 |
| 8 | Investments | - | - | - | - |
| 9 | Turnover (Total Revenue) | 135,666,194 | 743,313,409 | 13,419,210 | 11,131,803 |
| 10 | Profit before taxation | 35,110,034 | (90,646,247) | (15,226,969) | (547,688) |
| 11 | Provision for taxation | - | - | - | - |
| 12 | Profit after taxation | 25,195,435 | (105,494,418) | (15,226,969) | (547,688) |
| 13 | Proposed Dividend | 400% (Final Dividend for the FY 2018-19) | - | - | - |
| 14 | % of shareholding | 100 | 100 | 100 | 100 |

Part “B” : Associates over joint venture - N.A.

Name of subsidiaries yet to commence operations: Not Applicable

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

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

Place: Indore

Date: 13th August 2019

Sd/
Pratik Patel
DIN : 00780920
Managing Director

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

“Annexure - C”**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, Senior Management and Other Employees has been formulated by the Nomination and Remuneration Committee (hereinafter referred to as NRC or the Committee) and has been 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 longterm value creation for shareholders.

DEFINITIONS:

“**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;

“**Key Managerial Personnel**” means:

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

“**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.

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:

The role of the NRC will be the following:

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

- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

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.

EVALAUTION:

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/ KEY MANAGERIAL PERSONNEL/ 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 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 there quisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

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.

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 shall be published on website of the Company.

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

Place: Indore

Date: 13th August 2019

Sd/
Pratik Patel
DIN : 00780920
Managing Director

Sd/
Laxminandan Amin
DIN : 00007735
Chairman &
Executive Director

“ANNEXURE- D”

Form No. AOC-2

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

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

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

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

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

| S. No. | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Nature of Relation | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|--------|---------------------------------------------------------|---------------------------------------------------|---------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|--------------------------------------------------------------------------------------------|------------------------------------------|---------------------------------|
| 1 | Jash Precision Tools Limited | Sale to | Public Company in which Director is holding along with his relative more than 2% of its paid up share capital | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 2 | Schutte Meyer Ashwath Alloys Pvt Ltd | | a private company in which a director or his relative is a member or director | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 3 | Shivpad Engineers Private Limited | | Wholly Owned Subsidiary | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 4 | Jash USA INC. | | Wholly Owned Subsidiary | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 5 | Mahr Maschinenbau GmbH | | Wholly Owned Subsidiary | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |

| | | | | | | | |
|-----|---------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------|---------|--------------------------------------------------------------------------|---------------------------|---|
| 6 | Microflat Datums Pvt. Ltd. | | a private company in which a director or his relative is a member or director | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 7. | Schutte Industrieservice GmbH | | Through Director & their relative | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 8. | Engineering & Manufacturing Jash Ltd. | | Wholly Owned Subsidiary | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 9. | Schütte Meyer Technical Services GmbH | | Through Director & their relative | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 10. | Rodney Hunt INC. | | SDS of JASH USA INC. | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 11 | Jash Precision Tools Limited | Purchase from | Public Company in which Director is holding along with his relative more than 2% of its paid up share capital | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 12 | Schutte Meyer Ashwath Alloys Pvt Ltd | | a private company in which a director or his relative is a member or director | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 14 | Schuttee Meyer India Pvt. Ltd. | | a private company in which a director or his relative is a member or director | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 15 | Micro-Flat Datums Pvt. Ltd. | | a private company in which a director or his relative is a member or director | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 16 | Shivpad Engineers Private Limited | | Wholly Owned Subsidiary | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |

| | | | | | | | |
|----|-------------------------------------|----------------------|---------------------------------------------------------------------------------------------------------------|---------|--------------------------------------------------------------------------|---------------------------|---|
| 17 | MahrMaschinenbau GmbH | Services from | Wholly Owned Subsidiary | Ongoing | As per agreed terms & on Arms' Length and in ordinary course of business | 29 th May 2018 | - |
| 18 | Microflat Datums Pvt. Ltd. | | a private company in which a director or his relative is a member or director | Ongoing | As per agreed terms & on Arms' Length | 29 th May 2018 | - |
| 19 | Jash Precision Tools Limited | | Public Company in which Director is holding along with his relative more than 2% of its paid up share capital | Ongoing | As per agreed terms & on Arms' Length | 29 th May 2018 | - |
| 20 | Jash Precision Tools Limited | Services To | Public Company in which Director is holding along with his relative more than 2% of its paid up share capital | Ongoing | As per agreed terms & on Arms' Length | 29 th May 2018 | - |
| 21 | Jash USA INC. | Supply to | Wholly Owned Subsidiary | Ongoing | As per agreed terms & on Arms' Length | 29 th May 2018 | - |
| 22 | 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 | 29 th May 2018 | - |

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

Place: Indore

Date: 13th August 2019

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

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

“ANNEXURE-E”

Form MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019**

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

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

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, 2019** 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, 2019 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.
- (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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
 - (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

- (c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
- (d) 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 (NSE Emerge – SME Platform);

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 Company was required to spend CSR Contribution of Rs. 24.36 lacs during the financial year 2018-19, however the Company has spent Rs. 2.10 lacs only during the year 2018-19.*

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: 10th August .2019

Place: Indore

CS Ankit Joshi

Practicing Company Secretary

MNo. A50124

CoPNo. 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: 10th August .2019

Place: Indore

CS Ankit Joshi

Practicing Company Secretary

MNo. A50124

CoPNo. 18660

Annexure II'

To,

The Members,**Jash Engineering Limited****L28910MP1973PLC001226**

31, Sector-C, Sanwer Road,

Industrial Area, Indore 452 015 (M.P.)

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: 10th August .2019

Place: Indore

CS Ankit Joshi

Practicing Company Secretary

MNo. A50124

CoPNo. 18660

“Annexure - F”

[Conservation of energy, Technology absorption and foreign exchange earnings & outgo]*[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies Accounts) Rules, 2014]*

| (A) CONSERVATION OF ENERGY | | | |
|----------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|
| (I) | the steps taken or impact on conservation of energy; | The 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 already installed the DG Set as a standby power arrangement and for alternate source of energy. | |
| (III) | the capital investment on energy conservation equipment's | NIL | |
| (B) | 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 | 2018-19 | 2017-18 |
| | | NIL | NIL |
| (D) | FOREIGN EXCHANGE EARNINGS AND OUTGO | | |
| | | 2018-19 | 2017-18 |
| (i) | The Foreign Exchange earned in terms of actual inflows during the year; | Rs.7214.24 lacs | Rs. 4768.64 lacs |
| (ii) | And the Foreign Exchange outgo during the year in terms of actual outflows. | Rs. 560.11 lacs | Rs. 382.93 lacs |

“Annexure -G”

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2019

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

| I. | REGISTRATION AND OTHER DETAILS: | |
|------|---------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| i) | CIN | L28910MP1973PLC001226 |
| ii) | Registration Date | 29/09/1973 |
| iii) | Name of the Company | JASH ENGINEERING LTD |
| iv) | Category/Sub-Category of the Company | Non-govt company |
| v) | Address of the Registered office and contact details | 31,SECTOR-C, SANWER ROAD, INDUSTRIEL AREA INDORE (MP) Telephone : 0091-731- 6732700 Email : info@jashindia.com |
| vi) | Whether listed company | Yes National Stock Exchange Limited (SME) |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Pvt. Ltd C 101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai – 400083, Ph. No.-022 - 4918 6200 FAX: 022 - 4918 6060 E-MAIL ID: rnt.helpdesk@linkintime.co.in |

| II. | PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: | | | |
|-----|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------|----------------------------------|------------------------------------|
| | All the business activities contributing 10 % or more of the total turnover of the company shall be stated: | | | |
| | S.No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
| | 1 | Gates & Stoplogs | 251-2511-25119 | 48.9 |
| | 2 | Screens | 281-2812-28120 | 22.3 |
| | 3 | SPG Valves | 251-2511-25119 | 18.3 |

| III. | PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : |
|------|------------------------------------------------------------------------------|
| | No. of Companies for which information is being filled is mentioned below: 5 |

| S.No. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY/ ASSOCIATE | % of shares held | Applicable Section |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|--------------------------------|------------------|-------------------------------------------------|
| 1 | SHIVPAD ENGINEERS PVT. LTD. Regd. Office: Plot No. 31, Sector C, Sanwer Road Industrial Area, Indore (M. P.)-452015 | U33112MP1994 PTC035661 | Wholly Owned Subsidiary | 100% | Section 2 (87) (ii) of the Companies Act, 2013. |

| | | | | | |
|---|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------------------------------------------|------|----------------------------------------------------------|
| | Admin. Office: Plot No. 3/86-E, A.T.C. Street, 2 nd Main Road, Ambattur, Chennai – 600058 Tamilnadu, India Phone No. +91 44 48606201 / 48606203 | | | | |
| 2 | MAHR MASCHINENBAU GES.M.B.H Kupferschmiedgasse 8, A-2201 Hagenbrun, AUSTRIA Phone No. +43 2246 3521 | Foreign Company | Wholly Owned Subsidiary | 100% | Section 2 (87) (ii) of the Companies Act, 2013. |
| 3 | ENGINEERING & MANUFACTURING JASH LTD 812, Silvercord Tower 1, 30 Canton Road, Tsimshatsui, Kowloon, Hong Kong | Foreign Company | Wholly Owned Subsidiary | 100% | Section 2 (87) (ii) of the Companies Act, 2013. |
| 4 | JASH INC. USA 4800 Sugar Grove BLVD STE 602, Stafford , TX USA 77477 | Foreign Company | Wholly Owned Subsidiary | 100% | Section 2 (87) (ii) of the Companies Act, 2013. |
| 5 | RODNEY HUNT INC. 6200, Savoy Dr Ste 750 Houston, Taxes, 77036 USA | Foreign Company | Step down Subsidiary (SDS) of JASH USA Inc. | 100% | Section 2 (87) (ii) of the Companies Act, 2013. |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

| Category-wise Share Holding | | | | | | | | | |
|-----------------------------------------------------------|-----------------------------------------------------------------|----------|------------------|-------------------|-----------------------------------------------------------|----------|------------------|-------------------|--------------------------|
| Category of Shareholders | No. of Shares held at the beginning of the year (01.04.2018) | | | | No. of Shares held at the end of the year (31.03.2019) | | | | % Change during the year |
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 5,710,891 | - | 5,710,891 | 48.24 | 5,737,291 | - | 5,737,291 | 48.47 | 0.23 |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt (s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp. | 403,000 | - | 403,000 | 3.40 | 403,000 | - | 403,000 | 3.40 | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (1):- | 6,113,891 | - | 6,113,891 | 51.64 | 6,140,291 | - | 6,140,291 | 51.87 | 0.23 |
| (2) Foreign | | | | | | | | | |
| a) NRIs – Individuals | 231,357 | - | 231,357 | 1.95 | 231,357 | - | 231,357 | 1.95 | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-total (A) (2):- | 231,357 | - | 231,357 | 1.95 | 231,357 | - | 231,357 | 1.95 | - |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 6,345,248 | - | 6,345,248 | 53.60 | 6,371,648 | - | 6,371,648 | 53.82 | 0.23 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |

| | | | | | | | | | | |
|----------|-----------------------------------------------------------------------------------|-------------------|------------------|-------------------|---------------|-------------------|------------------|-------------------|---------------|---------------|
| | c) Central Govt | - | - | - | - | - | - | - | - | - |
| | d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| | e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| | f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| | g) FIIs | - | - | - | - | - | - | - | - | - |
| | h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| | i) Alternate Investment Funds | 1,772,400 | - | 1,772,400 | 14.97 | 1,668,000 | - | 1,668,000 | 14.09 | (0.88) |
| | j) Foreign Portfolio Investor | 188,400 | - | 188,400 | 1.59 | 174,000 | - | 174,000 | 1.47 | (0.12) |
| | k) Others (specify) | - | - | - | - | - | - | - | - | - |
| | Sub-total (B)(1):- | 1,960,800 | - | 1,960,800 | 16.56 | 1,842,000 | - | 1,842,000 | 15.56 | (1.00) |
| | 2. Non-Institutions | | | | | | | | | |
| | a) Bodies Corp. | | | | | | | | | |
| | i) Indian | 194,197 | 2,500 | 196,697 | 1.66 | 146,900 | 2,500 | 149,400 | 1.26 | (0.40) |
| | ii) Overseas | - | - | - | - | - | - | - | - | - |
| | b) Individuals | | | | | | | | | |
| | i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 1,227,424 | 92,300 | 1,319,724 | 11.14 | 1,590,150 | 75,300 | 1,665,450 | 14.07 | 2.93 |
| | ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh" | 629,464 | 71,500 | 700,964 | 5.92 | 461,900 | 82,450 | 544,350 | 4.60 | (1.32) |
| | c) Others (specify) | | | | | | | | | |
| | i. Hindu Undivided Family | 145,600 | - | 145,600 | 1.23 | 115,600 | - | 115,600 | 0.98 | (0.25) |
| | ii. Non-Resident Indians | 176,200 | 911,950 | 1,088,150 | 9.19 | 205,000 | 911,950 | 1,116,950 | 9.44 | 0.25 |
| | iii. Clearing Member | 79,415 | - | 79,415 | 0.67 | 31,200 | - | 31,200 | 0.26 | (0.41) |
| | Sub-total (B)(2):- | 2,452,300 | 1,078,250 | 3,530,550 | 29.82 | 2,550,750 | 1,072,200 | 3,622,950 | 30.61 | 0.80 |
| | Total Public Shareholding (B)=(B)(1)+(B)(2) | 4,413,100 | 1,078,250 | 5,491,350 | 46.39 | 4,392,750 | 1,072,200 | 5,464,950 | 46.17 | (0.22) |
| C | Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| | Grand Total (A+B+C) | 10,758,348 | 1,078,250 | 11,836,598 | 100.00 | 10,764,398 | 1,072,200 | 11,836,598 | 100.00 | |

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| B. Shareholding of Promoters | | | | | | | | |
|------------------------------|-----------------------|-------------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------|----------------------------------|--------------------------------------------------|-------------------------------------------|
| S. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
| | | (01.04.2018) | | | (31.03.2019) | | | |
| | | No. of Shares | % of total Shares of the company | %of Shares Pledged / encumbere d to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Pratik Patel | 19,11,465 | 16.15 | - | 19,21,065 | 16.23 | - | 0.08 |
| 2 | Harsh Patel | 4,50,000 | 3.80 | - | 4,50,000 | 3.80 | - | - |
| 3 | Rasesh Amin | 4,41,550 | 3.73 | - | 4,42,750 | 3.74 | - | 0.01 |
| 4 | Pallavi U Patel | 4,23,772 | 3.58 | - | 4,23,772 | 3.58 | - | - |
| 5 | Girish Patel | 3,81,985 | 3.22 | - | 3,83,185 | 3.24 | - | 0.02 |
| 6 | Suresh Patel | 3,36,806 | 2.84 | - | 3,36,806 | 2.84 | - | - |
| 7 | Pravin Patel | 3,24,579 | 2.74 | - | 3,24,579 | 2.74 | - | - |
| 8 | Laxminandan Amin | 2,67,385 | 2.26 | - | 2,67,385 | 2.26 | - | - |
| 9 | Bhairavi Patel | 2,52,308 | 2.13 | - | 2,52,308 | 2.13 | - | - |
| 10 | Avani Patel | 1,97,357 | 1.67 | - | 1,97,357 | 1.67 | - | - |
| 11 | Laxmi Nandan Amin HUF | 1,77,568 | 1.50 | - | 1,77,568 | 1.50 | - | - |
| 12 | Geeta Patel | 1,25,491 | 1.06 | - | 1,25,491 | 1.06 | - | - |
| 13 | RohitArvindbhai Patel | 82,723 | 0.70 | - | 83,923 | 0.71 | - | 0.01 |
| 14 | Kartik Amin | 60,679 | 0.51 | - | 63,079 | 0.53 | - | 0.02 |
| 15 | Pratik N Patel Huf | 57,500 | 0.49 | - | 57,500 | 0.49 | - | - |
| 16 | Rahul U Patel | 55,807 | 0.47 | - | 59,407 | 0.50 | - | 0.03 |
| 17 | Rekha Patel | 53,906 | 0.46 | - | 53,906 | 0.46 | - | - |
| 18 | Ekta Patel | 52,676 | 0.45 | - | 52,676 | 0.45 | - | - |
| 19 | Shakuntla Ben Patel | 44,250 | 0.37 | - | 44,250 | 0.37 | - | - |
| 20 | TejalJaydeep Desai | 37,500 | 0.32 | - | 37,500 | 0.32 | - | - |
| 21 | Utpal Patel | 34,000 | 0.29 | - | 34,000 | 0.29 | - | - |
| 22 | Chintan Patel | 33,254 | 0.28 | - | 36,854 | 0.31 | - | 0.03 |

| | | | | | | | | |
|----|-------------------------------------|------------------|--------------|---|------------------|--------------|---|-------------|
| 23 | Archana Rasesh Amin | 31,900 | 0.27 | - | 31,900 | 0.27 | - | - |
| 24 | Rhutvik Patel | 21,450 | 0.18 | - | 21,450 | 0.18 | - | - |
| 25 | Rohan R Patel | 21,450 | 0.18 | - | 21,450 | 0.18 | - | - |
| 26 | Swati Desai | 20,330 | 0.17 | - | 20,330 | 0.17 | - | - |
| 27 | Shreedevi R Patel | 19,973 | 0.17 | - | 19,973 | 0.17 | - | - |
| 28 | Jesal Patel | 10,750 | 0.09 | - | 10,750 | 0.09 | - | - |
| 29 | G J Patel HUF | 4,500 | 0.04 | - | 4,500 | 0.04 | - | - |
| 30 | Kruti Patel | 3,000 | 0.03 | - | 3,000 | 0.03 | - | - |
| 31 | Kajal Patel | 2,917 | 0.02 | - | 2,917 | 0.02 | - | - |
| 32 | Payal R Patel | 2,917 | 0.02 | - | 2,917 | 0.02 | - | - |
| 33 | Mitali Amin | 500 | - | - | 4,100 | 0.03 | - | 0.03 |
| 34 | Patamin Investments Private Limited | 4,03,000 | 3.40 | - | 4,03,000 | 3.40 | - | - |
| | TOTAL | 63,45,248 | 53.59 | - | 63,71,648 | 53.82 | - | 0.23 |

C. Change in Promoters' Shareholding :

| S.No. | Name | Shareholding at the beginning of the year | | Increase/Decrease in Shareholdings | | | Cumulative Shareholding during the year | |
|-------|----------------------------|-------------------------------------------|----------------------------------|------------------------------------|---------------|----------------------------------|-----------------------------------------|----------------------------------|
| | | No. of Shares | % of total Shares of the company | Reason | No. of shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Mr. Pratik Patel | 1,911,465 | 16.15 | Market Purchase | 9,600 | 0.08 | 1,921,065 | 16.23 |
| 2 | Mr. Rasesh Amin | 441,550 | 3.73 | Market Purchase | 1,200 | 0.01 | 442,750 | 3.74 |
| 3 | Mr. Girish Patel | 381,985 | 3.22 | Market Purchase | 1,200 | 0.02 | 383,185 | 3.24 |
| 4 | Mr. Rohit Arvindbhai Patel | 82,723 | 0.70 | Market Purchase | 1,200 | 0.01 | 83,923 | 0.71 |
| 5 | Mr. Kartik Amin | 60,679 | 0.51 | Market Purchase | 2,400 | 0.02 | 63,079 | 0.53 |
| 6 | Mr. Rahul U Patel | 55,807 | 0.47 | Market Purchase | 3,600 | 0.03 | 59,407 | 0.5 |
| 7 | Mr. Chintan Patel | 33,254 | 0.28 | Market Purchase | 3,600 | 0.03 | 36,854 | 0.31 |
| 8 | Ms. Mitali Amin | 500 | - | Market Purchase | 3,600 | 0.03 | 4,100 | 0.03 |

| D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) | | | | | | |
|-----------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|--------------------|--------------------------------------------------|-----------------------------------------|--------------------------------------------|-----------------------------------------|
| S.No. | Name | Particulars | Shareholding at the beginning of the year | | Shareholding at the end of the year | |
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES I | Equity Shares | 5,94,000 | 5.02 | 5,94,000 | 5.02 |
| 2 | DSP BLACKROCK EMERGING STARS FUND | Equity Shares | 5,20,800 | 4.40 | 4,16,400 | 3.52 |
| 3 | BLUE LOTUS CAPITAL MULTI BAGGER FUND I | Equity Shares | 3,42,000 | 2.89 | 3,42,000 | 2.89 |
| 4 | SUNDARAM ALTERNATIVE OPPORTUNITIES FUND - NANO CAP SERIES II | Equity Shares | 2,37,600 | 2.01 | 2,37,600 | 2.01 |
| 5 | INDIA MULTI BAGGER FUND I | Equity Shares | 1,54,800 | 1.31 | 1,74,000 | 1.47 |
| 6 | PRIYAL CHETAN KOTHARI | Equity Shares | 1,04,400 | 0.88 | 1,04,400 | 0.88 |
| 7 | NIKHIL VORA | Equity Shares | 94,800 | 0.80 | 94,800 | 0.80 |
| 8 | TARANG AMIN | Equity Shares | 82,450 | 0.70 | 82,450 | 0.70 |
| 9 | AVENDUS PHOENIX FUND | Equity Shares | 78,000 | 0.66 | 78,000 | 0.66 |
| 10 | SANJAY CHUNILAL SHAH | Equity Shares | - | - | 54,000 | 0.46 |

| E. Shareholding of Directors and Key Managerial Personnel | | | | | | |
|------------------------------------------------------------------|----------------------|--------------------|--------------------------------------------------|-----------------------------------------|------------------------------------------------|-----------------------------------------|
| S.No. | Name | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Mr. Laxminandan Amin | Equity Shares | 2,67,385 | 2.26 | 2,67,385 | 2.26 |
| 2 | Mr. Pratik Patel | Equity Shares | 19,11,465 | 16.15 | 19,21,065 | 16.23 |
| 3 | Mr. Axel Schutte | Equity Shares | 7,70,000 | 6.51 | 7,70,000 | 6.51 |
| 4 | Mr. Dharmendra Jain | Equity Shares | 7,500 | 0.06 | 7,500 | 0.06 |

| V. INDEBTEDNESS: | | | | |
|------------------------------------------------------------|-----------------------------------------|------------------------|-----------------|---------------------------|
| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 46,33,59,366 | 21,39,164 | - | 46,54,98,530 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 46,33,59,366 | 21,39,164 | - | 46,54,98,530 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 11,48,94,600 | - | - | 11,48,94,600 |
| Reduction | - | - | - | - |
| Net Change | 11,48,94,600 | - | - | 11,48,94,600 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 57,82,53,966 | - | - | 57,82,53,966 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 57,82,53,966 | - | - | 57,82,53,966 |

VI. REMUNERATION OF DIRECTOR AND KMP**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

| S.No. | Particular of Remuneration | Mr. Pratik Patel | Mr. L. D. Amin | Total |
|--------------|-------------------------------------------------------------------------------------|-------------------------|-----------------------|--------------------|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 48,61,270 | 42,19,034 | 90,80,304 |
| | (b) Value of perquisites u/s 17(2) Income Tax Act, 1961 | 39,600 | 39,400 | 79,000 |
| | (c) Profits in lieu of salary u/s 17(3) Income Tax Act, 1961 | - | - | - |
| 2 | Stock Options | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | | | - |
| | - as % of profit | 5,63,655 | 3,75,770 | 9,39,425 |
| | Others, please specify.... | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total | 54,64,525 | 46,34,204 | 1,00,98,729 |

B. Remuneration to other Directors:**1. Independent Directors:**

| S.No. | Particular of Remuneration | Mr. D. T. Manwani | Mr. B. M. Maheshwari | Ms. Sunita Kishnani | Mr. Sunil Chouksi | Mr. Vishwapati Trivedi | Total |
|-------|---------------------------------------------|-------------------|----------------------|---------------------|-------------------|------------------------|-----------------|
| 1 | -Fee for attending Board/Committee Meetings | 1,00,000 | 1,00,000 | 75,000 | 75,000 | 25,000 | 3,75,000 |
| 2 | -Commission | - | - | - | - | - | - |
| 3 | - Others, please specify | - | - | - | - | - | - |
| | Total B1 | 1,00,000 | 1,00,000 | 75,000 | 75,000 | 25,000 | 3,75,000 |

2. Other Non-Executive Directors:

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

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

| S.No. | Particular of Remuneration | Mr. Tushar Kharpade (CS) | Mr. Dharmendra Jain (CFO) | Total |
|-------|---------------------------------------------------------------------------------|--------------------------|---------------------------|------------------|
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of Income Tax Act, 1961 | 5,55,502 | 26,67,550 | 32,23,052 |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | - | 2,52,000 | 2,52,000 |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | - | - | - |
| 2 | Stock Options | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | | | |
| | - as % of profit | - | - | - |
| | - Others, specify.... | - | - | - |
| 5 | Others, please specify | - | - | - |
| | Total C | 5,55,502 | 29,19,550 | 34,75,052 |

VII. PENALTY/PUNISHMENT/COMPOUNDING OF OFFENCES

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

This space has been intentionally left blank)

Annexure H”**Particulars of Employees**

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

I. Ratio and remuneration of Directors & KMPs

| S. No. | Name | Designation | Remuneration for the year 2018-19 (Rs.) | Remuneration for the year 2017-18 (Rs.) | % Increase in Remuneration | Ratio Between Director or KMP and Median Employee |
|--------|---------------------------|------------------------------------------|-----------------------------------------|-----------------------------------------|----------------------------|---------------------------------------------------|
| 1 | LAXMI NANDAN AMIN | Managing Director (up to the 31.03.2019) | 46,34,204 | 4877632 | - | 20.77 |
| 2 | PRATIK PATEL | Managing Director | 54,64,525 | 5788470 | - | 24.49 |
| 3 | AXEL SCHUTTE | Director | - | - | - | - |
| 4 | BRIJ MOHAN MAHESHWARI | Independent Director | 1,00,000 | 50,000 | 100 | 0.45 |
| 5 | SUNIL KUMAR CHOKSI | Independent Director | 75,000 | 25,000 | 200 | 0.34 |
| 6 | SUNITA KISHNANI | Independent Director | 75,000 | 50,000 | 50 | 0.34 |
| 7 | DURGALAL TULJARAM MANWANI | Independent Director | 1,00,000 | 50,000 | 100 | 0.45 |
| 8 | VISHWAPATI TRIVEDI* | Independent Director | 25000 | - | - | 0.11 |
| 9 | TUSHAR KHARPADE | CS | 5,55,502 | 4,83,156 | 14.97 | 2.49 |
| 10 | DHARMENDRA JAIN | CFO | 29,19,550 | 27,56,529 | 5.91 | 13.08 |

* Appointed on dated 13th August 2018

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. 2,23,143.00 during the year 2018-19. The increase in the remuneration of Median Employee was 20.81% during financial year under review.

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

As on 31st March, 2019 the total number of employees over 500

IV. 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 2019 is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

V. Particulars of top 10 employee in respect of the remuneration drawn during the year 2018-19 are as under

v. Particulars of the top 10 employee in respect of the remuneration drawn during the year 2018-19 are as under.

| S.N o. | Name of Employee | Designation of the employee | Remuneration received | nature of employment, whether contractual or otherwise | Qualifications and experience of the employee | date of commencement of employment | the age of such employee | the last employment held by such employee before joining the company | whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager | Remarks |
|--------|----------------------|-------------------------------|-----------------------|--------------------------------------------------------|-----------------------------------------------|------------------------------------|--------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|---------|
| 1. | BHUVANESH CHANDRA | V.P. Operation | 3860247 | On roll (Permanent) | B.E. Electricals | 26-09-2015 | 15-04-1978 | Roto Pump Ltd. | No | - |
| 2. | DURGESH KUMAR TIWARI | Sr. G.M. Design & Development | 3036515 | On roll (Permanent) | B.E. Mechanical | 10-10-2016 | 08-10-1968 | WEIR Minrals India Pvt. Ltd. | No | - |
| 3. | H.N. NAGARAJ | Asst. V.P. Marketing | 2813773 | On roll (Permanent) | MBA Finance | 14-01-2002 | 05-03-1950 | Precision Gears Ltd., Indore | No | - |
| 4. | RISHI CHOPRA | A.G.M. Mkt. | 2366851 | On roll (Permanent) | Master of Engineering Mgmt | 04-01-2017 | 06-03-1980 | Suez Environment | No | - |
| 5. | NITHYANADHAM KV | Sr. Manager | 1980093 | On roll (Permanent) | PG Diploma & B.Tech | 25-09-2017 | 05-06-1984 | (MWH) Global now part of Stantec Pune India | No | - |
| 6. | SAMIT PANCHAL | G.M. | 1675573 | On roll (Permanent) | MBA & Diploma (Material Management) | 07-03-2018 | 05-12-1967 | Pacific Cyber Tech. | No | - |
| 7. | CHANDRESH PAREEK | Dy. G.M. Tech. Services | 1675091 | On roll (Permanent) | Diploma in Mechanical Engineering | 09-07-2007 | 05-07-1961 | HuberGM Equipments Pvt. Ltd. | No | - |
| 8. | YOGESH HOLKAR | Asst. G.M. Marketing | 1653089 | On roll (Permanent) | B.E. Mechanical | 26-02-2009 | 19-01-1966 | Inheart gases Pvt. Ltd., pithampur | No | - |
| 9. | VIJAYAKUMAR D. | Sr. Manager Production | 1542510 | On roll (Permanent) | B.E. Mechanical | 04-03-2013 | 23-05-1967 | VAAS Industries Pvt. Ltd. | No | - |
| 10. | MANISH KUMAR SINGH | Manager | 1469387 | On roll (Permanent) | B.E. | 01-09-2016 | 10-11-1981 | G.E (ALSTOM India Ltd) | No | - |

Annexure I”**MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT****INDUSTRY STRUCTURE AND DEVELOPMENTS**

The global water and wastewater treatment market report by Market Research Future (MRFR) studies the market size, which is predicted to show an increase to USD 73.25 billion by 2023 at a CAGR of 5.33%. The development of the market is owing to the stringent government regulations for industries and rising urbanization.

Increasing demand for clean water owing to rising population, industrialization, and rapid urbanization from emerging markets is resulting in a marked rise in the adoption of the water treatment equipments. Water treatment consists of chemical and physical separation processes to remove unstable elements and contaminants from water. Increasing requirements for minimized global water footprint and optimum quality yields in emerging economies such as Asia Pacific, are anticipated to drive the market.

The wastewater treatment technology is growing significantly over the years due to the proliferation of population and industries. The wastewater technology is widely used in various industries such as food & beverages, chemicals, pharmaceuticals, pulp & paper, municipal water & wastewater treatment, metal & mining, textiles and more. Wastewater treatment process is used to convert wastewater into an affluent, which can return to the water cycle and reused for several purposes. Different methods such as chemical, biological, and physical are used for removing impurities and waste products from the water.

All these urges for the cleaning of water which is, in turn, driving the growth of water and wastewater treatment market with a positive pull. The Government is also taking adequate steps for the development of waste-water and e-waste industry and such steps will generate positive business growth for this sector.

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 waste water pumping stations and treatment plants, storm water pumping stations, water transmission lines, power, steel, cement, paper & pulp, petrochemicals, chemical, fertilizers and other process plants.

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

The Company's customer base is 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 is continuously doing development activities to produce best of its products as per the need of customers. The market is growing in developing countries rather than developed countries.

The Company is providing machinery for Water treatment industry including guidance to customers for proper utilization and installation of machinery so that proper output can be obtained. The Company also provides ongoing support services, continuously monitors, audits and facilitates its customers in equipment maintenance by prompt supply of parts and accessories for maximum machine uptime. In the financial year 2018-19, company has generated Net profit of Rs. 178,329,212 as against previous year Net Profit amount of Rs. 73,351,164.

OPPORTUNITIES AND THREATS

Growing water consumption demand all over the world along with health concerns and industrial purposes are pulling the water and wastewater treatment market to grow substantially. The immense opportunities emerging in the industrial sector is challenging water treatment process in broader ways. Moreover, the rising demand for advanced and energy efficient wastewater treatment technology to allow for water reuse is likely to propel the market growth over the forecast period.

In recent time, people's inclination towards environmental awareness is rising with time, hence, it is playing as a key driver to protect water by contamination. Thus, the need for water and wastewater treatment is becoming an essential activity after a sluggish growth of the market in past years.

On the other part, the rise in industrial activities has further demanded the treatment of the water to make it suitable for various purposes. In addition, with the rapid increase in water-based infrastructure investments is also expected to have a significant role in increasing the water and wastewater treatment market growth with a higher CAGR in the years to come.

The global water and wastewater market have been segmented into technology, applications, and region. By mode of technology, the market has attained its highest share of growth by membrane separation segment with a higher CAGR, which help in treating the water by removing particles, colloids, and macromolecules making the water disinfected.

By application mode, the municipal sector accounts the most massive space in growing the market in the forecast period due to creating opportunities for adoption of drinking water solutions and providing high-purity water to residents. The decrease in availability of fresh water supplies and stringent regulations are also pulling up the need for wastewater treatment by municipalities.

Geographically, the water and wastewater treatment market has seen its growth in regions such as North America, Europe, Asia Pacific and Rest of the world.

Developing countries such as India and China are the biggest consumers of water due to its high rate of population and rapid industrialization due to which heavy disposal activity in water bodies is raising. Therefore, the need for stringent adoption of water treatment equipment is imperative.

Whereas in North America, strict rules and regulation by Government are further contributing to the growth of the market in recent years.

Domestically we are banking on the recent National Green Tribunal order on waste water treatment output quality and the NDA government policy of "Water for all" & "Namami Gange" to achieve significant growth in revenue in the coming years.

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

The city of Mumbai has invited tenders for projects worth over Rs 15,000 crores to take care of only its waste water treatment needs till year 2034 and this will result into over Rs 200 crores worth of business for company's products. The above investment does not cover investments required by Mumbai for water and storm water management. This should well give an idea of the monstrous investments required for the entire country to be at par infrastructurally with global standards. We should be investing over Rs 75,000 crores each year for next 20 years to have globally comparable infrastructure for water, waste water and storm water management. If our administrators do not urgently come out of the existing apathy on time bound investment on water, waste water and storm water infrastructure then in next 10 year's time we will see unparalleled crisis on the water front.

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. The high overheads cost is a threat because it leads to increase in cost of product thereby putting pressure on sales as well as on margins. Both of these threats can be faced by routine up gradation of product technology and higher growth rate.

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 2019 | Previous year ended 31 March 2018 |
|------------------------------------------------|-------------------------------------|--------------------------------------|
| | (Audited) | (Audited) |
| Segment revenue from external customers | | |
| Within India | 17,838.84 | 13,616.67 |
| Outside India | 6,993.84 | 3842.44 |
| Income from operations | 24,832.68 | 17,454.10 |
| Segment assets | | |
| Within India | 20,791.30 | 18,814.03 |
| Outside India | 6,008.79 | 4,396.32 |
| Total assets | 26,800.09 | 23,210.35 |
| Capital expenditure | | |
| Within India | 1,266.06 | 1,097.91 |
| Outside India | 349.47 | 713.10 |
| Total capital expenditure | 1,615.53 | 1,811.01 |

FUTURE OR FORWARD OUTLOOK

The growth of the water and water treatment market is riding on the back of growing need of clean water in residential sector due to exhaustion of clean water resources around the globe. Further, the initiatives taken by various industries for wastewater treatment combined with growing awareness among people regarding efficient management of water are expected to supplement the growth of the market by the end of 2027.

Asian Development Bank has committed to lend a sum of USD 3.80 bn to India during FY 2017-19 for its water sector. Of this, USD 942 mn will be towards agriculture and natural resources and USD 2,865 mn towards water and other urban services. The NamamiGange project, one of the Government's most ambitious river cleaning projects, has begun to witness momentum. The Government had allocated a massive Rs 20,000 crore to the programme to undertake several work including development of sewage treatment plants, river surface cleaning, afforestation, industrial effluent monitoring, riverfront development and making villages on the banks of Ganga open defecation free. States coming under its purview include Uttarakhand, Uttar Pradesh, Bihar, Jharkhand, West Bengal, Haryana and Delhi.

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

RISKS AND CONCERNS, INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has 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.

The Indian infrastructure industry is limping due to cash flow crisis partially inflicted by banks and partially by delayed payment by executing agencies. This can lead to projects getting stuck and deliveries getting delayed. Nearly 55% of our revenues are still coming from Indian business and so some part of our growth will be affected if higher percentage of Indian projects are affected by this crisis. We are looking at overall year on year growth between 17% to 23% in next 3 years but if many Indian projects are affected then projected growth will come down to 14%-20% range.

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 **2018-19** 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

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 under taken 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, re- raining, 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 31,2019 we have over 500 employees on payroll as well as contractual. Company is committed to provide necessary training / conducts development programmes to imbibe necessary skills required within the employees. The management of the Company enjoys 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.

Place : Indore

Date : 13th August 2019

Jash Engineering Ltd.

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 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.
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 Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the state of affairs of the Company as at 31 March 2019, and its profit and its cash flows 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 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.

Key Audit Matters

4. 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.
5. 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 matters |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Recoverability assessment of investment in equity shares of and trade receivable due from subsidiary companies</p> <p>The Company has investments in equity shares of two subsidiary companies, Jash USA Inc. and Mahr Maschinenbau GmbH, amounting to ₹157,275,385 and ₹157,727,450 respectively, as stated in Note 14 and Note 48 to the standalone financial statements. These investments are carried at cost in accordance with AS 13, Accounting for Investments. 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 14 to the standalone financial statements. The Company also has outstanding trade receivables recoverable from these subsidiary companies amounting to ₹412,069,074 and ₹609,092 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. |

| <p>The aforesaid investments were tested for diminution and the receivables were assessed for recoverability by the management as at 31 March 2019. 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 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. 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. |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key audit matters | How our audit addressed the key audit matters |
| <p>Recoverability of trade receivables</p> <p>The Company has reported trade receivables of ₹529,376,008 as at 31 March 2019 other than those pertaining to the two subsidiaries as reported under the key audit matter "Recoverability assessment of investment in equity shares of and trade receivable due from subsidiary companies" and has written off trade receivables of ₹14,041,382 during the current year as detailed in note 30 to the accompanying standalone financial statements.</p> <p>Owing to the nature of operations of the company and related customer profiles, the Company has significant receivable balances that are past the credit period for the products and services offered by the Company. The management assesses recoverability of its trade receivables through evaluation of the accounts receivable ageing and prior collection experience and customer's financial conditions to ascertain the ultimate collectability of these receivables, which involves significant management judgements and estimates.</p> <p>Considering the materiality of trade receivables balances to the Company's standalone financial statements and the judgements involved in the estimation of recoverability due to significant long standing trade balances, this area is considered as a key audit matter for the current year audit.</p> | <p>Our audit work in relation to recoverability of trade receivables included, but was not limited to, the following:</p> <ul style="list-style-type: none"> Obtained an understanding of the management's process for computation of trade receivables provisioning, and related accounting policies adopted by the management. Tested the design, implementation and operating effectiveness of the controls that the Company has established in relation to revenue recognition and allowance for trade receivables. Tested the accuracy of ageing of trade receivables at year end on a sample basis. On a sample basis, obtained direct confirmations from the customers of the Company having outstanding receivable balances as at year end. Where direct confirmations were not obtained, subsequent realization of the outstanding invoices or invoices wise checking of trade receivables was carried out to ensure the existence of debt by the customer. Obtained explanations for other long outstanding balances from the management to identify any additional potentially impaired balances. Evaluated management's assessment of recoverability of the unsettled receivables, on a sample basis, with reference to the credit profile of the customers, historical |

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| | <p>payment pattern of customers, publicly available information and latest correspondence with customers to consider if any additional provision was required to be recognised.</p> <ul style="list-style-type: none"> Ensured appropriateness of disclosures made in the standalone financial statements with respect to the trade receivables and provisioning thereof. |
| Key audit matters | How our audit addressed the key audit matters |
| <p>Inventory valuation and allowances:</p> <p>At the balance sheet date 31 March 2019, the Company held inventories comprising of raw materials and components, finished goods, work-in-progress and stores and spares worth ₹503,185,772 as detailed in note 18 to the accompanying standalone financial statements.</p> <p>The Company follows manual inventory valuation methods which includes allocation of various production and administration related overheads on the finished goods and inventory which is classified as work in progress.</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 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 Assessment of the completion percentage of products Judgement involved in computation of machine hour rate, machine hours' efficiency, foundry and quality department labour hours etc., 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 AS 2, Inventory. Such specific identification performed by management to ascertain slow moving and obsolete inventories, and assessment of net realizable value of such</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 2019 identified by the management, recomputed the allowance created by the management using management's model which has been consistently applied. |

| | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>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> | <ul style="list-style-type: none"> • 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. • Tested ageing of inventory items obtained through system reports, as applicable. • Evaluated the disclosures made in the standalone financial statements in accordance with the applicable accounting standards. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

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

6. The Company's Board of Directors is responsible for the other information. Other information does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information 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.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

7. 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 state of affairs (financial position), profit or loss (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.
8. 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.
9. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

10. 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.
11. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional scepticism 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)(i) of the Act, we are also responsible for explaining our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
12. 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.
13. 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.
14. 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

15. As required by section 197(16) of the Act, 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.
16. 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.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act, we report that:
- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) in our opinion, the aforesaid standalone financial statements comply with AS specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act;
 - f) we have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 28 May 2019 as per Annexure B expressed unmodified opinion; and
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (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 32 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2019;
 - 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 2019;
 - 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 2019; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

per **Neeraj Sharma**

Partner

Membership No.:502103

Place : Indore

Date : 28th May 2019

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 2019

Annexure B

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

1. In conjunction with our audit of the standalone financial statements of Jash Engineering Limited (the 'Company') as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company of as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

per **Neeraj Sharma**

Partner

Membership No.:502103

Place : Indore

Date : 28th May 2019

Jash Engineering Limited
Balance Sheet as at 31 March 2019

(All amount in ₹, unless stated otherwise)

| Description | Notes | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------------------------------------------------------------------|-------|------------------------|------------------------|
| Equity and liabilities | | | |
| Shareholders' funds | | | |
| Share capital | 3 | 11,83,65,980 | 11,83,65,980 |
| Reserves and surplus | 4 | 1,21,99,92,069 | 1,05,48,09,548 |
| | | 1,33,83,58,049 | 1,17,31,75,528 |
| Non-current liabilities | | | |
| Long-term borrowings | 5 | 2,53,75,884 | 8,61,98,119 |
| Deferred tax liabilities (net) | 6 | 3,94,43,465 | 4,52,53,395 |
| Other long term liabilities | 7 | 11,92,490 | 8,64,288 |
| Long-term provisions | 8 | 1,93,92,912 | 1,43,00,245 |
| | | 8,54,04,751 | 14,66,16,047 |
| Current liabilities | | | |
| Short-term borrowings | 9 | 49,14,44,323 | 32,78,68,126 |
| Trade payables | | | |
| -Total outstanding dues of Micro Enterprises and Small Enterprises | 10A | 10,42,61,628 | 2,97,62,628 |
| -Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | 10B | 41,09,50,179 | 42,06,91,215 |
| Other current liabilities | 11 | 18,33,21,095 | 11,41,67,430 |
| Short-term provisions | 12 | 2,74,01,668 | 1,63,83,537 |
| | | 1,21,73,78,893 | 90,88,72,936 |
| | | 2,64,11,41,693 | 2,22,86,64,511 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 13A | 50,80,33,032 | 54,09,19,792 |
| Intangible assets | 13B | 87,34,043 | 1,07,03,457 |
| Capital work-in-progress | 13C | 11,42,25,001 | 47,56,435 |
| Intangible assets under development | 13D | 90,23,943 | 77,64,877 |
| Non-current investments | 14 | 37,18,36,843 | 33,24,98,843 |
| Long-term loans and advances | 15 | 6,46,42,033 | 6,57,40,971 |
| Other non-current assets | 16 | 36,36,510 | 25,82,251 |
| | | 1,08,01,31,405 | 96,49,66,626 |
| Current assets | | | |
| Current investments | 17 | 56,107 | 90,865 |
| Inventories | 18 | 50,31,85,772 | 44,81,53,031 |
| Trade receivables | 19 | 94,20,54,174 | 69,70,21,666 |
| Cash and bank balances | 20 | 7,08,08,077 | 5,94,94,435 |
| Short-term loans and advances | 21 | 2,18,35,412 | 4,29,71,656 |
| Other current assets | 22 | 2,30,70,966 | 1,59,66,232 |
| | | 1,56,10,10,508 | 1,26,36,97,885 |
| | | 2,64,11,41,693 | 2,22,86,64,511 |

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

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

For Walker Chandiok & Co LLP
Chartered Accountants

Sd/-
per **Neeraj Sharma**
Partner

Place : Indore
Date : 28th May 2019

Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735

Sd/-
Dharmendra Jain
Chief Financial Officer

For and on behalf of the Board of Directors of
Jash Engineering Limited
Sd/-
Pratik Patel
Managing Director
DIN-00780920

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

Jash Engineering Limited**Statement of Profit and Loss for the year ended 31 March 2019** (All amount in ₹, unless stated otherwise)

| Description | Notes | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-----------------------------------------------------------------------------|-----------|-------------------------------------|-------------------------------------|
| Revenue | | | |
| Revenue from operations (gross) | 23 | 2,01,83,67,525 | 1,52,70,38,794 |
| Less: Excise duty | | - | (1,45,50,820) |
| Revenue from operations (net) | | 2,01,83,67,525 | 1,51,24,87,974 |
| Other income | 24 | 3,35,42,434 | 3,36,91,887 |
| Total Revenues | | 2,05,19,09,959 | 1,54,61,79,861 |
| Expenses: | | | |
| Cost of raw materials and components consumed | 25 | 1,01,65,52,785 | 77,51,44,550 |
| Changes in inventories of finished goods, work-in-progress and traded goods | 26 | (2,92,28,310) | (3,72,34,018) |
| Employee benefits expense | 27 | 24,47,51,423 | 22,79,51,955 |
| Finance costs | 28 | 6,94,61,736 | 6,06,56,817 |
| Depreciation and amortization expense | 29 | 4,99,13,451 | 4,47,46,808 |
| Other expenses | 30 | 48,62,46,497 | 38,20,96,648 |
| Total Expenses | | 1,83,76,97,582 | 1,45,33,62,760 |
| Profit before tax | | 21,42,12,377 | 9,28,17,101 |
| Tax expense: | | | |
| Current tax | | 4,52,11,052 | 1,76,63,094 |
| Minimum alternate tax credit entitlement | | (35,54,725) | - |
| Deferred tax (credit) change | | (58,09,930) | 13,21,519 |
| Taxes for earlier years | | 36,768 | 4,81,324 |
| | | 3,58,83,165 | 1,94,65,937 |
| Net profit for the year | | 17,83,29,212 | 7,33,51,164 |
| Earnings per equity share (in ₹) | 31 | | |
| Basic | | 15.07 | 6.90 |
| Diluted | | 15.07 | 6.90 |

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 Chandiok & Co LLP**
Chartered Accountants

Sd/-
per **Neeraj Sharma**
Partner

Place : Indore
Date : 28th May 2019

Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735

Sd/-
Dharmendra Jain
Chief Financial Officer

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

Sd/-
Pratik Patel
Managing Director
DIN-00780920

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

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

(All amount in ₹, unless stated otherwise)

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|--------------------------------------------------------------|-------------------------------------|-------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit before tax | 21,42,12,377 | 9,28,17,101 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 4,99,13,451 | 4,47,46,808 |
| Balance written off | 1,40,41,382 | 8,88,699 |
| Unrealised foreign currency gain (net) | (50,76,159) | (96,10,412) |
| Unclaimed balances written back | (19,98,578) | (25,48,332) |
| Profit on sale of property, plant and equipment | - | (34,353) |
| Net loss/(profit) on fair valuation of short term investment | 34,758 | (34,486) |
| Interest income on fixed deposits | (41,20,263) | (27,27,605) |
| Interest income on loan and others | (37,02,728) | (27,33,520) |
| Dividend on investments | (54,00,496) | 54,01,200 |
| Finance costs | 6,94,61,736 | 6,06,56,817 |
| Operating profit before working capital changes | 32,73,65,480 | 17,60,19,517 |
| Adjustments for: | | |
| - Increase in trade and other receivables | (25,39,97,730) | (18,85,28,253) |
| - Increase in inventories | (5,50,32,741) | (7,59,96,969) |
| - Decrease/(increase) in loans and advances | 2,56,74,374 | (3,24,45,297) |
| - Increase in other assets | (56,53,053) | (1,41,59,628) |
| - Increase in trade and other payables | 13,25,55,162 | 8,22,99,164 |
| Cash flow from/(used in) operating activities | 17,09,11,492 | (5,28,11,466) |
| - Direct taxes paid (net) | (3,57,26,992) | (2,29,70,540) |
| Net cash flow from/(used in) operating activities | 13,51,84,500 | (7,57,82,006) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (12,58,22,655) | (10,69,82,611) |
| Proceeds from sale of property, plant and equipment | 37,744 | 3,21,503 |
| Investments in equity of subsidiary company | (3,93,38,000) | (66,86,486) |
| Dividend income | 54,00,496 | 54,01,200 |
| Interest received | 54,08,153 | 45,59,319 |
| Movement in deposits | (1,18,06,434) | (1,23,11,177) |
| Net cash used in investing activities | (16,61,20,696) | (11,56,98,252) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of shares including securities premium | - | 27,13,43,760 |
| Proceeds from long term borrowings | - | 63,87,547 |
| Repayment of long term borrowings | (5,08,20,761) | - |
| Proceeds from short term borrowings (net) | 16,35,76,197 | 3,74,09,719 |
| Finance costs paid | (6,90,74,240) | (6,11,28,547) |
| Share issue expenses | - | (4,29,37,839) |
| Dividend and dividend distribution tax paid | (1,31,46,690) | (2,19,49,890) |
| Net cash flow from investing activities | 3,05,34,506 | 18,91,24,750 |

(Cont'd)

| | | |
|----------------------------------------------------------|-------------------|--------------------|
| Net decrease in cash and cash equivalents (A+B+C) | (4,01,690) | (23,55,508) |
| Opening cash and cash equivalents | 29,05,198 | 52,60,706 |
| Closing cash and cash equivalents* | 25,03,508 | 29,05,198 |
| | (4,01,690) | (23,55,508) |
| * Reconciliation of cash and cash equivalents | | |
| Cash on hand | 6,98,381 | 5,20,530 |
| Bank Balances | 18,05,127 | 23,84,668 |
| Total | 25,03,508 | 29,05,198 |

Note:

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

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

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

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

Sd/-
per **Neeraj Sharma**
Partner

Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735

Sd/-
Pratik Patel
Managing Director
DIN-00780920

Place : Indore
Date : 28th May 2019

Sd/-
Dharmendra Jain
Chief Financial Officer

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

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Jash Engineering Limited Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

1. a. Background of the Company

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

b. Basis of preparation

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

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

2. Summary of significant accounting policies

a. Use of estimates

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

b. Property plant and equipment and depreciation

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

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

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

Leasehold land is amortised over their respective lease period.

c. Intangible fixed assets and amortisation

Intangible assets comprise of technical know-how and computer software

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

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

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

d. Investments

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

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

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

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

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

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

- Cost of inventories is ascertained on the following basis:

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

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

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

- Sale of services:

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

- Power generation:

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

- Export benefits:

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

- Other income:

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

g. Borrowing costs

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

h. Income taxes

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

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

Minimum Alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Standalone Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of

MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

I. Foreign currency transactions

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

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

j. Employee benefits

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

- Provident fund:

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

- Gratuity:

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

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

- Compensated absences:

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

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

- Other short term benefits:

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

k. Leases

Operating leases:

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

l. Impairment of assets

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

m. Contingent liabilities and provisions

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

n. Earnings per share

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

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

o. Cash and cash equivalents

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

p. Dividend

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

q. Share issue expenses

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

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3. Share Capital

(All amount in ₹, unless stated otherwise)

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Number of Shares | (Rs.) | Number of Shares | (Rs.) |
| Authorised | | | | |
| Equity Shares of ₹ 10 each | 1,24,90,000 | 1,24,90,000 | 12,490,000 | 1,24,90,000 |
| Preference Shares of ₹ 10 each | 5,10,000 | 51,00,000 | 5,10,000 | 51,00,000 |
| | 1,30,00,000 | 13,00,00,000 | 13,00,00,000 | 13,00,00,000 |
| Issued, subscribed and fully paid up | | | | |
| Equity Shares of ₹ 10 each | 1,18,36,598 | 11,83,65,980 | 1,18,36,598 | 118,365,980 |
| | 1,18,36,598 | 11,83,65,980 | 1,18,36,598 | 118,365,980 |

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

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Number of Shares | (Rs.) | Number of Shares | (Rs.) |
| At the beginning of the year | 1,18,36,598 | 11,83,65,980 | 95,75,400 | 9,57,54,000 |
| Add: shares issued during the year | - | - | 22,61,198 | 2,26,11,980 |
| Outstanding at the end of the year | 1,18,36,598 | 11,83,65,980 | 1,18,36,598 | 11,83,65,980 |

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

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|-----------------------------------|---------------------|--------------|---------------------|--------------|
| | Number of Shares | % of holding | Number of Shares | % of holding |
| Equity shares of ₹ 10 each | | | | |
| Mr. Pratik Patel | 19,21,065 | 16% | 19,11,465 | 16% |
| Mr. Axel Schutte | 7,70,000 | 7% | 7,70,000 | 7% |
| Sundaram Alternative Opp. fund | 5,94,000 | 5% | 5,94,000 | 5% |

c Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

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

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

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

4. Reserve & Surplus

(All amount in ₹, unless stated otherwise)

| Particulars | As at 31 March 2019 (Rs.) | As at 31 March 2018 (Rs.) |
|-------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Securities premium account | 44,71,59,801 | 24,13,65,860 |
| Balance at the beginning of the year | - | 24,87,31,780 |
| Add : Received on issue of equity shares | - | (4,29,37,839) |
| Less : Amount utilised towards share issue expenses | 44,71,59,801 | 44,71,59,801 |
| | | |
| General reserve | | |
| Balance at the beginning and end of the year | 10,50,00,000 | 10,50,00,000 |
| | | |
| Surplus in the Statement of Profit and Loss | | |
| Balance at the beginning of the year | 50,26,49,747 | 45,12,48,474 |
| Add: Profit for the year | 17,83,29,211 | 7,33,51,163 |
| Add: Dividend Distribution Tax adjustment** | - | - |
| Less: Dividend paid (₹ 1 per share for the year ended 31 March 2018 and ₹ 2 per share for the year ended 31 March 2017) | 1,18,36,598 | 1,91,50,800 |
| Less: Dividend distribution tax on the above | 13,10,092 | 27,99,090 |
| Net surplus in the Statement of Profit and Loss | 66,78,32,268 | 50,26,49,747 |
| | | |
| | 1,21,99,92,069 | 1,05,48,09,548 |

Note 4A: The Board of Directors of the Company, in their meeting held on 28 May 2019, recommended a final dividend of ₹ 1.5 per fully paid up equity share of ₹10 each, aggregating to ₹ 1,77,54,897 for the year ended 31 March 2019, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

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5 Long term borrowings

(All amount in ₹, unless stated otherwise)

| Particulars | Non Current | | Current Maturities | |
|---------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | As at 31 Mar. 2019 | As at 31 Mar. 2018 | As at 31 Mar. 2019 | As at 31 Mar. 2018 |
| Secured | | | | |
| Term loans | | | | |
| - Rupee loans from banks | - | - | 1,33,82,259 | 15,67,662 |
| - Foreign currency loans from banks | - | 3,94,90,070 | 2,64,82,556 | 3,04,32,338 |
| - Rupee loans from financial institutions | 2,50,24,000 | 4,38,28,000 | 1,88,04,000 | 1,65,24,000 |
| Vehicle loans | 3,51,884 | 28,80,049 | 27,64,944 | 29,08,285 |
| | 2,53,75,884 | 8,61,98,119 | 6,14,33,759 | 5,14,32,285 |
| Less : amount disclosed under the head "other current liabilities" (refer note 11) | - | - | (6,14,33,759) | (5,14,32,285) |
| Net amount | 2,53,75,884 | 8,61,98,119 | - | - |
| Details of guarantee for each type of borrowings | | | | |
| Guaranteed by directors and related parties | | | | |
| Rupee and foreign currency loans from banks and financial institutions | 2,50,24,000 | 8,33,18,070 | 5,86,68,815 | 4,85,24,000 |

Repayment terms and security for the outstanding long term borrowings (including current maturities):**I) Term loans from banks**

The Company availed term loan facility from State Bank of India amounting to ₹ 12,00,00,000 at rate of interest of State Bank of India's base rate (10%) plus 3.4%. Base rate keeps on changing. Repayment of term loan is to be done in 16 quarterly installment commencing from July 2015 with last installment falling due in year 2019-20. During the year, the Company has converted its rupee term loan into foreign currency loan amounting ₹ 2,64,82,556 (previous year ₹ 6,99,22,408). Outstanding book balance of term loan is ₹ 3,98,64,815 (previous year: ₹ 7,14,90,070).

The aforesaid term loan is secured by way of :

- First pari passu charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at Unit I and Unit II, SEZ .
- Exclusive first charge by way of equitable mortgage over land and shed and hypothecation over Company's entire present and future property, plant and equipment comprising land, building, plant and machinery and miscellaneous property, plant and equipment at Unit I and SEZ .

Further secured by following collateral securities:

- Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at plot no. 18-C, 29 to 31, 32 B Sector C, Industrial Area, Sanwer Road, indore and Plot No. M-11, Misc Zone Phase -II SEZ, Pithampur Distt. Dhar, survey no. 74/1, 74/2/1, 76/1/3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district - Indore and survey no. 77, Patwari Halka no. 36, Bardari, Sanwer, district Indore.
- First pari passu charge by way of equitable mortgage of factory land and building situated at Bardari village, Sanwer district Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare and first charge on khasra no 76/1/3 admeasuring 0.183 hectare and 76/1/1 admeasuring 0.243 hectare in the name of Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.

(c) Pledge of 30% shares of Shivpad Engineers Private Limited.

Further secured by personal guarantee of Directors, Mr. Pratik Patel and Mr. L. D. Amin and corporate guarantee of M/s Patamin Investments Private Limited.

ii) Term loans from financial institutions

- 1) The Company availed term loan facilities from Small Industries Development Bank of India amounting to ₹ 4,00,00,000 and ₹ 2,24,30,000 at rate of interest of 9.50% (previous year 9.50%). Repayment of term loan is to be done in 36 monthly installments which commenced in previous year ending 31st March 2018 with last installment falling due in year 2020-2021. Outstanding book balance of term loan is ₹ 4,38,28,000 (previous year: ₹ 6,03,52,000).

The aforesaid term loan is secured by way of :

- (a) First hypothecation charge over the company's movable such as plant machinery, vehicle, machinery spares, tools, office equipments, computer, computer fixture acquired under the project.
- (b) Extension of first charge by way of hypothecation of all movables including plant, machinery, vehicles, machinery spares , tools office equipments, computers acquired earlier financial assistance.
- (c) Residual charge by way of mortgage of leasehold factory land and Building (Unit-1) situated at Survey No. 18B2, 18E2, 18 D2, 18C, 19, 29, 30, 31 & 32B industrial area Sector C, village Sukhliya Tehsil & Dist Indore.
- (d) Residual charge by way of mortgage of leasehold factory land and Building situated at survey no. 74/1, 74/2/1, 76/1/3, 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.

| As at March 2019 | Principal Amount ₹ | Amount Outstanding ₹ | Number of remaining installments | Installment Outstanding ₹ | Date of loan | Rate of interest | Hypothecation of |
|------------------|--------------------|----------------------|----------------------------------|---------------------------|---------------|------------------|------------------|
| Vehicle loan | 43,70,000 | 9,65,815 | 11 | 93,712 | 21 Feb. 2015 | 10.40% | Vehicle |
| Vehicle loan | 6,34,000 | 3,74,876 | 20 | 20,385 | 1 Nov. 2017 | 9.60% | Vehicle |
| Vehicle loan | 6,00,000 | 2,85,780 | 16 | 18,969 | 28 June 2017 | 8.60% | Vehicle |
| Vehicle loan | 38,00,000 | 14,90,357 | 13 | 1,21,016 | 24 April 2017 | 9.10% | Vehicle |

| As at March 2018 | Principal Amount ₹ | Amount Outstanding ₹ | Number of remaining installments | Installment Outstanding ₹ | Date of loan | Rate of interest | Hypothecation of |
|------------------|--------------------|----------------------|----------------------------------|---------------------------|---------------|------------------|------------------|
| Vehicle loan | 43,70,000 | 19,34,481 | 23 | 93,712 | 21 Feb. 2015 | 10.40% | Vehicle |
| Vehicle loan | 5,17,845 | 63,494 | 03 | 21,522 | 14 Jun 2015 | 10.10% | Vehicle |
| Vehicle loan | 6,34,000 | 5,72,332 | 32 | 20,385 | 01 Nov. 2017 | 9.60% | Vehicle |
| Vehicle loan | 6,00,000 | 4,79,671 | 28 | 18,969 | 28 Jun 2017 | 8.60% | Vehicle |
| Vehicle loan | 38,00,000 | 27,38,356 | 25 | 1,21,016 | 24 April 2017 | 9.10% | Vehicle |

| | As at 31 March 2019 (Rs.) | As at 31 March 2018 (Rs.) |
|---------------------------------------------------------------------|------------------------------|------------------------------|
| 6 Deferred tax liabilities (net) | | |
| Deferred tax liability arising on account of: | | |
| Impact of difference between tax depreciation and book depreciation | 4,55,06,720 | 5,05,99,507 |
| Deferred tax asset arising on account of: | | |
| Provision for employee benefits | (60,63,255) | (53,46,112) |
| | 3,94,43,465 | 4,52,53,395 |
| 7 Other long term liabilities | | |
| Security deposits | 11,92,490 | 8,64,288 |
| | 11,92,490 | 8,64,288 |
| 8 Long term provisions | | |
| Provision for employee benefit : | | |
| - Gratuity (refer note 33) | 1,07,79,260 | 62,53,910 |
| - Compensated absences (refer note 33) | 85,94,772 | 80,21,467 |
| Rent equalisation reserve | 18,880 | 24,868 |
| | 1,93,92,912 | 1,43,00,245 |
| 9 Short term borrowings | | |
| Secured | | |
| Short term loans from banks | - | 3,00,00,000 |
| Cash credit facilities from bank | 49,14,44,323 | 29,57,28,962 |
| Unsecured | | |
| Loans from related parties (refer note 38) | - | 21,39,164 |
| | 49,14,44,323 | 32,78,68,126 |

Security for the outstanding short term borrowings :

- I) Fund based credit facility sanctioned to the Company from HDFC Bank during the year comprise of CC facility of ₹ 11,00,00,000 (previous year ₹ 11,00,00,000) and short term loan facility of ₹ NIL (previous year ₹ 30,00,00,000) an annual rate of interest of 2.60% above MCLR-1 year. Outstanding book balance for CC account from HDFC as on 31 March 2019 is ₹ 15,69,12,133 (previous year ₹ 3,65,98,840), short term loan facility has been repaid on 26 Dec. 2018 (previous year ₹ 3,00,00,000).

The facilities from bank are secured by way of:

Primary security: First pari passu charge on all current assets of the Company as on 31 March 2017.

Collateral:

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

- Fund based credit facility sanctioned from State Bank of India comprises of cash credit (CC) facility amounting to ₹ 29,00,00,000 (previous year ₹ 29,00,00,000) at an annual rate of interest of 0.95% above MCLR-1 year, export packing credits (EPC) within CC limit amounting to ₹ 15,00,00,000 (previous year ₹ 15,00,00,000) at an annual rate of interest 0.55% above

MCLR-1 year and Standby letter of credit (SLOC) amounting to ₹ 5,00,00,000 (previous year ₹ Nil) at an annual rate of interest of 1.95% above MCLR-1 year. Outstanding book balance for CC account as on 31 March 2019 is ₹ 21,89,59,574 (previous year ₹ 18,47,81,186), EPC account as on 31 March 2019 is ₹ 6,57,42,616 (previous year ₹ 7,43,48,936) and SLOC account as on 31 March 2019 is ₹ 4,98,30,000 (previous year ₹ Nil).

9 Short term borrowings (Cont'd)

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:

- (a) Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at survey no. 74/1, 74/2/1, 76/1./3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district, Indore and survey no. 77, Patwari Halka no. 36, Bardari tehsil, Sanwer district, Indore.
- (b) Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at Unit I and SEZ both.
- (c) First charge by way of equitable mortgage of diverted land situated at Bardari village, Sanwer district, Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare in the name of Patamin Investments Private Limited.
- (d) Pledge of 30% shares of Shivpad Engineers Private Limited.
Also secured by way of guarantees from:
 - Mr. L.D. Amin
 - Mr. Pratik Patel
 - Patamin Investments Private Limited

ii) Loan from related parties

Unsecured loan (repayable on demand) taken from Mr. Pratik Patel, amounting to ₹ NIL (previous year ₹ 21,39,164) at annual rate of interest of 10% per annum has been repaid on 12 July 2018.

10. Trade payables

| | As at 31 March 2019 | As at 31 March 2018 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| A. Total outstanding dues of Micro Enterprises and Small Enterprises | | |
| Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') : | | |
| Particulars | | |
| i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006: | | |
| Principal | 10,42,61,628 | 2,97,62,628 |
| Interest | - | - |
| ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | | |
| iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006. | - | - |
| iv) The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | | |
| | 10,42,61,628 | 2,97,62,628 |

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

| | As at 31 March 2019 | As at 31 March 2018 |
|--------------------------------------------------------------------------------------------------|------------------------|------------------------|
| B. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | | |
| Due to others | 41,09,50,179 | 42,06,91,215 |
| | 41,09,50,179 | 42,06,91,215 |

11. Other current liabilities

| | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------------------------------------|------------------------|------------------------|
| Current maturities of long term borrowings (refer note 5) | 6,14,33,759 | 5,14,32,285 |
| Interest accrued but not due on borrowings | 10,34,302 | 6,46,806 |
| Interest payable on delay payment of income tax | 9,95,866 | - |
| Book overdraft | 62,69,205 | 41,71,248 |
| Employees related payables | 1,44,88,400 | 1,41,51,322 |
| Advance from customers | 9,44,05,348 | 4,00,91,726 |
| Statutory dues | 46,94,215 | 36,74,043 |
| | 18,33,21,095 | 11,41,67,430 |

12. Short term provisions

| | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------------------------|------------------------|------------------------|
| Provision for employee benefits : | | |
| - Compensated absences | 14,47,585 | 11,72,242 |
| - Bonus | 1,65,48,788 | 1,52,11,295 |
| Provision for taxation (net of prepaid taxes) | 94,05,295 | - |
| | 2,74,01,668 | 1,63,83,537 |

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13A. Property plant and equipment

| Gross block | Leasehold land | Freehold land | Buildings | Plant and equipment | Electric substations | Computers | Furniture and fixtures | Vehicles | Office equipments | Total |
|---------------------------------|----------------|---------------|--------------|---------------------|----------------------|-------------|------------------------|-------------|-------------------|--------------|
| | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| Balance as at 1 April 2017 | 1,18,73,729 | 3,30,71,465 | 35,68,47,198 | 28,97,95,899 | 2,86,06,582 | 1,56,27,565 | 2,78,96,621 | 1,53,74,469 | 82,53,629 | 78,73,47,156 |
| Additions | 81,16,595 | - | 77,000 | 7,32,32,300 | - | 26,34,729 | 37,70,974 | 64,47,671 | 17,04,078 | 9,59,83,347 |
| Disposals | - | - | - | - | - | - | - | (19,80,345) | - | (19,80,345) |
| Balance as at 31 March 2018 | 1,99,90,324 | 3,30,71,465 | 35,69,24,198 | 36,30,28,198 | 2,86,06,582 | 1,82,62,294 | 3,16,67,595 | 1,98,41,795 | 99,57,707 | 88,13,50,158 |
| Additions | - | - | 9,90,574 | 1,17,54,616 | - | 9,90,776 | 44,996 | - | 5,93,631 | 1,43,74,593 |
| Disposals | - | - | - | - | - | - | - | (7,54,871) | - | (7,54,871) |
| Balance as at 31 March 2019 | 1,99,90,324 | 3,30,71,465 | 35,79,14,772 | 37,47,82,814 | 2,86,06,582 | 1,92,53,070 | 3,17,12,591 | 1,90,86,924 | 1,05,51,338 | 89,49,69,880 |
| Accumulated depreciation | | | | | | | | | | |
| Balance as at 1 April 2017 | 37,95,705 | - | 7,41,39,802 | 16,63,33,131 | 1,69,74,440 | 1,27,91,063 | 1,39,03,484 | 53,56,282 | 66,73,037 | 29,99,66,944 |
| Depreciation charge | 3,66,005 | - | 1,03,41,454 | 2,25,04,596 | 15,62,413 | 19,79,545 | 27,82,373 | 19,27,623 | 6,92,608 | 4,21,56,617 |
| Reversal on disposal of assets | - | - | - | - | - | - | - | (16,93,194) | - | (16,93,194) |
| Balance as at 31 March 2018 | 41,61,710 | - | 8,44,81,256 | 18,88,37,727 | 1,85,36,853 | 1,47,70,608 | 1,66,85,857 | 55,90,711 | 73,65,645 | 34,04,30,367 |
| Depreciation charge | 4,08,280 | - | 1,02,62,878 | 2,70,62,263 | 15,62,515 | 21,97,016 | 28,71,836 | 20,15,720 | 8,43,100 | 4,72,23,608 |
| Reversal on disposal of assets | - | - | - | - | - | - | - | (7,17,127) | - | (7,17,127) |
| Balance as at 31 March 2019 | 45,69,990 | - | 9,47,44,134 | 21,58,99,990 | 2,00,99,368 | 1,69,67,624 | 1,95,57,693 | 68,89,304 | 82,08,745 | 38,69,36,848 |
| Net block | | | | | | | | | | |
| Balance as at 31 March 2018 | 1,58,28,614 | 3,30,71,465 | 27,24,42,942 | 17,41,90,471 | 1,00,69,729 | 34,91,686 | 1,49,81,738 | 1,42,51,084 | 25,92,062 | 54,09,19,792 |
| Balance as at 31 March 2019 | 1,54,20,334 | 3,30,71,465 | 26,31,70,638 | 15,88,82,824 | 85,07,214 | 22,85,446 | 1,21,54,898 | 1,21,97,620 | 23,42,593 | 50,80,33,032 |

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13 B. Intangible assets

| Gross block | Technical know-how | Computer software | Total |
|------------------------------------|--------------------|--------------------|--------------------|
| | ₹ | ₹ | ₹ |
| Balance as at 1 April 2017 | 95,24,184 | 1,69,16,508 | 2,64,40,692 |
| Additions | - | 45,59,604 | 45,59,604 |
| Balance as at 31 March 2018 | 95,24,184 | 2,14,76,112 | 3,10,00,296 |
| Additions | - | 7,20,430 | 7,20,430 |
| Balance as at 31 March 2019 | 95,24,184 | 2,21,96,542 | 3,17,20,726 |
| Accumulated amortisation | | | |
| Balance as at 1 April 2017 | 75,73,215 | 1,01,33,433 | 1,77,06,648 |
| Amortisation | 7,36,316 | 18,53,876 | 25,90,192 |
| Balance as at 31 March 2018 | 83,09,531 | 1,19,87,309 | 2,02,96,840 |
| Amortisation | 7,36,316 | 19,53,527 | 26,89,843 |
| Balance as at 31 March 2019 | 90,45,847 | 1,39,40,836 | 2,29,86,683 |
| Net block | | | |
| Balance as at 31 March 2018 | 12,14,653 | 94,88,803 | 1,07,03,457 |
| Balance as at 31 March 2019 | 4,78,337 | 82,55,706 | 87,34,043 |

13 C. Capital work-in-progress

Capital work in progress amounting to ₹ 11,42,25,001 (previous year ₹ 47,56,435) pertains to under construction factory equipments.

13D. Intangible assets under development

Intangible assets under development amounting to ₹ 90,23,943 (previous year ₹ 77,64,877) pertains to software under development.

14. Non-current investments

| | As at 31 March 2019 | As at 31 March 2018 |
|------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| A) Trade investments (valued at cost unless stated otherwise) Investment in equity instruments | | |
| -In subsidiary companies (unquoted) | | |
| Shivpad Engineers Private Limited * | 56,834,000 | 56,834,000 |
| 135,030 (previous year 135,030) equity shares (fully paid up) of ₹ 10 each | | |
| Jash USA INC** | 15,72,75,385 | 11,79,37,385 |
| 18,500 (previous year 18,500) equity shares (fully paid up) of \$ 10 each | | |
| Mahr Maschinenbau GmbH ("MM") | 15,77,27,450 | 15,77,27,450 |
| 1 (previous year 1) share (fully paid) pertaining to entire capital equivalent to Euro 36336.41 of MM's owner's equity | | |
| Engineering and Manufacturing Jash Ltd. | 8 | 8 |
| 1 (previous year 1) equity shares (fully paid up) of Hong kong dollar 1 each | 37,18,36,843 | 33,24,98,843 |
| Aggregate amount of unquoted investments | 37,18,36,843 | 33,24,98,843 |

*30% of the investment in Shivpad Engineers Private Limited pledged in favour of State Bank of India in respect of rupee loan and credit facilities taken.

**This includes investment by the Company in Jash USA INC represented by equity share capital amounting to ₹ 89,21,703 (previous year ₹ 89,21,703) against which 18,500 shares have been issued to the Company. Rest of the amount ₹ 14,83,53,682 (previous year ₹ 10,90,15,682) is amount invested by the Company in Jash USA, which has been classified as an "additional paid in capital" in Jash USA Inc. and no equity shares have been issued to the Company against such investments.

15. Long term loans and advances

| | As at 31 March 2019 | As at 31 March 2018 |
|------------------------------------------------------|------------------------|------------------------|
| (Unsecured, considered good unless otherwise stated) | | |
| Security deposit | | |
| Related parties (refer note 38) | 25,00,000 | 25,00,000 |
| Others | 45,42,126 | 36,79,601 |
| Loans and advances | | |
| Loan to subsidiaries (refer note 38) | 4,35,74,101 | 3,90,90,940 |
| Other loans and advances | | |
| Balances with government authorities | 8,50,146 | 44,10,484 |
| Prepaid taxes (net of provisions for tax) | 44,12,320 | 45,27,853 |
| Tender fee and earnest money deposit | 6,04,566 | - |
| Capital advances | 32,72,076 | 1,11,30,658 |
| Minimum alternate tax credit entitlement | 35,54,725 | - |
| Prepaid expenses | 12,89,481 | 3,16,648 |
| Others | 42,492 | 84,787 |
| | 6,46,42,033 | 6,57,40,971 |

16. Other non current assets

| | As at 31 March 2019 | As at 31 March 2018 |
|------------------------------------------------------|------------------------|------------------------|
| Interest accrued but not due on loan to subsidiaries | 35,45,408 | 25,82,251 |
| Bank deposits with maturity of more than 12 months | 91,102 | - |
| | 36,36,510 | 25,82,251 |

17. Current investments

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------------------------------------|------------------------|------------------------|
| Trade investments (quoted) | | |
| Ramky Infrastructure Limited | 52,127 | 84,315 |
| 489 (previous year 489) equity shares (fully paid up) of ₹10 each | | |
| VA Tech Wabag Limited | 3,980 | 6,550 |
| 12 (previous year 12) equity shares (fully paid up) of ₹ 10 each | | |
| | 56,107 | 90,865 |

Aggregate amount of quoted investments (market value ₹ 56,107 (previous year ₹ 90,865))

56,107

90,865

18. Inventories

| | As at 31 March 2019 | As at 31 March 2018 |
|---------------------------------------------------------------------------------------|------------------------|------------------------|
| Raw materials and components | 29,67,14,015 | 27,13,80,002 |
| Includes stock lying with third parties amounting ₹ 859,159 (previous year ₹ 545,159) | | |
| Work-in progress | 12,15,94,561 | 9,50,74,769 |
| Finished goods | 7,51,40,452 | 7,24,31,934 |
| Stores and spares | 97,36,744 | 92,66,326 |
| | 50,31,85,772 | 44,81,53,031 |

19. Trade receivables

| | As at 31 March 2019 | As at 31 March 2018 |
|--------------------------------------------------------------------------------------|------------------------|------------------------|
| (Unsecured considered good unless otherwise stated) | | |
| Outstanding for a period exceeding six months from the date they are due for payment | 30,40,37,097 | 16,58,55,427 |
| Other receivables | 63,80,17,076 | 53,11,66,239 |
| | 94,20,54,174 | 69,70,21,666 |

20. Cash and bank balances

| | As at 31 March 2019 | As at 31 March 2018 |
|----------------------------------|------------------------|------------------------|
| Cash and cash equivalents | | |
| Cash on hand | 6,98,381 | 5,20,530 |
| Balances with schedule banks : | | |
| -In current accounts | 18,05,127 | 23,84,668 |
| | 25,03,508 | 29,05,198 |
| Other bank balances | | |
| Margin money deposits* | 6,83,04,569 | 5,65,89,237 |
| | 6,83,04,569 | 5,65,89,237 |
| | 7,08,08,077 | 5,94,94,435 |

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

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21. Short term loans and advances

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------------------------|------------------------|------------------------|
| (Unsecured , considered good unless otherwise stated) | | |
| Advances given to employees | 11,89,302 | 4,75,199 |
| Balance with government authorities | 57,79,903 | 2,15,66,414 |
| Advance to suppliers | 78,16,229 | 1,28,60,839 |
| Prepaid expenses | 69,87,978 | 25,58,138 |
| Security deposit | 62,000 | 48,63,000 |
| Others | - | 6,48,066 |
| | 2,18,35,412 | 4,29,71,656 |

22. Other current assets

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------------|------------------------|------------------------|
| Interest accrued on margin money deposits | 32,58,285 | 18,06,604 |
| Export benefits receivables | 1,98,12,681 | 1,41,59,628 |
| | 2,30,70,966 | 1,59,66,232 |

23. Revenue from operations

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---------------------------------|-------------------------------------|-------------------------------------|
| Sale of products | | |
| Manufactured goods | 1,98,65,97,266 | 1,49,09,61,325 |
| | 1,98,65,97,266 | 1,49,09,61,325 |
| Sale of services | | |
| Installation charges receipts | 14,35,751 | 13,09,114 |
| Commission income receipts | - | 15,84,908 |
| | 14,35,751 | 28,94,022 |
| Other operating revenues | | |
| Export benefits | 60,91,237 | 1,50,97,586 |
| Scrap sales* | 2,42,43,271 | 1,80,85,861 |
| | 3,03,34,508 | 3,31,83,447 |
| | 2,01,83,67,525 | 1,52,70,38,794 |
| Details of products sold | | |
| Gates | 99,33,64,940 | 64,47,85,337 |
| Screening equipment | 35,29,33,175 | 36,28,54,229 |
| Valves and valves components | 36,91,17,335 | 31,39,42,662 |
| Castings | 4,84,82,156 | 3,40,18,763 |
| Hydro screw | 13,36,69,733 | 11,67,09,079 |
| Process Equipments | 8,90,81,691 | 1,73,13,945 |
| Others | 2,41,91,507 | 1,94,23,172 |
| | 2,01,08,40,537 | 1,50,90,47,186 |

24. Other income

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-------------------------------------------------------|-------------------------------------|-------------------------------------|
| Interest income on : | | |
| -fixed deposits | 41,20,263 | 27,27,605 |
| -loan and others | 37,02,728 | 27,33,520 |
| Rental income | 18,68,000 | 13,75,000 |
| Dividend income | 54,00,496 | 54,01,200 |
| Profit on sale of property, plant and equipment (net) | - | 34,353 |
| Foreign currency gain (net) | 77,39,823 | 1,82,37,791 |
| Unclaimed balances written back | 19,98,578 | 25,48,332 |
| Miscellaneous income | 87,12,546 | 6,34,086 |
| | 3,35,42,434 | 3,36,91,887 |

25. Cost of raw materials and components consumed

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|--------------------------------------------------------|-------------------------------------|-------------------------------------|
| Inventory at the beginning of the year | 27,13,80,002 | 22,38,90,878 |
| Add : Purchases during the year | 1,04,18,86,798 | 82,26,33,674 |
| | 1,31,32,66,800 | 1,04,65,24,552 |
| Less : Inventory at the end of the year | 29,67,14,015 | 27,13,80,002 |
| | 1,01,65,52,785 | 77,51,44,550 |
| Detail of raw materials and components consumed | | |
| Bought outs | 23,77,55,610 | 14,78,32,729 |
| Actuators and gear boxes | 15,21,15,543 | 12,60,65,761 |
| C.I. Scrap | 4,77,78,458 | 3,75,54,392 |
| Pig iron | 60,21,413 | 76,69,937 |
| Hard coke, firewood, diesel | 97,85,883 | 1,02,94,479 |
| M.S. Scrap | 15,26,099 | 80,87,684 |
| Other raw materials | 56,15,69,780 | 43,76,39,568 |
| | 1,01,65,52,785 | 77,51,44,550 |

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

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|----------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| Opening inventory | | |
| Finished goods | 7,24,31,934 | 7,92,23,274 |
| Work in progress | 9,50,74,769 | 5,94,47,351 |
| | 16,75,06,703 | 13,86,70,625 |
| Less : Closing inventory | | |
| Finished goods | 7,51,40,452 | 7,24,31,934 |
| Work in progress | 12,15,94,561 | 9,50,74,769 |
| | 19,67,35,013 | 16,75,06,703 |
| Change in inventories | (2,92,28,310) | (2,88,36,078) |
| Excise duty on opening stock | - | 83,97,940 |
| Less: excise duty on closing stock | - | - |
| Change in excise duty of finished goods | - | 83,97,940 |
| | (2,92,28,310) | (3,72,34,018) |
| 26 Changes in inventories of finished goods and work-in-progress (Cont'd) | | |
| Details of finished goods | | |
| Gates | 3,67,54,607 | 3,88,48,350 |
| Screening equipments | 2,39,10,167 | 2,61,49,207 |
| Valves and valves components | 1,37,53,428 | 74,34,377 |
| Process equipments | 7,22,249 | - |
| | 7,51,40,451 | 7,24,31,934 |
| Details of work-in-progress | | |
| Gates | 4,47,55,947 | 2,62,36,692 |
| Screening equipments | 1,26,36,800 | 1,93,42,880 |
| Valves and valves components | 4,79,38,139 | 2,53,52,306 |
| Hydro screw | 33,07,925 | 1,43,16,441 |
| Process equipment | 85,43,283 | 41,34,163 |
| Casting | 44,12,467 | 56,92,287 |
| | 12,15,94,561 | 9,50,74,769 |

27. Employee benefits expense

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|--------------------------------------------|-------------------------------------|-------------------------------------|
| Salaries and incentives | 21,87,14,484 | 20,42,17,254 |
| Contributions to provident and other funds | 1,70,05,928 | 1,51,37,971 |
| Staff welfare expenses | 90,31,011 | 85,96,730 |
| | 24,47,51,423 | 22,79,51,955 |

28. Finance costs

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-----------------------------------------|---------------------------------------------|---------------------------------------------|
| Interest expense | 5,30,56,799 | 4,87,72,744 |
| Interest on delay payment of income tax | 9,95,866 | - |
| Other borrowing costs | 1,54,09,071 | 1,18,84,073 |
| | 6,94,61,736 | 6,06,56,817 |

29. Depreciation and amortization expense

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|----------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Depreciation of tangible assets (refer note 13A) | 4,72,23,608 | 4,21,56,617 |
| Amortization of intangible assets (refer note 13B) | 26,89,843 | 25,90,191 |
| | 4,99,13,451 | 4,47,46,808 |

30. Other expenses

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-------------------------------------------|---------------------------------------------|---------------------------------------------|
| Consumption of stores and spare parts | 9,63,19,744 | 8,22,00,214 |
| Power, fuel and water | 2,11,18,206 | 1,72,49,245 |
| Rent (refer note 39) | 52,54,111 | 51,41,959 |
| Rates and taxes | 84,17,722 | 61,99,519 |
| Conveyance expenses | 21,84,509 | 22,34,313 |
| Telephone and internet expense | 9,51,431 | 11,09,841 |
| Repairs and maintenance : | | |
| Building | 7,19,403 | 23,42,425 |
| Others | 42,80,519 | 31,49,996 |
| Vehicle running and maintenance | 19,75,727 | 21,95,910 |
| Insurance charges | 28,06,618 | 36,17,803 |
| Travelling expenses | 1,19,77,649 | 1,44,07,524 |
| Royalty | 63,64,659 | 22,17,655 |
| Legal and professional | 67,44,510 | 58,40,665 |
| Advertisement and sales promotion expense | 98,03,379 | 1,80,16,015 |
| Commission and brokerage | 95,76,216 | 1,18,58,481 |
| Carriage outward | 3,19,03,670 | 1,78,81,863 |
| Labour charges | 3,31,09,151 | 2,83,68,638 |
| Job work charges | 11,18,53,201 | 6,75,13,888 |
| Late deliveries charges | 70,80,281 | 15,26,486 |
| Balances written off | 1,40,41,382 | 8,88,699 |
| Export expenses | 7,11,98,003 | 6,39,13,352 |
| Drawing, designing and pattern charges | 1,17,02,253 | 68,03,921 |
| Miscellaneous expenses | 1,68,64,153 | 1,74,18,236 |
| | 48,62,46,497 | 38,20,96,648 |

31. Earnings per equity share

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|----------------------------------------------------------------|-------------------------------------|-------------------------------------|
| a) Net profit attributable to equity shareholders | 17,83,29,212 | 7,33,51,164 |
| b) Computation of weighted average number of shares for | | |
| Basic earnings per share | 1,18,36,598 | 1,06,34,756 |
| Diluted earnings per share | 1,18,36,598 | 1,06,34,756 |
| c) Nominal value of shares | 10 | 10 |
| d) Earnings per share | | |
| Basic earnings per share | 15.07 | 6.90 |
| Diluted earnings per share | 15.07 | 6.90 |

32. Contingent liabilities

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| (I) Contingent liabilities (under litigation), not acknowledged as debt, include:\ | | |
| Corporate guarantee given on behalf of Shivpad Engineers Private Limited | 5,50,00,000 | 4,50,00,000 |
| Standby letter of credit given on behalf of Jash USA | 16,24,14,212 | 20,48,76,000 |
| b) Contingent liabilities (under litigation), not acknowledged as debt, include: | | |
| Demand for central sales tax | | |
| Financial year 2014-15 | - | 2,20,65,027 |
| Financial year 2015-16 | 51,35,391 | 73,69,543 |
| Demand for service tax | | |
| Financial year 2010-11 | 23,12,211 | 23,12,211 |
| | 74,47,602 | 3,17,46,781 |

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

c) Commitments:

| | | |
|-------------------------------------------------------------------------------------------------|-----------|-------------|
| Estimated amount of contracts remaining to be executed on capital accounts and not provided for | 67,00,784 | 2,92,50,000 |
|-------------------------------------------------------------------------------------------------|-----------|-------------|

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33. Employee benefits:**Gratuity**

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

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------------|---------------------|---------------------|
| Current service cost | 53,84,630 | 48,03,663 |
| Past service cost | - | 15,37,918 |
| Interest cost | 36,55,501 | 28,90,518 |
| Actuarial loss recognized during the year | 12,27,436 | 19,94,813 |
| Expected return on plan assets | (32,92,684) | (29,10,186) |
| Net benefit expense | 69,74,883 | 83,16,726 |

Amount recognised in the balance sheet is as under:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|--------------------------------------------------|----------------------|---------------------|
| Defined benefit obligation | 5,58,71,397 | 47,412,465 |
| Fair value of plan assets | 4,50,92,137 | 4,11,58,555 |
| Net liability recognized in balance sheet | (1,07,79,260) | (62,53,910) |

Changes in defined benefit obligation:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------------|---------------------|---------------------|
| Opening defined benefit obligation | 4,74,12,465 | 3,83,35,782 |
| Interest cost | 36,55,501 | 28,90,518 |
| Current service cost | 53,84,630 | 48,03,663 |
| Benefits paid | (15,65,421) | (21,46,041) |
| Actuarial gain on obligation | 9,84,222 | 20,40,625 |
| Closing defined benefit obligation | 5,58,71,397 | 4,74,12,465 |

Changes in fair value of plan assets:

| Description | 31 March 2018 (Rs.) | 31 March 2017 (Rs.) |
|---------------------------------------------------------|---------------------|---------------------|
| Fair value of plan assets at the beginning of the year | 4,11,58,555 | 3,63,77,319 |
| Expected return on plan assets | 32,92,684 | 29,10,186 |
| Contributions by employer | 25,00,000 | 24,58,483 |
| Fund management charges | (4,52,345) | (3,84,180) |
| Benefits paid | (13,31,430) | (2,49,065) |
| Actuarial loss/gain on plan assets | (75,327) | 45,812 |
| Fair value of plan assets at the end of the year | 4,50,92,137 | 4,11,58,555 |
| Actual return on plan assets | 32,17,357 | 29,55,998 |

Assumptions used:

The Company expects to contribute ₹30,00,000 (previous year ₹62,50,000) to gratuity fund for the year ended 31 March 2019.

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

| Description | 31 March 2019 (%) | 31 March 2018 (%) |
|------------------------------------------------------|-------------------|-------------------|
| Investments with Life Insurance Corporation of India | 100 | 100 |

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

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

| Description | 31 March 2019 (%) | 31 March 2018 (%) |
|-----------------------------------|-------------------|-------------------|
| Discounting rate | 7.65% | 7.71% |
| Expected rate of return on assets | 7.59% | 8.00% |
| Future salary increase | 8.00% | 8.00% |
| Employee turnover : | | |
| - Upto 30 years | 3.00% | 3.00% |
| - Upto 44 years | 2.00% | 2.00% |
| - Above 44 years | 1.00% | 1.00% |

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

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

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

| | 31 March 2019 | 31 March 2018 | 31 March 2017 | 31 March 2016 | 31 March 2015 |
|---------------------------------------------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Defined benefit obligations | 5,58,71,397 | 4,74,12,465 | 3,83,35,782 | 3,10,40,686 | 2,66,22,481 |
| Plan assets | 4,50,92,137 | 4,11,58,555 | 3,63,77,319 | 3,00,92,859 | 2,31,41,443 |
| Net assets/(liability) | (107,79,260) | (62,53,910) | (19,58,463) | (9,47,827) | (34,81,038) |
| Experience adjustments on plan projected benefit obligation:- gain/(loss) | (8,11,062) | (10,62,852) | 14,21,786 | (15,28,913) | 27,00,396 |
| Experience adjustments on plan assets:- gain/(loss) | (75,327) | 45,812 | (1,41,973) | 2,00,413 | 49,560 |

Compensated absences

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

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------------------------------------------|---------------------|---------------------|
| Current service cost | 17,83,875 | 16,71,910 |
| Interest cost | 7,08,835 | 5,70,756 |
| Actuarial loss recognized during the year | 6,65,668 | 11,59,020 |
| Amount recognised in the Standalone Statement of Profit and Loss | 31,58,378 | 34,01,686 |

Changes in defined benefit obligation:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------------|---------------------|---------------------|
| Opening defined benefit obligation | 91,93,709 | 75,69,711 |
| Interest cost | 7,08,835 | 5,70,756 |
| Current service cost | 17,83,875 | 16,71,910 |
| Benefits paid | (23,09,730) | (17,77,688) |
| Actuarial loss on obligation | 6,65,668 | 11,59,020 |
| Closing defined benefit obligation | 1,00,42,357 | 91,93,709 |
| - Current | 14,47,585 | 11,72,242 |
| - Non-current | 85,94,772 | 80,21,467 |

Assumptions used:

| Description | 31 March 2019 (%) | 31 March 2018 (%) |
|------------------------|-------------------|-------------------|
| Discounting rate | 7.65% | 7.71% |
| Future salary increase | 8.00% | 8.00% |
| Employee turnover : | | |
| - Upto 30 years | 3.00% | 3.00% |
| - Upto 44 years | 2.00% | 2.00% |
| - Above 44 years | 1.00% | 1.00% |

Provident fund and Employee State Insurance fund

Contribution made by the Company during the year is ₹ 1,70,05,928 (previous year 1,51,37,971).

34. Payments to auditors: *

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|------------------------|---------------------|---------------------|
| Statutory audit | 20,00,000 | 13,00,000 |
| Out of pocket expenses | 1,25,500 | 93,630 |
| Certification services | 1,05,000 | 1,75,000 |
| Other services | - | 22,90,000 |
| Total | 22,30,500 | 38,58,630 |

* Exclusive of service tax/goods and service tax

35. Expenditure in foreign currency:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------|---------------------|---------------------|
| Royalty expense | 63,64,659 | 14,32,194 |
| Sales commission expense | 6,72,082 | 14,06,822 |
| Foreign travelling expense | 9,42,845 | 49,22,582 |
| Exhibition expenses | 52,80,000 | 81,08,106 |
| Free sample expenses | 3,05,554 | 70,056 |
| Membership and subscription | - | 24,381 |
| Export expenses | 24,75,804 | 3,74,654 |
| Drawing, design and pattern charges | 33,71,776 | 53,25,875 |
| Job work and labour charges | 2,88,18,683 | 1,01,37,574 |
| Bank charges | 13,66,916 | 4,56,621 |
| Sales promotion expenses | 13,98,947 | 59,89,123 |
| Service expenses | 2,05,165 | - |
| Computer repair and maintenance | 12,45,148 | - |
| Erection charges | 14,72,969 | - |
| Freight outward | 1,80,791 | - |
| Late delivery charges | 17,30,323 | - |
| Inspection of goods | 62,478 | 45,203 |
| Miscellaneous expenses | 1,17,424 | - |
| Total | 5,60,11,564 | 3,82,93,191 |

36. Earnings in foreign currency:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-----------------------|---------------------|---------------------|
| Export of goods (FOB) | 7,214,24,834 | 47,68,64,521 |

37. Details of imported and indigenous consumption:

| Description | 31 March 2019 | | 31 March 2018 | |
|------------------------------------|-----------------------|---------------|---------------------|---------------|
| | (Rs.) | (%) | (Rs.) | (%) |
| Raw material and components | | | | |
| Imported | 6,17,11,894 | 6.07 | 3,90,35,252 | 5.04 |
| Indigenous | 95,48,40,891 | 93.93 | 73,61,09,298 | 94.96 |
| Total | 1,01,65,52,785 | 100.00 | 77,51,44,550 | 100.00 |
| Components and spare parts | | | | |
| Imported | - | - | - | - |
| Indigenous | 9,63,19,744 | 100.00 | 8,22,00,214 | 100.00 |
| Total | 9,63,19,744 | 100.00 | 8,22,00,214 | 100.00 |

38 Related party transactions

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

(i) Subsidiary companies

Jash USA Inc., United States of America
 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. L.D. Amin, Chairman and Managing Director
 Mr. Pratik Patel, Managing Director
 Mr. Axel Schutte, Director

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

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)
 Mr. Harsh Patel (son of Mr. Pratik Patel)
 Mrs. Swati Desai (sister of Mr. Pratik Patel)
 Mr. Tarang Amin (brother-in law of Mr. Pratik Patel)
 Mr. Rasesh Amin (son of Mr. L. D. Amin)
 Ms. Avani Vipul Patel (daughter of Mr. L. D. Amin)

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

Patamin Investments Private Limited
 Jash Precision Tools Limited
 Schutte Industrieservice GmbH (till 31 March 2018)
 Schutte Meyer Industries Private Limited (till 31 July 2017)
 Schutte Meyer Ashwath Alloys Private Limited (till 31 July 2017)
 Schütte Meyer Technical Services GmbH (till 31 March 2018)
 Micro Flat Datums Private Limited
 Jash Flowcon Engineers (a partnership firm)
 L. D. Amin HUF

(v) Entity having significant influence over the Company

Pragati India Fund Limited (till 11 October 2017)

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38. Related party transactions (Contd.)

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company | | Total | |
|--------------------------------------------------------------|----------------------|---------------------|----------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|---------------------|---------------------|
| | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| vi. Transactions with related parties during the year | | | | | | | | |
| Managerial remuneration | | | | | | | | |
| Pratik Patel | - | - | 1,00,98,729 | 1,07,77,082 | - | - | 1,00,98,729 | 1,07,77,082 |
| L.D. Amin | - | - | 54,64,525 | 57,88,470 | - | - | 54,64,525 | 57,88,470 |
| Harsh Patel | - | - | 46,34,204 | 48,77,632 | - | - | 46,34,204 | 48,77,632 |
| | - | - | - | 1,10,980 | - | - | - | 1,10,980 |
| Sale of goods | 35,67,12,278 | 23,88,55,242 | - | - | 5,68,07,607 | 4,76,36,109 | 41,35,19,883 | 28,64,91,350 |
| Jash Precision Tools Limited | - | - | - | - | 5,51,68,959 | 3,89,26,671 | 5,51,68,959 | 3,89,26,671 |
| Schutte Industrieservice GmbH | - | - | - | - | - | 7,93,215 | - | 7,93,215 |
| Engineering and Manufacturing Jash Limited | 99,34,013 | 88,69,549 | - | - | - | - | 99,34,013 | 88,69,549 |
| Schutte Meyer Ashwath Alloys Private Limited | - | - | - | - | - | 58,75,907 | - | 58,75,907 |
| Shivpad Engineers Private Limited | 6,37,601 | 10,32,750 | - | - | - | - | 6,37,601 | 10,32,750 |
| Jash USA Inc. | 1,35,84,167 | 11,18,04,736 | - | - | 16,38,648 | 14,75,620 | 1,35,84,167 | 11,18,04,736 |
| Micro Flat Datums Private Limited | - | - | - | - | - | - | 16,38,648 | 14,75,620 |
| Mahr Maschinenbau GmbH | 81,294 | 5,27,798 | - | - | - | - | 81,294 | 5,27,798 |
| Rodney Hunt Inc. | 33,24,75,203 | 11,66,20,409 | - | - | - | - | 33,24,75,203 | 11,66,20,409 |
| Schütte Meyer Technical Services GmbH | - | - | - | - | - | 5,64,696 | - | 5,64,696 |
| Purchase of goods | 4,16,30,162 | 65,58,593 | - | - | 84,00,709 | 3,09,79,240 | 5,00,30,871 | 3,75,37,833 |
| Jash Precision Tools Limited | - | - | - | - | - | 2,44,665 | - | 2,44,665 |
| Schutte Meyer Industries Private Limited | - | - | - | - | - | 1,46,753 | - | 1,46,753 |
| Schutte Meyer Ashwath Alloys Private Limited | - | - | - | - | - | 2,71,51,328 | - | 2,71,51,328 |
| Shivpad Engineers Private Limited | 53,71,242 | 65,58,593 | - | - | - | - | 53,71,242 | 65,58,593 |
| Jash USA Inc. | 2,17,07,949 | - | - | - | - | - | 2,17,07,949 | - |
| Rodney Hunt Inc. | 8,54,491 | - | - | - | - | - | 8,54,491 | - |
| Micro Flat Datums Private Limited | - | - | - | - | 84,00,709 | 34,36,495 | 84,00,709 | 34,36,495 |
| Job work charges and labour charges | 15,88,666 | 20,000 | - | - | 2,48,68,344 | 1,33,92,518 | 2,64,57,010 | 1,34,12,518 |
| Jash Precision Tools Limited | - | - | - | - | 1,50,34,242 | 76,16,345 | 1,50,34,242 | 76,16,345 |
| Jash Flowcon Engineers | - | - | - | - | 97,33,933 | 55,92,321 | 97,33,933 | 55,92,321 |
| Micro Flat Datums Private Limited | - | - | - | - | 1,00,169 | 1,83,852 | 1,00,169 | 1,83,852 |
| Shivpad Engineers Private Limited | 15,88,666 | 20,000 | - | - | - | - | 15,88,666 | 20,000 |
| Dividend income | 54,00,400 | 54,01,200 | - | - | - | - | 54,00,400 | 54,01,200 |
| Shivpad Engineers Private Limited | 54,00,400 | 54,01,200 | - | - | - | - | 54,00,400 | 54,01,200 |

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ intersted/ entity having significant influence over the Company | | Total | |
|--------------------------------------------------------------------|----------------------|---------------|----------------------------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| Dividend for the year (excluding dividend distribution tax) | | | | | | | | |
| Pratik Patel | - | - | 44,45,145 | 85,63,790 | 4,03,000 | 51,62,204 | 48,48,145 | 1,37,25,994 |
| L.D. Amin | - | - | 19,21,065 | 38,22,930 | - | - | 19,21,065 | 38,22,930 |
| Axel Schutte | - | - | 2,67,385 | 5,34,770 | - | - | 2,67,385 | 5,34,770 |
| Patamin Investments Private Limited | - | - | 7,70,000 | 15,40,000 | - | - | 7,70,000 | 15,40,000 |
| Pragati Fund Private Limited | - | - | - | - | 4,03,000 | 16,000 | 4,03,000 | 16,000 |
| Bhairavi Patel | - | - | - | - | - | 51,46,204 | - | 51,46,204 |
| Swati Desai | - | - | 2,52,308 | 5,04,616 | - | - | 2,52,308 | 5,04,616 |
| Tarang Amin | - | - | 20,330 | 23,660 | - | - | 20,330 | 23,660 |
| Rasesh Amin | - | - | 1,23,950 | - | - | - | 1,23,950 | - |
| Avani Vipul Patel | - | - | 4,42,750 | 8,83,100 | - | - | 4,42,750 | 8,83,100 |
| Harsh Patel | - | - | 1,97,357 | 3,54,714 | - | - | 1,97,357 | 3,54,714 |
| | - | - | 4,50,000 | 9,00,000 | - | - | 4,50,000 | 9,00,000 |
| Interest expense | | | | | | | | |
| Patamin Investments Private Limited | - | - | 44,747 | 9,43,348 | - | 11,76,868 | 44,747 | 21,20,216 |
| L. D. Amin HUF | - | - | - | - | - | 10,44,396 | - | 10,44,396 |
| Pratik Patel | - | - | - | - | - | 1,32,472 | - | 1,32,472 |
| | - | - | 44,747 | 9,43,348 | - | - | 44,747 | 9,43,348 |
| Interest income | | | | | | | | |
| Mahr Maschinenbau GmbH | 35,45,408 | 25,82,251 | - | - | - | - | 35,45,408 | 25,82,251 |
| Jash USA Inc. | 5,64,704 | 4,83,733 | - | - | - | - | 5,64,704 | 4,83,733 |
| | 29,80,704 | 20,98,518 | - | - | - | - | 29,80,704 | 20,98,518 |
| Expenses incurred/paid on behalf of Company | | | | | | | | |
| Jash USA Inc. | 2,02,91,326 | 75,74,219 | - | - | - | 8,24,943 | 2,02,91,326 | 83,99,162 |
| Micro Flat Datums Private Limited | 1,85,04,654 | 48,68,666 | - | - | - | - | 1,85,04,654 | 48,68,666 |
| Schutte Meyer Industries Private Limited | - | - | - | - | - | 3,000 | - | 3,000 |
| Mahr Maschinenbau GmbH | - | - | - | - | - | 8,21,943 | - | 8,21,943 |
| Shivpad Engineers Private Limited | 13,96,177 | - | - | - | - | - | 13,96,177 | - |
| | 3,90,495 | 27,05,553 | - | - | - | - | 3,90,495 | 27,05,553 |
| Rent expense | | | | | | | | |
| Patamin Investments Private Limited | - | - | - | - | 49,56,000 | 49,24,500 | 49,56,000 | 49,24,500 |
| | - | - | - | - | 49,56,000 | 49,24,500 | 49,56,000 | 49,24,500 |

| 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 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| Purchase of capital goods | | | | | | | | |
| Jash USA Inc. | 1,36,96,480 | - | - | - | - | - | 1,36,96,480 | - |
| Expenses incurred by Company on behalf of related parties | 1,36,96,480 | - | - | - | - | - | 1,36,96,480 | - |
| Jash Flowcon engineers | 38,81,897 | 2,20,50,526 | 4,46,730 | 1,43,598 | 2,47,130 | 2,29,900 | 45,75,757 | 2,24,24,024 |
| Jash Precision Tools Limited | - | - | - | - | 76,745 | 65,897 | 76,745 | 65,897 |
| Shivpad Engineers Private Limited | - | - | - | - | 1,70,385 | 1,64,003 | 1,70,385 | 1,64,003 |
| Jash USA Inc. | 38,81,897 | 61,70,326 | - | - | - | - | 38,81,897 | 61,70,326 |
| Rodney Hunt Inc. | - | 60,36,751 | - | - | - | - | - | 60,36,751 |
| Pratik Patel | - | 98,43,449 | - | - | - | - | - | 98,43,449 |
| L. D. Amin | - | - | 4,46,730 | 1,26,952 | - | - | 4,46,730 | 1,26,952 |
| | - | - | - | 16,646 | - | - | - | 16,646 |
| Reimbursement of expenses | | | | | | | | |
| Pratik Patel | - | - | 21,09,321 | 22,20,203 | - | 4,43,254 | 21,09,321 | 26,63,457 |
| L. D. Amin | - | - | 19,91,626 | 20,91,072 | - | - | 19,91,626 | 20,91,072 |
| Schutte Meyer Industries Private Limited | - | - | 1,17,695 | 1,29,131 | - | - | 1,17,695 | 1,29,131 |
| Schutte Meyer India Private Limited | - | - | - | - | - | 2,42,708 | - | 2,42,708 |
| | - | - | - | - | - | 2,00,546 | - | 2,00,546 |
| Commission paid | | | | | | | | |
| Mahr Maschinenbau GmbH | - | 3,69,213 | - | - | - | - | - | 3,69,213 |
| | - | 3,69,213 | - | - | - | - | - | 3,69,213 |
| Investments made | | | | | | | | |
| Jash USA Inc. | 3,93,38,000 | 1,33,20,807 | - | - | - | - | 3,93,38,000 | 1,33,20,807 |
| | 3,93,38,000 | 1,33,20,807 | - | - | - | - | 3,93,38,000 | 1,33,20,807 |
| Loan taken | | | | | | | | |
| Pratik Patel | - | - | - | 80,00,000 | - | 1,30,00,000 | - | 2,10,00,000 |
| Patamin Investments Private Limited | - | - | - | 80,00,000 | - | - | - | 80,00,000 |
| | - | - | - | - | - | 1,30,00,000 | - | 1,30,00,000 |
| Loan given | | | | | | | | |
| Jash USA Inc. | - | 3,23,90,000 | - | - | - | - | - | 3,23,90,000 |
| | - | 3,23,90,000 | - | - | - | - | - | 3,23,90,000 |
| Loan repaid/adjusted | | | | | | | | |
| Pratik Patel | - | - | 21,39,165 | 2,72,49,441 | - | 1,90,66,401 | 21,39,165 | 4,63,15,842 |
| Bhairavi Patel | - | - | 21,39,165 | 2,35,04,644 | - | - | 21,39,165 | 2,35,04,644 |
| Harsh Patel | - | - | - | 4,18,793 | - | - | - | 4,18,793 |
| L. D. Amin HUF | - | - | - | 8,37,587 | - | - | - | 8,37,587 |
| Patamin Investments Private Limited | - | - | - | 24,88,417 | - | - | - | 24,88,417 |
| | - | - | - | - | - | 1,90,66,401 | - | 1,90,66,401 |

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ intersted/ entity having significant influence over the Company | | Total | |
|------------------------------------------------------------------------------------------------------|----------------------|---------------|----------------------------------------------|---------------|------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| Corporate guarantees/letter of credit given/(settled) by Company on behalf of related parties | | | | | | | | |
| Shivpad Engineers Private Limited | | | - | - | - | - | | |
| Jash USA Inc. | 1,00,00,000 | 10,76,11,900 | - | - | - | - | | |
| Year end balances | (4,24,61,788) | 10,76,11,900 | - | - | - | - | (3,24,61,788) | 10,76,11,900 |
| Trade receivables | 42,56,84,936 | 23,43,75,319 | - | - | 4,23,20,891 | 2,37,68,787 | 46,80,05,826 | 25,81,44,106 |
| Jash Precision Tools Limited | - | - | - | - | 3,55,76,040 | 1,53,46,412 | 3,55,76,040 | 1,53,46,412 |
| Schutte Industrieservice GmbH | - | - | - | - | - | 14,71,911 | - | 14,71,911 |
| Jash USA Inc. | 3,22,89,479 | 12,40,97,101 | - | - | - | - | 3,22,89,479 | 12,40,97,101 |
| Rodney Hunt Inc. | 38,28,52,351 | 10,80,01,044 | - | - | - | - | 38,28,52,351 | 10,80,01,044 |
| Micro Flat Datums Private Limited | - | - | - | - | 67,44,851 | 69,50,463 | 67,44,851 | 69,50,463 |
| Mahr Maschinenbau GmbH | 6,09,092 | 22,77,174 | - | - | - | - | 6,09,092 | 22,77,174 |
| Engineering & Manufacturing Jash Limited | 99,34,013 | - | - | - | - | - | 99,34,013 | - |
| Loans and advances | 4,35,74,194 | 4,75,05,531 | - | - | - | - | 4,35,74,194 | 4,75,05,531 |
| Mahr Maschinenbau GmbH | 67,92,261 | 65,68,891 | - | - | - | - | 67,92,261 | 65,68,891 |
| Jash USA Inc. | 3,67,81,933 | 4,09,36,640 | - | - | - | - | 3,67,81,933 | 4,09,36,640 |
| Interest accrued on loans and advances | 35,45,408 | 25,82,251 | - | - | - | - | 35,45,408 | 25,82,251 |
| Mahr Maschinenbau GmbH | 5,64,704 | 4,83,732 | - | - | - | - | 5,64,704 | 4,83,732 |
| Jash USA Inc. | 29,80,704 | 20,98,519 | - | - | - | - | 29,80,704 | 20,98,519 |
| Trade payables | 4,84,96,278 | 33,79,436 | - | - | 99,94,977 | 47,31,827 | 5,84,91,255 | 81,11,262 |
| Jash Precision Tools Limited | - | - | - | - | 76,979 | - | 76,979 | - |
| Micro Flat Datums Private Limited | - | - | - | - | 36,02,440 | - | 36,02,440 | - |
| Jash USA Inc. | 4,08,75,184 | - | - | - | - | - | 4,08,75,184 | - |
| Shivpad Engineers Private Limited | 67,66,604 | 30,10,223 | - | - | - | - | 67,66,604 | 30,10,223 |
| Jash Flowcon Engineers | - | - | - | - | 63,15,558 | 40,95,234 | 63,15,558 | 40,95,234 |
| Rodney Hunt Inc. | 8,54,491 | - | - | - | - | - | 8,54,491 | - |
| Schutte Industrieservice GmbH | - | - | - | - | - | 6,36,593 | - | 6,36,593 |
| Mahr Maschinenbau GmbH | - | 3,69,213 | - | - | - | - | - | 3,69,213 |
| Short term borrowings | - | - | - | 21,39,164 | - | - | - | 21,39,164 |
| Pratik Patel | - | - | - | 21,39,164 | - | - | - | 21,39,164 |

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ entity having significant influence over the Company | | Total | |
|------------------------------------------------------------------------------------------------------|----------------------|---------------|----------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| Investments made | | | | | | | | |
| Shivpad Engineers Private Limited | 37,18,36,842 | 33,24,98,843 | - | - | - | - | 37,18,36,842 | 33,24,98,843 |
| Jash USA Inc. | 5,68,34,000 | 5,68,34,000 | - | - | - | - | 5,68,34,000 | 5,68,34,000 |
| Mahr Maschinenbau GmbH | 15,72,75,385 | 11,79,37,385 | - | - | - | - | 15,72,75,385 | 11,79,37,385 |
| Engineering and Manufacturing Jash Limited | 15,77,27,450 | 15,77,27,450 | - | - | - | - | 15,77,27,450 | 15,77,27,450 |
| | 8 | 8 | - | - | - | - | 8 | 8 |
| Security deposits | | | | | | | | |
| Patamin Investments Private Limited | - | - | - | - | 25,00,000 | 25,00,000 | 25,00,000 | 25,00,000 |
| | - | - | - | - | 25,00,000 | 25,00,000 | 25,00,000 | 25,00,000 |
| Corporate guarantees/letter of credit given/(settled) by Company on behalf of related parties | | | | | | | | |
| Shivpad Engineers Private Limited | 21,74,14,212 | 24,98,76,000 | - | - | - | - | 21,74,14,212 | 24,98,76,000 |
| Jash USA Inc. | 5,50,00,000 | 4,50,00,000 | - | - | - | - | 5,50,00,000 | 4,50,00,000 |
| | 16,24,14,212 | 20,48,76,000 | - | - | - | - | 16,24,14,212 | 20,48,76,000 |
| Employee related payables | | | | | | | | |
| Pratik Patel | 5,13,917 | 4,46,442 | 5,13,917 | 4,46,442 | - | - | 5,13,917 | 4,46,442 |
| L. D. Amin | 3,45,763 | 2,81,327 | 3,45,763 | 2,81,327 | - | - | 3,45,763 | 2,81,327 |
| | 1,68,154 | 1,65,115 | 1,68,154 | 1,65,115 | - | - | 1,68,154 | 1,65,115 |

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39. Operating leases:

The Company has taken lands on lease for a period of 30 years (which can be extended further) and 99 years, in respect of which Company, during the year, has made total lease payments of ₹2,87,643 (previous year ₹2,87,643). Aforesaid leases are outside the scope of Accounting Standard – 19 “Leases”.

Apart from that, the Company has taken space on lease for use as office premises which are cancellable leases with no lock in period as well as non-cancellable lease with lock in period. For cancellable leases, there are no restrictions imposed on the Company under the lease arrangement. There are no subleases. The Company, during the year, has made total lease payments of ₹44,54,502 (previous year ₹43,42,350) towards such cancellable operating leases. For non-cancellable lease, the Company has booked an expense of amounting to ₹ 5,11,966 (previous year ₹ 5,11,966) and the total of minimum future lease payments under non-cancellable operating lease is as under:

| Description | 31 March 2019 | 31 March 2018 |
|---------------------------------------------------|---------------|---------------|
| Not later than one year | 3,83,975 | 5,11,966 |
| Later than one year but not later than five years | - | 3,83,975 |

40. Value of imports calculated on CIF basis:

| Description | 31 March 2018 | 31 March 2017 |
|-----------------|---------------------|--------------------|
| Purchase of: | | |
| - Raw materials | 9,26,23,741 | 6,35,78,604 |
| - Capital goods | 1,36,62,031 | 2,86,13,972 |
| Total | 10,62,85,772 | 9,21,92,576 |

41. Unhedged foreign currency exposure:

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

| Particulars | 31 March 2019 | | 31 March 2018 | |
|------------------------------|------------------|--------------|------------------|--------------|
| | Foreign Currency | (Rs.) | Foreign Currency | (Rs.) |
| Trade receivables: | | | | |
| US Dollar | 67,79,366 | 46,89,37,586 | 38,16,121 | 2,482,16,153 |
| Euro | 18,387 | 14,28,699 | 1,80,359 | 1,45,40,949 |
| Singapore Dollar | - | - | 6,78,107 | 3,36,72,799 |
| Canadian Dollar | 2,13,299 | 11,076,255 | 3,73,731 | 3,44,89,570 |
| Great Britain Pound | 2,12,414 | 1,92,18,284 | 1,18,548 | 1,09,40,122 |
| Trade payables: | | | | |
| US Dollar | 12,366 | 8,54,491 | 10,00 | 65,044 |
| Euro | 94,019 | 75,14,777 | 15,424 | 12,43,517 |
| Great Britain Pound | - | - | 585 | 53,986 |
| Long term borrowings: | | | | |
| US Dollar | 3,82,855 | 2,64,82,556 | 10,75,067 | 6,99,22,408 |

Closing rates are as under:-

| Currency | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|------------------|---------------------|---------------------|
| US Dollar | 69.17 | 65.04 |
| Euro | 77.70 | 80.62 |
| Canadian Dollar | 51.93 | 50.43 |
| GBP | 90.47 | 92.28 |
| Singapore Dollar | 51.21 | 49.66 |

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

| Description | 31 March 2019 | 31 March 2018 |
|------------------------------------------------------------------------------------------------------|---------------|---------------|
| Number of shareholders | 14 | 12 |
| Number of shares held on which dividend was due | 11,87,307 | 36,64,909 |
| Amount remitted (gross): - Final, pertaining to financial year 2017-18 (previous year 2016-17) | 11,87,307 | 73,29,818 |

43. Directors remuneration:

| Description | 31 March 2019 | 31 March 2018 |
|-------------------------------------------|--------------------|--------------------|
| Salaries, wages and bonus* | 91,64,716 | 95,28,447 |
| Contribution to provident and other funds | 4,13,268 | 6,34,667 |
| Perquisites | 79,000 | 79,200 |
| Compensated absences | 4,41,745 | 4,23,788 |
| Total | 1,00,98,729 | 1,06,66,102 |

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

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44. The Company has completed Initial Public Offer (IPO) on the Emerge Board of National Stock Exchange of India Limited, comprising of Pre IPO placement and Offer for sale by the Selling Shareholder of 25,73,102 equity shares and Fresh issue of 22,61,198 equity shares of the Company on 11 October 2017 at an offer price of ₹ 120 per share aggregating to ₹ 308,772,360 and ₹ 27,13,43,760 respectively. The disclosure relating to utilization of IPO proceeds from Fresh issue is as follows: -

| Particulars | Utilization planned as per prospectus | Total utilization upto 31 March 2019 | Adjustments (utilization of surplus towards other objects) | Amount pending for for utilization as at 31 March 2019 |
|-------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|------------------------------------------------------------|--------------------------------------------------------|
| Working capital | 9,00,00,000 | 9,00,00,000 | - | - |
| Expansion of manufacturing facilities at Unit III, SEZ 1, Pithampur | 1,93,48,000 | 60,55,105 | 1,32,92,895* | - |
| Acquire leased land and to set- up new manufacturing plant at SEZ (SEZ 2) Pithampur (i.e. Proposed Unit IV) | 8,59,14,760 | 9,92,06,895 | (1,32,92,895)* | - |
| General corporate purposes | 3,60,82,000 | 3,31,58,000 | (29,24,430)* | - |
| Share issue expenses | 4,00,00,000 | 4,29,24,430 | 29,24,430* | - |
| Total | 2,713,43,760 | 2,713,43,760 | - | - |

* Excess utilization towards offer related expenses and set-up of new manufacturing plants at SEZ Pithampur have been adjusted with other object of the issue.

45. Segment reporting:

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

46. The Company has one unit which is located in Special Economic Zone (the “SEZ”) and is 100% exempted from income tax (current tax) till 31 March 2015, 50% exempted from 1 April 2015 to 31 March 2020 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ Reserve Account) from 1 April 2020 to 31 March 2025 - under the provisions of Section 10AA of the Income Tax Act, 1961. Deferred tax pertaining to this unit is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods beyond the periods during which the respective units are exempt from income-tax as aforesaid.
47. The Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India (“RBI”). Trade receivables amounting to ₹ 13,96,95,452 (previous year ₹ 6,68,21,030) due from overseas parties is outstanding for a period of more than nine months. Out of these, ₹ 2,28,40,243 (previous year ₹ 4,55,86,651) is due from M/s. Jash USA Inc, ₹ 5,27,798 (previous year ₹ 15,02,550) is due from M/s. Mahr Maschinenbau and ₹ 11,63,55,956 (previous year ₹ 2,61,915) is due from M/s. Rodney Hunt Inc. (all three entities are subsidiary companies).

Subsequent to year ended 31 March 2019, the Company has received ₹ 16,99,298 and ₹ 16,634,480 for dues outstanding for a period of more than nine months from M/s. Jash USA Inc. and Rodney Hunt Inc. respectively.

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

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

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

48. As at 31 March 2019, the Company has investment of ₹15,72,75,385 (previous year ₹11,79,37,385) in Jash USA Inc. (a wholly owned subsidiary company) and ₹ 15,77,27,450 (previous year ₹ 15,77,27,450) in Mahr Maschinenbau GmBH respectively. Both have accumulated losses amounting to ₹23,29,01,691 (previous year ₹12,91,08,314) and ₹ 1,31,54,696 (previous year ₹60,42,919), which has eroded a significant portion of net worth of these respective subsidiaries. Basis the order books and certain other positive factors, the management of the Company has carried out valuation for both entities and is confident that these subsidiaries will be able to generate adequate positive cash flows in order to meet their present and future obligations in the ordinary course of business. Accordingly, the investments are carried at cost and no provision for diminution in respect of this investment has been recognized in the standalone financial statements.
49. Pursuant to recent judgement by the Hon'ble Supreme Court of India dated 28 February 2019, it was held that basic wages, for the purpose of provident fund, to include allowances which are common for all employees. However, there is uncertainty with respect to the applicability of the judgement and period from which the same applies and accordingly, the Company has not provided for any liability on account of this.
50. 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.
51. Revenue for the year ended 31 March 2019 is net of Goods and Service Tax (GST) which is applicable from 1 July 2017, however, revenue for the year ended 31 March 2018 is net of VAT but gross of excise duty till 30 June 2017. Accordingly, revenue for the year ended 31 March 2019 is not comparable with the previous periods presented in these financial statements.
52. The Company inaugurated its new plant in SEZ Pithampur on 10 Feb 2019. However, the Company has not yet commenced commercial production on this plant.
53. In the opinion of the board of directors, assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made.
54. All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.
55. The previous year figures have been re-classified/ re-grouped wherever considered necessary, to conform to current year classification.

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

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

Sd/-
per **Neeraj Sharma**
Partner

Place : Indore
Date : 28th May 2019

Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735

Sd/-
Dharmendra Jain
Chief Financial Officer

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

Sd/-
Pratik Patel
Managing Director
DIN-00780920

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

Independent Auditor's Report

To the Members of Jash Engineering Limited

Report on the 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'), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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 Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended), of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2019, and their consolidated profit, and their consolidated cash flows 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 15 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. 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.
5. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Key audit matter Impairment of Goodwill | How our audit addressed the key audit matter |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The carrying value of goodwill as of 31 March 2019, in relation to acquisition of subsidiaries is ₹19,40,84,686 as disclosed in the accompanying consolidated financial statements.</p> <p>Carrying value of goodwill is subject to a test of impairment by the management in accordance with the requirements of the applicable accounting standards.</p> | <p>Our audit procedures in relation to testing of goodwill impairment included, but was not limited to, the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the management process and controls for identification of possible impairment indicators and process performed by the management for impairment testing. • Assessed appropriateness of the cash-generating unit determined by the management for impairment testing of goodwill. |

| <p>The aforesaid assessment of the impairment involves exercising a significant judgement with regard to assumptions and estimates involved in forecasting future cash flows, including identification of cash-generating unit, expectations regarding future developments in the economy and the market in which the subsidiary companies operate. These assumptions include growth rates, discount rates, estimated future operating and capital expenditure, and operating margins.</p> <p>Changes in the management forecasts, assumptions or government policies can impact the assessment of the discounted cash flows and consequently the valuation of such subsidiary companies.</p> <p>While no impairment loss was recognised during the financial year ended 31 March 2019, we, however, note that goodwill remains sensitive to changes in the key drivers of cash flow forecast.</p> <p>A significant amount of audit effort was required particularly as some of these assumptions are dependent on economic factors and trading conditions in the markets in which subsidiaries operate. Considering the significance of the amounts involved, degree of judgement and subjectivity involved in the estimates and key assumptions used in determining the cash flows used in the impairment evaluation we have determined impairment of goodwill as a key audit matter.</p> | <ul style="list-style-type: none"> • 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. • Tested the reasonableness of the key assumptions used in the cash flow projections and valuation, such as growth rates, discount rate, etc. considering our understanding of the business, industry and relevant market factors. • 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 consolidated financial statements in relation to goodwill pertaining to such acquired subsidiary companies in accordance with the applicable accounting standards. |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Key audit matter Recoverability of trade receivables | How our audit addressed the key audit matter |
| <p>The Holding Company has reported trade receivables of ₹ 51,39,59,636 as at 31 March 2019 and has written off trade receivables of ₹1,40,41,382 during the current year as detailed in note 33 to the accompanying consolidated financial statements.</p> <p>Owing to the nature of operations of the Holding Company and related customer profiles, the Holding Company has significant receivable balances that are past the credit period for the products and services offered by the Holding Company. The management assesses recoverability of its trade receivables through evaluation of the accounts receivable ageing and prior collection experience and customer's financial conditions to ascertain the ultimate collectability of these receivables, which involves significant management judgements and estimates.</p> | <p>Our audit work in relation to recoverability of trade receivables included, but was not limited to, the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the management's process for computation of trade receivables provisioning, and related accounting policies adopted by the management. • Tested the design, implementation and operating effectiveness of the controls that the Holding Company has established in relation to revenue recognition and allowance for trade receivables. • Tested the accuracy of ageing of trade receivables at year end on a sample basis. • On a sample basis, obtained direct confirmations from the customers of the Holding Company having outstanding receivable balances as at year end. • Where direct confirmations were not obtained, subsequent realization of the outstanding invoices or invoices wise checking of trade receivables was carried out to ensure the existence of debt by the customer. |

| <p>Considering the materiality of trade receivables balances to the Group's consolidated financial statements and the judgements involved in the estimation of recoverability due to significant long standing trade balances, this area is considered as a key audit matter for the current year audit.</p> | <ul style="list-style-type: none"> • Obtained explanations for other long outstanding balances from the management to identify any additional potentially impaired balances. • Evaluated management's assessment of recoverability of the unsettled receivables, on a sample basis, with reference to the credit profile of the customers, historical payment pattern of customers, publicly available information and latest correspondence with customers to consider if any additional provision was required to be recognised. • Ensured appropriateness of disclosures made in the consolidated financial statements with respect to the trade receivables and provisioning thereof. |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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 2019, the Holding Company held inventories comprising of raw materials and components, finished goods, work-in-progress and stores and spares worth ₹50,31,85,772 as detailed in note 20.1 to the accompanying consolidated financial statements.</p> <p>The Holding Company follows manual inventory valuation methods which includes allocation of various production and administration related overheads on the finished goods and inventory which is classified as work in progress.</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 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 • Assessment of the completion percentage of products • Judgement involved in computation of machine hour rate, machine hours' efficiency, foundry and quality department labour hours etc., 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</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 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 2019 identified by the management, recomputed the |

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>are written down to their net realizable value in accordance with 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>allowance created by the management using management's model which has been consistently applied.</p> <ul style="list-style-type: none"> • 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. • Tested ageing of inventory items obtained through system reports, as applicable. • Evaluated the disclosures made in the consolidated financial statements in accordance with the applicable accounting standards. |
| Key audit matter | How our audit addressed the key audit matter |
| <p>In addition to the above, the auditors of Jash USA Inc., a subsidiary company, have reported below key audit matter in their audit report dated 25 May 2019:</p> <p>Intangible assets</p> <p>The subsidiary company has intangible assets with net book value as at 31 March 2019 amounting to ₹ 8,02,38,708 acquired during the acquisition of business from VAG USA LLC. The management should assess at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the enterprise should estimate the recoverable amount of the asset.</p> | <p>The management made an assessment of indication of impairment using external and internal sources of information. Based on the assessment of the indicators, the management concluded that potential impairment loss does not exist and accordingly is not required to make a formal estimate of recoverable amount. We have performed audit procedures on the impairment analysis and tested reasonability of assumptions and estimates used therein and are of the opinion that no impairment needs to be charged against the carrying amount of the intangible asset.</p> |

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

6. The Holding Company's Board of Directors is responsible for the other information. Other information 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable as no other information is obtained at the date of this auditor's report.

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

7. 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 state of affairs (consolidated financial position), consolidated profit or loss and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors

/management of the companies included in the Group covered under the Act 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 consolidated financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

8. 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 intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those Board of Directors are also responsible for overseeing the financial reporting process of the Group.

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

10. 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.
11. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, 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.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.

14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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.

Other Matters

15. We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets of ₹ 67,52,87,528 and net assets of ₹ (1,81,80,170) as at 31 March 2019, total revenues of ₹ 88,67,04,838 and net cash out flows amounting to ₹ 1,38,98,098 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

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

16. We did not audit the financial statements of 2 subsidiaries, whose financial statements reflect total assets of ₹ 2,38,60,664 and net assets of ₹ (83,15,539) as at 31 March 2019, total revenues of ₹ 2,68,50,223 and net cash inflows amounting to ₹ 36,95,583 for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

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

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit and on the consideration of the report of the other auditor, referred to in paragraph 15, on separate financial statements of one of the subsidiary company, we report that the Holding Company 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. Further, we report that 1 subsidiary company covered under the Act has not paid or provided for any managerial remuneration during the year.
18. As required by section 143 (3) of the Act, based on our audit and on the consideration of the report of the other auditor on separate financial statements and other financial information of one of the subsidiary, 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 aforesaid consolidated financial statements;
 - b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor;
 - c) the consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014(as amended);
 - e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of one of its subsidiary company covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2019 from being appointed as a director in terms of section 164(2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, and its subsidiary company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; and
- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditor on separate financial statements as also the other financial information of one of the subsidiary company:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 35 to the consolidated financial statements;
 - ii. the Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2019;
 - iii. there were no amounts required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act, during the year ended 31 March 2019; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these consolidated financial statements. Hence, reporting under this clause is not applicable.

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

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

Place : Indore
Date : 28th May 2019

Annexure A to the Independent Auditor's Report of even date to the members of Jash Engineering Limited, on the consolidated financial statements for the year ended 31 March 2019

Annexure A

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

1. In conjunction with our audit of the consolidated financial statements of the Jash Engineering Limited (the 'Holding Company') and its subsidiaries, (the Holding Company and its subsidiaries together referred to as the 'Group'), as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company and its subsidiary company, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

Other Matter

9. We did not audit the IFCoFR insofar as it relates to one subsidiary company, which is a company incorporated in India, whose financial statements reflect total assets of ₹9,82,68,974 as at 31 March 2019, total revenues of ₹13,56,66,194 and net cash inflows amounting to ₹1,13,276 for the year ended on that date. Our report on the adequacy and operating effectiveness of the IFCoFR for the Holding Company and its subsidiary company; which are companies incorporated in India, under Section 143(3)(i) of the Act insofar as it relates to the aforesaid subsidiary company which is a company incorporated in India, is solely based on the corresponding reports of the auditor of such company. Our opinion is not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditor.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Sd/-

per **Neeraj Sharma**

Partner

Membership No.: 502103

Place : Indore

Date : 28th May 2019

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Jash Engineering Limited
Consolidated Balance Sheet as at 31 March 2019

(All amount in ₹, unless stated otherwise)

| Description | Notes | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------------------------------------------------------------------|-------|------------------------|------------------------|
| Equity and liabilities | | | |
| Shareholders' Funds | | | |
| Share capital | 5 | 11,83,65,980 | 11,83,65,980 |
| Reserves and surplus | 6 | 1,00,84,29,535 | 94,17,65,012 |
| | | 1,12,67,95,515 | 1,06,01,30,992 |
| Non-current liabilities | | | |
| Long-term borrowings | 7 | 7,36,83,238 | 19,41,22,602 |
| Deferred tax liabilities (net) | 8 | 3,94,43,465 | 4,52,53,395 |
| Other long term liabilities | 9 | 11,92,490 | 8,64,288 |
| Long-term provisions | 10 | 2,02,08,357 | 1,47,96,358 |
| | | 13,45,27,550 | 25,50,36,643 |
| Current liabilities | | | |
| Short-term borrowings | 11 | 49,14,44,323 | 32,78,68,125 |
| Trade payables | | | |
| -Total outstanding dues of Micro Enterprises & Small Enterprises | 12A | 11,96,96,175 | 2,97,62,628 |
| -Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | 12B | 46,75,86,929 | 44,88,31,828 |
| Other current liabilities | 13 | 30,47,21,507 | 18,11,54,355 |
| Short-term provisions | 14 | 3,52,37,025 | 1,82,50,690 |
| | | 1,41,86,85,959 | 1,00,58,67,626 |
| | | 2,68,00,09,024 | 2,32,10,35,261 |
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 15A | 57,47,06,733 | 58,33,26,278 |
| Intangible assets | 15C | 9,00,02,397 | 9,67,09,063 |
| Capital work-in-progress | 15B | 11,13,95,652 | 47,56,435 |
| Intangible assets under development | 15D | 90,23,943 | 77,64,877 |
| Goodwill on consolidation | | 19,40,84,686 | 19,97,04,021 |
| Deferred tax assets (net) | 16 | 3,72,140 | 1,41,00,268 |
| Long-term loans and advances | 17 | 2,24,10,234 | 2,46,38,504 |
| Other non-current assets | 18 | 91,102 | - |
| | | 1,00,20,86,887 | 93,09,99,446 |
| Current assets | | | |
| Current investments | 19 | 56,107 | 90,865 |
| Inventories | 20 | 60,78,35,828 | 49,83,61,821 |
| Trade receivables | 21 | 77,14,45,894 | 59,25,10,436 |
| Cash and bank balances | 22 | 11,16,85,988 | 10,65,97,868 |
| Short-term loans and advances | 23 | 5,24,89,070 | 3,99,40,877 |
| Other current assets | 24 | 13,44,09,250 | 15,25,33,948 |
| | | 1,67,79,22,137 | 1,39,00,35,815 |
| | | 2,68,00,09,024 | 2,32,10,35,261 |

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

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

For **Walker Chandiok & Co LLP**
Chartered AccountantsSd/-
per **Neeraj Sharma**
PartnerPlace : Indore
Date : 28th May 2019Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735Sd/-
Dharmendra Jain
Chief Financial OfficerFor and on behalf of the Board of Directors of
Jash Engineering LimitedSd/-
Pratik Patel
Managing Director
DIN-00780920Sd/-
Tushar Kharpage
Company Secretary
Membership No. - A30144

Jash Engineering Limited Consolidated Statement of Profit and loss for the year ended 31 March 2019

(All amount in ₹, unless stated otherwise)

| Description | Notes | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-----------------------------------------------------------------------------|-------|-------------------------------------|-------------------------------------|
| Revenue | | | |
| Revenue from operations (gross) | 25 | 2,48,32,67,519 | 1,656,417,324 |
| Less: Excise duty | | - | (1,45,50,820) |
| Revenue from operations (net) | | 2,48,32,67,519 | 1,74,54,10,447 |
| Other income | 26 | 6,97,18,808 | 5,04,30,143 |
| Total revenue | | 2,55,29,86,327 | 1,79,58,40,590 |
| Expenses | | | |
| Cost of raw materials and components consumed | 27 | 1,18,72,00,895 | 89,09,21,530 |
| Purchase of traded goods | 28 | 7,39,31,492 | 5,93,27,769 |
| Changes in inventories of finished goods, work-in-progress and traded goods | 29 | (7,91,84,288) | (8,16,28,802) |
| Employee benefits expense | 30 | 39,87,87,413 | 33,95,75,835 |
| Finance costs | 31 | 7,86,49,881 | 6,80,88,681 |
| Depreciation and amortization expense | 32 | 6,89,80,663 | 5,74,30,845 |
| Other expenses | 33 | 67,83,84,014 | 44,99,09,892 |
| Total expenses | | 2,40,67,50,070 | 1,78,36,25,750 |
| Profit before tax | | 14,62,36,257 | 1,22,14,840 |
| Tax expenses: | | | |
| Current tax | | 5,52,91,051 | 2,09,31,292 |
| Minimum alternate tax credit entitlement | | (35,54,725) | - |
| Deferred tax change/(credit) | | 89,58,190 | (1,26,92,687) |
| Taxes - earlier years | | 1,05,735 | 6,14,292 |
| | | 6,08,00,251 | 88,52,897 |
| Net profit for the year | | 8,54,36,006 | 33,61,943 |
| Earnings per equity share (in ₹) | 34 | | |
| Basic | | 7.22 | |
| Diluted | | 7.22 | 0.32 |

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 Chandiok & Co LLP
Chartered Accountants

For and on behalf of the Board of Directors of Jash Engineering Limited
Sd/-
per **Neeraj Sharma**
Partner

Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735

Sd/-
Pratik Patel
Managing Director
DIN-00780920

Place : Indore
Date : 28th May 2019

Sd/-
Dharmendra Jain
Chief Financial Officer

Sd-
Tushar Kharpade
Company Secretary
Membership No. - A30144

**Jash Engineering Limited Consolidated Cash Flow Statement
for the year ended 31 March 2019**

(All amount in ₹, unless stated otherwise)

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-------------------------------------------------------------------|-------------------------------------|-------------------------------------|
| A CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net profit before tax | 14,62,36,257 | 1,22,14,840 |
| Adjustments for : | | |
| Depreciation and amortisation expense | 6,89,80,663 | 5,74,30,845 |
| Balances written off | 2,76,68,555 | 31,10,457 |
| Unrealised foreign currency gain (net) | (60,50,497) | (96,10,412) |
| Unclaimed balances written back | (20,03,688) | (25,48,492) |
| Net loss/(profit) on sale of property, plant and equipment | 1,244 | (1,68,12,140) |
| Net loss/(profit) on valuation of short term investment | 34,758 | (34,484) |
| Interest income on fixed deposits | (56,22,528) | (41,61,908) |
| Interest income on loan and others | (14,62,464) | (16,10,856) |
| Finance costs | 7,86,49,881 | 6,80,88,681 |
| Operating profit before working capital changes | 30,64,32,181 | 10,60,66,531 |
| Adjustments for: | | |
| - Increase in trade and other receivables | (20,05,53,517) | (9,14,76,840) |
| - Increase in inventories | (10,94,74,007) | (12,13,75,620) |
| - Increase in loans and advances | (77,87,720) | (4,12,165) |
| - Decrease/(increase) in other assets | 2,14,39,564 | (3,20,08,853) |
| - Increase in trade and other payables | 23,51,30,778 | 8,38,18,185 |
| Cash flow from/(used in) operating activities | 24,51,87,279 | (5,53,88,762) |
| - Direct taxes paid (net) | (4,68,06,020) | (2,66,11,941) |
| Net cash flow from/(used in) operating activities | 19,83,81,259 | (8,20,00,703) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (16,15,93,537) | (26,22,62,950) |
| Proceeds from sale of property, plant and equipment | 39,559 | 9,07,31,747 |
| Interest received | 37,70,128 | 1,15,94,587 |
| Movement in deposits | (1,57,83,428) | (1,81,12,749) |
| Net cash used in investing activities | (17,35,67,278) | (17,80,49,365) |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Proceeds from issue of equity shares including securities premium | - | 27,13,43,760 |
| Proceeds from long term borrowings | 52,90,961 | 9,84,89,188 |
| Repayment of long term borrowings | (11,17,75,910) | (1,60,13,628) |
| Proceeds from short term borrowings (net) | 16,35,76,198 | 3,32,38,470 |
| Finance costs paid | (7,82,62,385) | (6,90,26,157) |
| Share issue expenses | - | (4,29,37,840) |
| Dividend and dividend distribution tax paid | (1,42,47,050) | (2,30,49,450) |
| Net cash (used in)/flow from investing activities | (3,54,18,186) | 25,20,44,343 |
| Net decrease in cash and cash equivalents (A+B+C) | (1,06,04,205) | (80,05,725) |
| Opening cash and cash equivalents | 2,87,04,903 | 3,67,10,628 |
| Closing cash and cash equivalents* | 1,81,00,698 | 2,87,04,903 |
| | (1,06,04,205) | (80,05,725) |

| | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|------------------------------------------------------|-------------------------------------|-------------------------------------|
| (Cont'd) | | |
| * Reconciliation of cash and cash equivalents | | |
| Cash in hand | 8,56,689 | 5,96,121 |
| Bank balances | 1,72,44,009 | 2,81,08,782 |
| Total | 1,81,00,698 | 2,87,04,903 |

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

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

Sd/-
per **Neeraj Sharma**
Partner

Place : Indore
Date : 28th May 2019

Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735

Sd/-
Dharmendra Jain
Chief Financial Officer

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

Sd/-
Pratik Patel
Managing Director
DIN-00780920

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

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Jash Engineering Limited Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March 2019

1. Nature of operations

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

2. Basis of preparation

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

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

3. Principles of consolidation

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

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

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

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

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

- Minority interest represents the amount of equity attributable to minority shareholders at the date on which investment in a subsidiary is made and its share of movements in equity since that date. Any excess consideration received from minority shareholders of subsidiaries over the amount of equity attributable to the minority on the date of investment is reflected under Reserves and Surplus.

- iv. Notes to the consolidated financial statements, represents notes involving items which are considered material and are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the consolidated financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the consolidated financial statements has not been disclosed in the consolidated financial statements.

4. Summary of significant accounting policies

a. Use of estimates

In preparing the Group's consolidated financial statements in conformity with accounting principles generally accepted in India, the management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Any revision to accounting estimates is recognised in the period the same is determined

b. Property, plant and equipment and depreciation

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

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

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

Leasehold land is being amortised over their respective lease period.

c. Intangible fixed assets and amortization

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

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

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

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

d. Goodwill

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

e. Investments

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

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

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

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

f. Inventories

- Inventories are valued as follows:

- i. Raw materials including components, packing materials, stores and spares and goods in transit - At lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not

written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

- ii. Work-in-progress - At cost up to estimated stage of completion.
- iii. Finished goods and goods purchased for resale - At lower of cost and net realizable value.

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

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

g. Revenue recognition

- **Sale of goods:**

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

- **Sale of services:**

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

- **Power generation**

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

- **Export benefits:**

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

- **Other income:**

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

h. Borrowing costs

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

I. Income taxes

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

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

Minimum Alternate tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the consolidated statement of profit and loss and shown as MAT credit entitlement. The Group reviews the same at each balance sheet date and writes down the carrying amount of MAT

credit entitlement to the extent there is no longer convincing evidence to the effect that the Group will pay normal income tax during the specified period.

j. Foreign currency transactions

i. Relating to overseas entity

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

ii. Relating to Indian entities

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

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

k. Employee benefits

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

- Provident fund:

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

- Gratuity:

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

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

- Compensated absences:

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

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

- Other short term benefits:

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

l. Leases*Operating leases:*

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

m. Impairment of assets**- Goodwill**

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

- Other assets

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

n. Contingent liabilities and provisions

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

o. Earnings per share

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

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

p. Cash and cash equivalents

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

q. Dividend

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

r. Share issue expenses

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

5. Share Capital

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---------------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Number of Shares | (Rs.) | Number of Shares | (Rs.) |
| Authorised | | | | |
| Equity Shares of ₹ 10 each | 1,24,90,000 | 12,49,00,000 | 1,24,90,000 | 12,49,00,000 |
| Preference Shares of ₹ 10 each | 5,10,000 | 51,00,000 | 5,10,000 | 51,00,000 |
| | 1,30,00,000 | 13,00,00,000 | 1,30,00,000 | 13,00,00,000 |
| Issued, subscribed and fully paid up | | | | |
| Equity Shares of ₹ 10 each | 1,18,36,598 | 11,83,65,980 | 1,18,36,598 | 11,83,65,980 |
| | 1,18,36,598 | 11,83,65,980 | 1,18,36,598 | 11,83,65,980 |

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

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|------------------------------------|---------------------|---------------------|---------------------|---------------------|
| | Number of Shares | (Rs.) | Number of Shares | (Rs.) |
| At the beginning of the year | 1,18,36,598 | 11,83,65,980 | 95,75,400 | 9,57,54,000 |
| Add: shares issued during the year | - | - | 22,61,198 | 2,26,11,980 |
| Outstanding at the end of the year | 1,18,36,598 | 11,83,65,980 | 1,18,36,598 | 11,83,65,980 |

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

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---------------------------------------|---------------------|--------------|---------------------|--------------|
| | Number of Shares | % of holding | Number of Shares | % of holding |
| Equity shares of ₹ 10 each | | | | |
| Mr. Pratik Patel | 19,11,465 | 16% | 19,11,465 | 16% |
| Mr. Axel Schutte | 7,70,000 | 7% | 7,70,000 | 7% |
| Sundaram Alternate Opportunities fund | 5,94,000 | 5% | 5,94,000 | 5% |

c) Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Holding 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 Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

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

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

6. Reserves & Surplus

| Particulars | As at 31 March 2019 (Rs.) | As at 31 March 2018 (Rs.) |
|-------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------------------|
| Securities premium account | | |
| Balance at the beginning of the year | 44,71,59,801 | 24,13,65,860 |
| Add : Received on issue of equity shares | - | 24,87,31,780 |
| Less : Amount utilised towards share issue expenses | - - | 4,29,37,839 |
| Balance at the end of the year | 44,71,59,801 | 44,71,59,801 |
| General reserve | | |
| Balance at the beginning of the year | 11,08,92,115 | 10,70,58,973 |
| Add : Amount transferred from statement of profit and loss | 38,24,463 | 38,33,142 |
| Balance at the end of the year | 11,47,16,578 | 11,08,92,115 |
| Foreign currency translation reserve | | |
| Balance as per beginning of the year | (71,14,177) | (2,12,67,606) |
| Add : Movement | (45,24,433) | 1,41,53,429 |
| Balance at the end of the year | (1,16,38,610) | (71,14,177) |
| Surplus in the Consolidated Statement of Profit and Loss | | |
| Balance at the beginning of the year | 39,08,27,273 | 41,43,47,922 |
| Add: Profit for the year | 8,54,36,006 | 33,61,943 |
| Less: Dividend paid (₹ 1 per share for the year ended 31 March 2018 and ₹ 2 per share for the year ended 31 March 2017) | 1,18,36,598 | 1,91,50,800 |
| Less: Dividend distribution tax on the above | 24,10,452 | 38,98,650 |
| Less : Transfer to General Reserve | 38,24,463 | 38,33,142 |
| Net surplus in the Statement of Profit and Loss | 45,81,91,766 | 39,08,27,273 |
| | 1,00,84,29,535 | 94,17,65,012 |

Note 6A : The Board of Directors of the Holding Company, in their meeting held on 28 May 2019, recommended a final dividend of ₹ 1.5 per fully paid up equity share of ₹10 each, aggregating to ₹ 1,77,54,897 for the year ended 31 March 2019, subject to the approval of shareholders at the ensuing Annual General Meeting of the Company.

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7 Long term borrowings

| Particulars | Non Current | | Current Maturities | |
|---------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | As at 31 Mar. 2019 | As at 31 Mar. 2018 | As at 31 Mar. 2019 | As at 31 Mar. 2018 |
| Secured | | | | |
| Term loans | | | | |
| - Rupee loans from banks | - | - | 1,33,82,259 | 15,67,662 |
| - Foreign currency loans from banks | 4,81,68,094 | 1,46,90,680 | 9,23,00,085 | 9,23,00,085 |
| - Rupee loans from financial institutions | 2,50,24,000 | 4,38,28,000 | 1,88,04,000 | 1,65,24,000 |
| Vehicle loans | 4,91,144 | 33,33,922 | 30,79,557 | 31,97,050 |
| | 7,36,83,238 | 19,41,22,602 | 12,75,65,901 | 11,36,11,487 |
| Less : amount disclosed under the head "other current liabilities" (refer note 13) | | | (12,75,65,901) | (11,36,11,487) |
| Net amount | 7,36,83,238 | 19,41,22,602 | - | - |
| Details of guarantee for each type of borrowings | | | | |
| Guaranteed by directors and related parties | | | | |
| Rupee and foreign currency loans from banks and financial institutions | 2,50,24,000 | 8,33,18,070 | 5,86,68,815 | 4,58,24,000 |

Repayment terms and security for the outstanding long term borrowings (including current maturities):**D) Term loans from banks**

The Holding Company availed term loan facility from State Bank of India amounting to ₹ 12,00,00,000 at rate of interest of State Bank of India's base rate (10%) plus 3.4%. Base rate keeps on changing. Repayment of term loan is to be done in 16 quarterly installment commencing from July 2015 with last installment falling due in year 2019-20. During the year, the Holding Company has converted its rupee term loan into foreign currency loan amounting ₹ 2,64,82,556 (previous year ₹ 6,99,22,408). Outstanding book balance of term loan is ₹ 39,864,815 (previous year: ₹ 7,14,90,070). The Subsidiary Company Jash USA INC availed term loan facility from HDFC Bank, Bahrain amounting to \$ 14,50,000 on 24 January 2017. It further obtained additional loan amounting to \$ 14,00,000 during the previous year ended 31 March 2018. The said loans bear an interest of LIBOR+2.5% (average interest rate for the year ended 31 March 2019: 2.84%). These loans are payable in 42 months from the date of borrowing. Outstanding balance of term loan is ₹ 113,985,623 (Previous year: ₹ 169,350,372).

The aforesaid term loan of Holding company is secured by way of :

- First pari passu charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at Unit I and Unit II, SEZ .
- Exclusive first charge by way of equitable mortgage over land and shed and hypothecation over Company's entire present and future property, plant and equipment comprising land, building, plant and machinery and miscellaneous property, plant and equipment at Unit I and SEZ .

Further secured by following collateral securities:

- Second charge by way of equitable mortgage of land and shed and hypothecation of plant and machinery situated at plot no. 18-C, 29 to 31, 32 B Sector C, Industrial Area, Sanwer Road, Indore and Plot No. M-11, Misc Zone Phase -II SEZ, Pithampur Distt. Dhar, survey no. 74/1, 74/2/1, 76/1/3, 76/1 Patwari Halka no. 19, Bardari tehsil, Sanwer district - Indore and survey no. 77, Patwari Halka no. 36, Bardari, Sanwer, district Indore.
- First pari passu charge by way of equitable mortgage of factory land and building situated at Bardari village, Sanwer district Indore Patwari Halka no. 19, Khasra no. 74/2/2 admeasuring 1.179 hectare and first charge on khasra no 76/1/3 admeasuring 0.183 hectare and 76/1/1 admeasuring 0.243 hectare in the name of Patamin Investments Private Limited which is an entity in which key management personnel has significant influence.
- Pledge of 30% shares of Shivpad Engineers Private Limited.

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

The aforesaid term loan taken by subsidiary company Jash USA Inc. is secured by way of :

SBLC equal to 110% of loan value by the Holding Company issued in favour of HDFC Bank and corporate guarantee by the Holding Company.

ii) Term loans from financial institutions

- 1) The Holding Company availed term loan facilities from Small Industries Development Bank of India amounting to ₹ 4,00,00,000 and ₹ 2,24,30,000 at rate of interest of 9.50%. (previous year 9.50%). Repayment of term loan is to be done in 36 monthly installment which commenced from March 2018 with last installment falling due in year 2020-2021. Outstanding book balance of term loan is ₹ 4,38,28,000 (previous year: ₹ 6,03,52,000).

The aforesaid term loan is secured by way of :

- 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.
- 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
- 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.
- 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.
- Residual charge by way of mortgage of land and building situated at plot no. M-11 SEZ, Pithampur, Tehsil & district Dhar.
- 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.
- 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.

| As at March 2019 | Principal Amount ₹ | Amount Outstanding ₹ | Number of remaining installments | Installment Outstanding ₹ | Date of loan | Rate of interest | Hypothecation of |
|------------------|--------------------|----------------------|----------------------------------|---------------------------|---------------|------------------|------------------|
| Vehicle loan | 43,70,000 | 9,65,815 | 11 | 93,712 | 21 Feb. 2015 | 10.40% | Vehicle |
| Vehicle loan | 6,34,000 | 3,74,876 | 20 | 20,385 | 1 Nov. 2017 | 9.60% | Vehicle |
| Vehicle loan | 6,00,000 | 2,85,780 | 16 | 18,969 | 28 June 2017 | 8.60% | Vehicle |
| Vehicle loan | 38,00,000 | 14,90,357 | 13 | 1,21,016 | 24 April 2017 | 9.10% | Vehicle |
| Vehicle loan | 9,00,000 | 4,53,873 | 17 | 28,454 | 8 Aug 2017 | 8.60% | Vehicle |

| As at March 2018 | Principal Amount ₹ | Amount Outstanding ₹ | Number of remaining installments | Installment Outstanding ₹ | Date of loan | Rate of interest | Hypothecation of |
|------------------|--------------------|----------------------|----------------------------------|---------------------------|---------------|------------------|------------------|
| Vehicle loan | 43,70,000 | 19,34,481 | 23 | 93,712 | 21 Feb. 2015 | 10.40% | Vehicle |
| Vehicle loan | 5,17,845 | 63,494 | 03 | 21,522 | 1 Nov. 2017 | 10.10% | Vehicle |
| Vehicle loan | 6,34,000 | 5,72,332 | 32 | 20,385 | 28 June 2017 | 9.60% | Vehicle |
| Vehicle loan | 6,00,000 | 4,79,671 | 28 | 18,969 | 24 April 2017 | 8.60% | Vehicle |
| Vehicle loan | 38,00,000 | 27,38,356 | 25 | 1,21,016 | 24 April 2017 | 9.10% | Vehicle |
| Vehicle loan | 9,00,000 | 7,42,638 | 29 | 28,454 | 8 Aug. 2017 | 8.60% | Vehicle |

| Particulars | As at 31 March 2019 (Rs.) | As at 31 March 2018 (Rs.) |
|---------------------------------------------------------------------|------------------------------|------------------------------|
| 8 Deferred tax liabilities (net) | | |
| Deferred tax liability arising on account of: | | |
| Impact of difference between tax depreciation and book depreciation | 4,55,06,720 | 5,05,99,507 |
| Deferred tax asset arising on account of: | | |
| Provision for employee benefits | (60,63,255) | (53,46,112) |
| | 3,94,43,465 | 4,52,53,395 |
| 9 Other long term liabilities | | |
| Security deposits | 11,92,490 | 8,64,288 |
| | 11,92,490 | 8,64,288 |
| 10 Long term provisions | | |
| Provision for employee benefits : | | |
| -Gratuity (refer note 36) | 1,15,94,705 | 67,50,023 |
| -Compensated absences (refer note 36) | 85,94,772 | 80,21,467 |
| Rent equalisation reserve | 18,880 | 24,868 |
| | 2,02,08,357 | 1,47,96,358 |
| 11 Short term borrowings | | |
| Secured | | |
| Short term loan from banks | - | 3,00,00,000 |
| Cash credit facilities from bank | 49,14,44,323 | 29,57,28,961 |
| Unsecured | | |
| Loans from related parties (refer note 45) | - | 21,39,164 |
| | 49,14,44,323 | 32,78,68,125 |

Security for the outstanding short term borrowings :

- I) Fund based credit facility sanctioned to the Holding Company from HDFC Bank during the year comprise of CC facility of ₹ 11,00,00,000 (previous year ₹ 11,00,00,000) and short term loan facility of ₹ NIL (previous year ₹ 3,00,00,000) an annual rate of interest of 2.60% above MCLR-1 year. Outstanding book balance for CC account from HDFC as on 31 March 2019 is ₹ 15,69,12,133 (previous year ₹ 3,65,98,840), short term loan facility has been repaid on 26 December 2018 (previous year ₹ 30,00,00,000).

The facilities from bank are secured by way of:

Primary security: First pari passu charge on all current assets of the Holding Company as on 31 March 2017.

Collateral:

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

- Fund based credit facility of Holding Company sanctioned from State Bank of India comprises of cash credit (CC) facility amounting to ₹ 29,00,00,000 (previous year ₹ 29,00,00,000) at an annual rate of interest of 0.95% above MCLR-1 year, export packing credits (EPC) within CC limit amounting to ₹ 15,00,00,000 (previous year ₹ 15,00,00,000) at an annual rate of interest 0.55% above MCLR-1 year and Standby letter of credit (SLOC) amounting to ₹ 5,00,00,000 (previous year ₹ Nil) at an annual

rate of interest of 1.95% above MCLR-1 year. Outstanding book balance for CC account as on 31 March 2019 is ₹ 21,89,59,574 (previous year ₹ 18,47,81,186), EPC account as on 31 March 2019 is ₹ 6,57,42,616 (previous year ₹ 7,43,48,936) and SLOC account as on 31 March 2019 is ₹ 4,98,30,000 (previous year ₹ Nil).

11 Short term borrowings (Cont'd)

The facilities from bank are secured by way of:

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

Collateral:

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

Also secured by way of guarantees from:

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

ii) Loan from related parties

Unsecured loan (repayable on demand) taken by the Holding Company from Mr. Pratik Patel, amounting to ₹ NIL (previous year ₹ 21,39,164) at annual rate of interest of 10% per annum was repaid on 12 July 2018.

12. Trade payables

| | As at 31 March 2019 | As at 31 March 2018 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|------------------------|
| A. Total outstanding dues of Micro Enterprises and Small Enterprises | | |
| Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') : | | |
| Particulars | | |
| i) Principal amount and interest due thereon remaining unpaid to any supplier covered under MSMED Act, 2006: | | |
| Principal | 11,96,96,175 | 2,97,62,628 |
| Interest | - | - |
| ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year. | | |
| iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006. | - | - |
| iv) The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | | |
| | 11,96,96,175 | 2,97,62,628 |

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

| | As at 31 March 2019 | As at 31 March 2018 |
|--------------------------------------------------------------------------------------------------|------------------------|------------------------|
| B. Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises | | |
| Due to others | 46,75,86,929 | 44,88,31,828 |
| | 46,75,86,929 | 44,88,31,828 |

13. Other current liabilities

| | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------------------------------------|------------------------|------------------------|
| Current maturities of long term borrowings (refer note 7) | 12,75,65,901 | 11,36,11,487 |
| Interest accrued but not due on borrowings | 10,34,302 | 6,46,806 |
| Interest payable on delay payment of income tax | 9,95,866 | - |
| Book overdraft | 62,69,205 | 41,71,249 |
| Employees related payables | 1,44,88,400 | 1,41,51,321 |
| Advance from customers | 12,93,40,751 | 4,19,03,104 |
| Statutory dues | 90,43,311 | 40,53,636 |
| Other liabilities | 1,59,83,771 | 26,16,752 |
| | 30,47,21,507 | 18,11,54,355 |

14. Short term provisions

| | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------------------------|------------------------|------------------------|
| Provision for employee benefits : | | |
| -Compensated absences | 14,47,585 | 15,77,417 |
| -Bonus | 1,73,31,014 | 1,52,11,295 |
| -Others | 63,96,934 | - |
| Provision for taxation (net of prepaid taxes) | 1,00,61,492 | 14,61,978 |
| | 3,52,37,025 | 1,82,50,690 |

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15A. Property plant and equipment

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March 2019

| Gross block | Leasehold land | Freehold land | Buildings | Plant and equipments | Electric substations | Computers | Furniture and fixtures | Vehicles | Office equipments | Total |
|--------------------------------|----------------|---------------|--------------|----------------------|----------------------|-------------|------------------------|-------------|-------------------|---------------|
| ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ | ₹ |
| Balance as at 1 April 2017 | 1,18,73,729 | 3,30,71,465 | 35,90,70,180 | 35,35,08,837 | 2,87,33,385 | 1,70,05,934 | 2,91,34,211 | 1,56,21,914 | 1,22,28,829 | 86,02,48,484 |
| Additions | 81,16,595 | 2,58,93,716 | 77,000 | 7,32,59,820 | 61,000 | 29,67,831 | 44,27,018 | 75,10,682 | 18,32,296 | 12,41,55,958 |
| Disposals/adjustments | - | - | - | (4,75,21,623) | (2,52,600) | - | (5,200) | (19,82,595) | - | (4,97,62,018) |
| Balance as at 31 March 2018 | 1,99,90,324 | 5,89,65,181 | 35,91,47,180 | 37,92,47,034 | 2,85,41,785 | 1,99,73,765 | 3,35,66,029 | 2,11,50,001 | 1,40,61,125 | 93,46,42,424 |
| Additions | - | - | 1,35,92,065 | 2,82,70,766 | - | 15,66,886 | 1,19,077 | 2,92,527 | 32,54,644 | 4,70,95,965 |
| Disposals | - | - | - | - | - | - | - | (7,54,871) | (2,500) | (7,57,371) |
| Balance as at 31 March 2019 | 1,99,90,324 | 5,89,65,181 | 37,27,39,245 | 40,75,17,800 | 2,85,41,785 | 2,15,40,651 | 3,36,85,106 | 2,06,87,657 | 1,73,13,269 | 98,09,81,018 |
| Accumulated depreciation | | | | | | | | | | |
| Balance as at 1 April 2017 | 37,95,705 | - | 7,63,62,785 | 16,93,19,722 | 1,69,74,990 | 1,35,11,572 | 1,44,71,472 | 57,55,701 | 75,44,718 | 30,77,36,665 |
| Depreciation charge | 3,66,005 | - | 1,03,41,454 | 2,40,38,719 | 16,03,085 | 24,81,342 | 35,21,862 | 22,95,875 | 7,07,838 | 4,53,56,180 |
| Reversal on disposal of assets | - | - | - | - | (80,985) | - | (381) | (16,95,332) | - | (17,76,698) |
| Balance as at 31 March 2018 | 41,61,710 | - | 8,67,04,239 | 19,33,58,441 | 1,84,97,090 | 1,59,92,914 | 1,79,92,953 | 63,56,243 | 82,52,556 | 35,13,16,146 |
| Depreciation charge | 4,08,280 | - | 1,31,93,674 | 3,11,91,685 | 15,90,072 | 26,92,253 | 36,08,974 | 21,20,379 | 8,70,633 | 5,56,75,950 |
| Reversal on disposal of assets | - | - | - | - | - | - | - | (7,17,127) | (684) | (7,17,811) |
| Balance as at 31 March 2019 | 45,69,990 | - | 9,98,97,913 | 22,45,50,126 | 2,00,87,162 | 1,86,85,167 | 2,16,01,927 | 77,59,495 | 91,22,505 | 40,62,74,285 |
| Net block | | | | | | | | | | |
| Balance as at 31 March 2018 | 1,58,28,614 | 5,89,65,181 | 27,24,42,941 | 18,58,88,593 | 1,00,44,695 | 39,80,851 | 1,55,73,076 | 1,47,93,758 | 58,08,569 | 58,33,26,278 |
| Balance as at 31 March 2019 | 1,54,20,334 | 5,89,65,181 | 27,28,41,332 | 18,29,67,674 | 84,54,623 | 28,55,484 | 1,20,83,179 | 1,29,28,162 | 81,90,764 | 57,47,06,733 |

15 B. Intangible assets**Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March 2019**

| Gross block | Technical know-how | Computer software | Total |
|------------------------------------|---------------------------|--------------------------|---------------------|
| | ₹ | ₹ | ₹ |
| Balance as at 1 April 2017 | 12,97,98,676 | 1,70,28,277 | 14,68,26,953 |
| Additions | - | 57,06,384 | 57,06,384 |
| Disposals | (2,59,34,287) | - | (2,59,34,287) |
| Balance as at 31 March 2018 | 10,38,64,389 | 2,27,34,661 | 12,65,99,050 |
| Additions | 54,90,046 | 11,08,001 | 65,98,047 |
| Balance as at 31 March 2019 | 10,93,54,435 | 2,38,42,662 | 13,31,97,097 |
| Accumulated amortisation | | | |
| Balance as at 1 April 2017 | 75,82,143 | 1,02,33,179 | 1,78,15,322 |
| Amortisation | 1,01,10,351 | 19,64,314 | 1,20,74,665 |
| Balance as at 31 March 2018 | 1,76,92,494 | 1,21,97,493 | 2,98,89,987 |
| Amortisation | 1,08,96,988 | 24,07,725 | 1,33,04,713 |
| Balance as at 31 March 2019 | 2,85,89,482 | 1,46,05,218 | 4,31,94,700 |
| Net block | | | |
| Balance as at 31 March 2018 | 8,61,71,895 | 1,05,37,168 | 9,67,09,063 |
| Balance as at 31 March 2019 | 8,07,64,953 | 92,37,444 | 9,00,02,397 |

15C. Capital work-in-progress

Capital work in progress amounting to ₹ 11,13,95,652 (previous year ₹ 47,56,435) pertains to under construction factory equipments.

15D. Intangible assets under development

Intangible assets under development amounting to ₹ 90,23,943 (previous year ₹ 77,64,877) pertains to accounting application software under development.

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16. Deferred tax assets (net)

| | As at 31 March 2019 | As at 31 March 2018 |
|---------------------------------------------------------------------|------------------------|------------------------|
| Deferred tax assets arising on account of: | | |
| Impact of difference between tax depreciation and book depreciation | 40,338 | 1,093 |
| Provision for employee benefits | 3,31,802 | 1,36,679 |
| Unabsorbed carry forward business losses | - | 1,39,62,496 |
| | 3,72,140 | 1,41,00,268 |

Note : As at 31 March 2019, there is no virtual certainty that the carry forward tax losses will be utilized by Jash USA Inc., a subsidiary of the Group, against the taxable profits, and hence the entity has not recognized the deferred tax assets. Accordingly, the deferred tax assets recognized as at 31 March 2018 amounting to ₹ 1,48,48,450 has been reversed during the year ended 31 March 2019.

17. Long term loans and advances

| | As at 31 March 2019 | As at 31 March 2018 |
|------------------------------------------------------|------------------------|------------------------|
| (Unsecured, considered good unless otherwise stated) | | |
| Security deposit | | |
| Related parties (refer note 45) | 25,00,000 | 25,00,000 |
| Others | 51,42,126 | 42,79,601 |
| Other loans and advances | | |
| Balances with government authorities | 15,92,448 | 62,33,803 |
| Prepaid taxes (net of provisions for tax) | 44,12,320 | 54,34,842 |
| Capital advances | 32,72,076 | 57,88,824 |
| Tender fee and earnest money deposit | 6,04,566 | - |
| Minimum alternate tax credit entitlement | 35,54,725 | - |
| Prepaid expenses | 12,89,481 | 3,16,648 |
| Others | 42,492 | 84,786 |
| | 2,24,10,234 | 2,46,38,504 |

18. Other non current assets

| | As at 31 March 2019 | As at 31 March 2018 |
|----------------------------------------------------|------------------------|------------------------|
| Bank Deposits with maturity of more than 12 months | 91,102 | - |
| | 91,102 | - |

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19. Current investments

| | As at 31 March 2019 | As at 31 March 2018 |
|--------------------------------------------------------------------|--------------------------------|--------------------------------|
| Trade investments (quoted) | | |
| Ramky Infrastructure Limited | 52,127 | 84,915 |
| 489 (previous year 489) equity shares (fully paid up) of ₹ 10 each | | |
| VA Tech Wabag Limited | 3,980 | 5,950 |
| 12 (previous year 12) equity shares (fully paid up) of ₹ 10 each | 56,107 | 90,865 |

Aggregate amount of quoted investments (market value ₹ 56,107 (previous year ₹ 90,865))

20. Inventories

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
| Raw materials and components (Includes stock lying with third parties amounting ₹ 859,159 (previous year ₹ 545,169)) | 29,67,14,015 | 27,13,80,002 |
| Work-in-progress | 12,55,24,220 | 9,88,14,339 |
| Finished goods | 17,03,91,695 | 11,79,17,288 |
| Stores and spares | 1,52,05,898 | 1,02,50,192 |
| | 60,78,35,828 | 49,83,61,821 |

Note 20.1

| | | |
|---------------------------------------------------|---------------------|---------------------|
| Inventory pertaining to Holding Company | 50,31,85,772 | 44,28,29,746 |
| Inventory pertaining to Subsidiary Company | 10,46,50,056 | 5,55,32,075 |

21. Trade receivables

| (Unsecured considered good unless otherwise stated) | As at 31 March 2019 | As at 31 March 2018 |
|--------------------------------------------------------------------------------------|--------------------------------|--------------------------------|
| Outstanding for a period exceeding six months from the date they are due for payment | | |
| - Considered good | 24,76,97,767 | 16,59,68,002 |
| Other receivables | | |
| - Considered good | 52,37,48,127 | 42,65,42,434 |
| - Considered doubtful | 1,34,04,222 | 15,64,311 |
| Less : provision for doubtful debts | (1,34,04,222) | (15,64,311) |
| | 77,14,45,894 | 59,25,10,436 |

Note 20.1

| | | |
|----------------------------------------------------------|---------------------|---------------------|
| Trade receivable pertaining to Holding Company | 51,39,59,636 | 46,48,42,311 |
| Trade receivable pertaining to Subsidiary Company | 25,74,86,258 | 12,76,68,125 |

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22. Cash and bank balances

| | As at 31 March 2019 | As at 31 March 2018 |
|----------------------------------|------------------------|------------------------|
| Cash and cash equivalents | | |
| Cash on hand | 8,56,689 | 5,96,121 |
| Balances with schedule banks : | | |
| -In current accounts | 1,72,44,009 | 2,81,08,782 |
| | 1,81,00,698 | 2,87,04,903 |
| Other bank balances | | |
| Margin money deposits* | 9,35,85,290 | 7,78,92,965 |
| | 9,35,85,290 | 7,78,92,965 |
| | | |
| | 11,16,85,988 | 10,65,97,868 |

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

23. Short term loans and advances

| | As at 31 March 2019 | As at 31 March 2018 |
|----------------------------------------------------------------|------------------------|------------------------|
| (Unsecured , considered good unless otherwise stated) | | |
| Amount recoverable in cash or in kind for value to be received | 2,69,39,384 | 12,94,313 |
| Advances given to employees | 11,89,302 | 4,75,714 |
| Balance with government authorities | 57,79,903 | 2,16,80,835 |
| Advance to suppliers | 1,01,12,531 | 83,81,743 |
| Prepaid expenses | 84,05,950 | 25,97,206 |
| Security deposits | 62,000 | 48,63,000 |
| Others receivables | - | 6,48,066 |
| | 5,24,89,070 | 3,99,40,877 |

24. Other current assets

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------------|------------------------|------------------------|
| Tangible assets held for sale* | 9,34,15,841 | 11,87,18,491 |
| Interest accrued on margin money deposits | 51,21,468 | 18,06,604 |
| Export benefit receivables | 1,98,12,681 | 1,41,59,628 |
| Other receivables | 1,60,59,260 | 1,78,49,225 |
| | 13,44,09,250 | 15,25,33,948 |

* During the year ended 31 March 2017, Jash USA Inc, a subsidiary company, pursuant to an asset purchase agreement dated 21 September 2016 purchased certain assets namely machinery, vehicles, inventories and trade marks from VAG USA LLC. Further, Jash USA Inc vide an agreement dated 20 March 2017, acquired factory shed and land from VAG USA LLC. The ownership of the factory shed got transferred to the Company in July 2017.

Out of the assets acquired from VAG USA LLC., as described above, the subsidiary company retained certain assets including vehicles, trademarks and certain portion of land & factory shed and has put the rest on sale. The subsidiary company intends to sell about 40 acres of land and factory shed. The assets held for sale are valued at realizable value as on 31 March 2019. On account of the same, the subsidiary company has recognized a revaluation loss of ₹ 45,72,943 and ₹ 29,36,881 during the year ended 31 March 2019 and 31 March 2018 respectively, classified under other expenses.

25. Revenue from operations

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|---------------------------------|-------------------------------------|-------------------------------------|
| Sale of products | | |
| Manufactured goods | 2,32,12,36,121 | 1,63,35,86,324 |
| Traded goods | 12,59,11,238 | 8,41,28,576 |
| | 2,44,71,47,359 | 1,71,77,14,900 |
| Sale of services | | |
| Installation charges receipts | 57,54,804 | 74,78,012 |
| Commission income receipts | - | 15,84,908 |
| | 57,54,804 | 90,62,920 |
| Other operating revenues | | |
| Export benefits | 60,91,237 | 1,50,97,586 |
| Scrap sales | 2,42,74,119 | 1,80,85,861 |
| | 3,03,65,356 | 3,31,83,447 |
| | 2,48,32,67,519 | 1,75,99,61,267 |

26. Other income

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-------------------------------------------------------|-------------------------------------|-------------------------------------|
| Interest income : | | |
| - fixed deposits | 56,22,528 | 41,61,908 |
| - loan and others | 14,62,464 | 16,10,856 |
| Rental income | 18,68,000 | 13,75,000 |
| Dividend income | - | - |
| Profit on sale of property, plant and equipment (net) | - | 1,68,12,140 |
| Foreign currency gain (net) | 87,14,161 | 1,87,40,745 |
| Unclaimed balances written back | 20,03,688 | 25,48,492 |
| Sales - others | 4,05,02,063 | - |
| Miscellaneous income | 95,45,904 | 51,81,002 |
| | 6,97,18,808 | 5,04,30,143 |

27. Cost of raw materials and components consumed

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-----------------------------------------|-------------------------------------|-------------------------------------|
| Inventory at the beginning of the year | 27,13,80,002 | 22,48,00,718 |
| Add : Purchases during the year | 1,21,25,34,908 | 93,75,00,814 |
| | 1,48,39,14,910 | 1,16,23,01,532 |
| Less : Inventory at the end of the year | 29,67,14,015 | 27,13,80,002 |
| | 1,18,72,00,895 | 89,09,21,530 |

28. Purchase of traded goods

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-----------|---------------------------------------------|---------------------------------------------|
| Purchases | 7,39,31,492 | 5,93,27,769 |
| | 7,39,31,492 | 5,93,27,769 |

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

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Opening inventory | | |
| Finished goods | 11,79,17,288 | 7,88,59,074 |
| Work in progress | 9,88,14,339 | 6,46,41,691 |
| | 21,67,31,627 | 14,35,00,765 |
| Less : Closing inventory | | |
| Finished goods | 17,03,91,695 | 11,79,17,288 |
| Work in progress | 12,55,24,220 | 9,88,14,339 |
| | 29,59,15,915 | 21,67,31,627 |
| Change in inventories | (7,91,84,288) | (7,32,30,862) |
| Excise duty on opening stock | - | 83,97,940 |
| Less: excise duty on closing stock | - | - |
| Change in excise duty of finished goods | - | (83,97,940) |
| | (7,91,84,288) | (8,16,28,802) |

30. Employee benefits expense

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|--------------------------------------------|---------------------------------------------|---------------------------------------------|
| Salaries, wages and bonus | 37,14,86,825 | 30,80,55,355 |
| Contributions to provident and other funds | 1,79,83,281 | 1,60,22,512 |
| Staff welfare expenses | 93,17,307 | 1,54,97,968 |
| | 39,87,87,413 | 33,95,75,835 |

31. Finance costs

| | For the year ended 31 March 2018 | For the year ended 31 March 2017 |
|-----------------------|---------------------------------------------|---------------------------------------------|
| Interest expense | 6,19,39,645 | 5,48,84,555 |
| Other borrowing costs | 1,67,10,236 | 1,32,04,126 |
| | 7,86,49,881 | 6,80,88,681 |

32. Depreciation and amortization expense

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|----------------------------------------------------|---------------------------------------------|---------------------------------------------|
| Depreciation of tangible assets (refer note 15A) | 5,56,75,950 | 4,53,56,180 |
| Amortization of intangible assets (refer note 15B) | 1,33,04,713 | 1,20,74,665 |
| | 6,89,80,663 | 5,74,30,845 |

33. Other expenses

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|-----------------------------------------------|---------------------------------------------|---------------------------------------------|
| Consumption of stores and spare parts | 9,63,19,744 | 8,22,00,214 |
| Power, fuel and water | 3,67,80,309 | 1,74,77,394 |
| Rent (refer note 38) | 1,01,26,535 | 94,79,984 |
| Rates and taxes | 86,54,246 | 66,62,864 |
| Conveyance expenses | 22,87,227 | 23,24,829 |
| Loss on sale of property, plant and equipment | 1,244 | - |
| Telephone and internet expense | 13,76,817 | 14,35,858 |
| Repairs and maintenance : Building | 58,50,979 | 28,98,615 |
| Others | 74,20,322 | 61,24,196 |
| Vehicle running and maintenance | 26,27,064 | 26,76,123 |
| Insurance charges | 31,13,463 | 41,26,197 |
| Travelling expenses | 2,27,05,505 | 1,73,25,539 |
| Royalty | 63,64,659 | 22,17,655 |
| Legal and professional | 1,64,87,533 | 1,12,89,393 |
| Advertisement and sales promotion expense | 1,68,20,410 | 2,51,37,078 |
| Commission and brokerage | 2,32,57,424 | 1,19,12,963 |
| Carriage outward | 3,52,30,617 | 1,96,93,784 |
| Labour charges | 3,31,55,238 | 2,87,49,188 |
| Job work charges | 11,39,23,917 | 7,11,03,659 |
| Late deliveries charges | 1,32,52,405 | 15,26,486 |
| Balances written off | 2,76,68,555 | 31,10,457 |
| Export expenses | 7,11,98,003 | 6,39,13,352 |
| Drawing, designing and pattern charges | 1,17,02,253 | 68,03,921 |
| Miscellaneous expenses | 11,20,59,545 | 5,17,20,143 |
| | 67,83,84,014 | 44,99,09,892 |

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34. Earnings per equity share

| | For the year ended 31 March 2019 | For the year ended 31 March 2018 |
|----------------------------------------------------------|-------------------------------------|-------------------------------------|
| a) Net profit attributable to equity shareholders | 8,54,36,006 | 33,61,943 |
| b) Weighted average number of shares for | | |
| Basic earnings per share | 1,18,36,598 | 1,06,34,756 |
| Diluted earnings per share | 1,18,36,598 | 1,06,34,756 |
| c) Nominal value of shares | 10 | 10 |
| d) Earnings per share | | |
| Basic earnings per share | 7.22 | 0.32 |
| Diluted earnings per share | 7.22 | 0.32 |

35. Contingent liabilities

| | As at 31 March 2019 | As at 31 March 2018 |
|-------------------------------------------------------------------------------------------|------------------------|------------------------|
| (I) Contingent liabilities (under litigation), not acknowledged as debt, include:\ | | |
| Demand for central sales tax | | |
| Financial year 2014-15 | - | 2,20,65,027 |
| Financial year 2015-16 | 51,35,391 | 73,69,543 |
| Demand for service tax | | |
| Financial year 2010-11 | 23,12,211 | 23,12,211 |
| | 74,47,602 | 3,17,46,781 |

Further, the Holding 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.

Commitments :

Estimated amount of contracts remaining to be executed on capital account and not provided for

| | |
|------------------|--------------------|
| 51,79,016 | 2,92,50,000 |
| 51,79,016 | 2,92,50,000 |

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36. Employee benefits:**Gratuity**

Amounts recognised as expense in the Consolidated Statement of Profit and Loss for the year ended 31 March 2019 is determined as under:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------------|---------------------|---------------------|
| Current service cost | 57,03,962 | 64,51,129 |
| Past service cost | - | 15,37,918 |
| Interest cost | 36,55,501 | 28,90,518 |
| Actuarial loss recognized during the year | 12,27,436 | 19,94,813 |
| Expected return on plan assets | (32,92,684) | (29,10,186) |
| Net benefit expense | 72,94,215 | 99,64,192 |

Amount recognised in the balance sheet is as under:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------------------------------------|----------------------|---------------------|
| Defined benefit obligation | 5,66,86,842 | 4,79,08,578 |
| Fair value of plan assets | 4,50,92,137 | 4,11,58,555 |
| Net liability recognized in the Consolidated Balance Sheet | (1,15,94,705) | (67,50,023) |

Changes in defined benefit obligation:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------------------|---------------------|---------------------|
| Opening defined benefit obligation | 4,79,08,578 | 3,86,72,348 |
| Interest cost | 36,55,501 | 28,90,518 |
| Current service cost | 57,03,962 | 64,51,129 |
| Benefits paid | (15,65,421) | (21,46,042) |
| Actuarial gain on obligation | 9,84,222 | 20,40,625 |
| Closing defined benefit obligation | 5,66,86,842 | 4,79,08,578 |

Changes in fair value of plan assets:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|---------------------------------------------------------|---------------------|---------------------|
| Fair value of plan assets at the beginning of the year | 4,11,58,555 | 3,63,77,319 |
| Expected return on plan assets | 32,92,684 | 29,10,186 |
| Contributions by employer | 25,00,000 | 24,58,483 |
| Fund management charges | (4,52,345) | (3,84,180) |
| Benefits paid | (13,31,430) | (2,49,065) |
| Actuarial loss/gain on plan assets | (75,327) | 45,812 |
| Fair value of plan assets at the end of the year | 4,50,92,137 | 4,11,58,555 |
| Actual return on plan assets | 32,17,357 | 29,55,998 |

Assumptions used:

The Group expects to contribute ₹ 30,00,000 (previous year ₹ 62,50,000) to gratuity fund for the year ended 31 March 2019.

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

| Description | 31 March 2019 (%) | 31 March 2018 (%) |
|------------------------------------------------------|-------------------|-------------------|
| Investments with Life Insurance Corporation of India | 100 | 100 |

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

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

| Description | 31 March 2019 % | 31 March 2018 % |
|-----------------------------------|-----------------|-----------------|
| Discounting rate | 7.65% | 7.71% |
| Expected rate of return on assets | 7.59% | 8.00% |
| Future salary increase | 8.00% | 8.00% |
| Employee turnover: | | |
| - Upto 30 years | 3.00% | 3.00% |
| - Upto 44 years | 2.00% | 2.00% |
| - Above 44 years | 1.00% | 1.00% |

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

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

Compensated absences

Amount recognised as expense in the Consolidated Statement of Profit and Loss for the year ended 31 March 2019 is determined as under:

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|--------------------------------------------------------------|---------------------|---------------------|
| Current service cost | 17,83,875 | 17,17,983 |
| Interest cost | 7,08,835 | 5,70,756 |
| Actuarial loss recognized during the year | 6,65,668 | 11,59,020 |
| Amount recognised in the Statement of Profit and Loss | 31,58,378 | 34,47,759 |

Changes in defined benefit obligation:

| | | |
|-------------------------------------------|-------------------|------------------|
| Opening defined benefit obligation | 91,93,709 | 79,28,813 |
| Interest cost | 7,08,835 | 5,70,756 |
| Current service cost | 17,83,875 | 17,17,983 |
| Benefits paid | (23,09,730) | (17,77,688) |
| Actuarial loss on obligation | 6,65,668 | 11,59,020 |
| Closing defined benefit obligation | 100,42,357 | 95,98,884 |
| - Current | 14,47,585 | 15,77,417 |
| - Non-current | 85,94,772 | 80,21,467 |

Assumptions used:

| Description | 31 March 2019 (%) | 31 March 2018 (%) |
|------------------------|-------------------|-------------------|
| Discounting rate | 7.65% | 7.71% |
| Future salary increase | 8.00% | 8.00% |
| Employee turnover: | | |
| - Upto 30 years | 3.00% | 3.00% |
| - Upto 44 years | 2.00% | 2.00% |
| - Above 44 years | 1.00% | 1.00% |

Provident fund and Employee State Insurance fund

Contribution made by the Group during the year is ₹ 17,005,928(previous year 15,137,971).

37. Payments to auditors: *

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|------------------------|---------------------|---------------------|
| Statutory audit | 37,43,012 | 19,65,000 |
| Tax audit | 30,000 | 30,000 |
| Out of pocket expenses | 1,25,500 | 93,630 |
| Certification services | 1,05,000 | 1,75,000 |
| Other services | 10,000 | 23,00,000 |
| Total | 40,13,512 | 45,63,630 |

38. Operating leases:

The Holding Company has taken lands on lease for a period of 30 years (which can be extended further) and 99 years, in respect of which Holding Company, during the year, has made total lease payments of ₹2,87,643(previous year ₹2,87,643). Aforesaid leases are outside the scope of Accounting Standard – 19 “Leases”.

Apart from that, the Group has taken space on lease for use as office premises which are cancellable leases with no lock in period as well as non-cancellable lease with lock in period. For cancellable leases, there are no restrictions imposed on the Group Company under the lease arrangement. There are no subleases. The Group, during the year, has made total lease payments of ₹ 76,50,022 (previous year ₹ 73,90,374) towards such cancellable operating leases. For non-cancellable lease, the Company has booked an expense of amounting to ₹21,88,870 (previous year ₹ 18,01,966) and the total of minimum future lease payments under non-cancellable operating lease is as under.

| Description | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|-------------------------------|---------------------|---------------------|
| Payable not later than 1 year | 19,51,355 | 21,88,870 |
| Payable between 1-5 years | 46,32,500 | 49,73,975 |

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39. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III of the Companies Act, 2013

| Name of the entity | Net Assets as on 31 March 2019, i.e. total assets minus total liabilities | | Share in profit or (loss) for 31 March 2018 | |
|---------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------|------------------------------------------------|--------------------------------------------|
| | Amount | As a % of consolidated net assets | Amount | As a % of consolidated profit & loss |
| Holding Company | | | | |
| Jash Engineering Limited | 68,25,62,467 | 60.58% | 1,716,58,184 | 200.92% |
| Subsidiaries | | | | |
| Shivpad Engineers Private Limited | 6,41,57,978 | 5.69% | 2,36,06,769 | 27.63% |
| Jash USA Inc. (inclusive of Rodney Hunt Inc.)* | 37,04,90,181 | 32.88% | (10,36,77,411) | (121.35%) |
| Mahr Maschinenbau GmbH | (30,57,315) | (0.27%) | (73,94,404) | (8.65%) |
| Engineering and Manufacturing Jash Limited | 1,26,42,204 | 1.12% | 12,42,868 | 1.45% |

*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.

40. Unhedged foreign currency exposure:

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

| Particulars | 31 March 2019 | | 31 March 2018 | |
|------------------------------|---------------------|-------------|---------------------|-------------|
| | Foreign Currency | (Rs.) | Foreign Currency | (Rs.) |
| Trade receivables: | | | | |
| US Dollar | 5,77,759 | 3,99,64,318 | 4,44,458 | 2,89,09,349 |
| Euro | 10,122 | 7,86,489 | 1,52,114 | 1,22,63,765 |
| Singapore Dollar | - | - | 6,78,107 | 3,36,72,799 |
| Canadian Dollar | 2,13,299 | 1,10,76,255 | 1,18,548 | 1,09,40,122 |
| Great Britain Pound | 2,12,414 | 19,2,18,284 | 3,73,731 | 3,44,89,570 |
| Trade payables: | | | | |
| US Dollar | 12,366 | 8,54,491 | 1,000 | 65,044 |
| Euro | 94,019 | 75,14,777 | 15,424 | 12,43,517 |
| Great Britain Pound | - | - | 585 | 53,986 |
| Long term borrowings: | | | | |
| US Dollar | 3,82,855 | 2,64,82,556 | 10,75,067 | 6,99,22,408 |

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Closing rates are as under:-

| Currency | 31 March 2019 (Rs.) | 31 March 2018 (Rs.) |
|------------------|---------------------|---------------------|
| US Dollar | 69.17 | 65.04 |
| Euro | 77.70 | 80.62 |
| Canadian Dollar | 51.93 | 50.43 |
| Singapore Dollar | 51.21 | 49.66 |
| GBP | 90.47 | 92.28 |

41. The Holding Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India ("RBI"). Trade receivables amounting to ₹ 1,396,95,452 (previous year ₹ 6,68,21,030) due from overseas parties is outstanding for a period of more than nine months. Out of these, ₹ 2,28,40,243 (previous year ₹ 4,55,86,651) is due from M/s. Jash USA Inc, ₹ 5,27,798 (previous year ₹ 15,02,550) is due from M/s. Mahr Maschinenbau and ₹ 1,163,55,956 (previous year ₹ 2,61,915) is due from M/s. Rodney Hunt Inc. (all three entities are subsidiary companies).

Subsequent to year ended 31 March 2019, the Holding Company has received ₹ 16,99,298 and ₹ 1,66,34,480 for dues outstanding for a period of more than nine months from M/s. Jash USA Inc. and Rodney Hunt Inc. respectively.

In respect of these receivables, the Holding Company has initiated the necessary steps to ensure compliance with the relevant regulations issued by the RBI i.e. in respect of receivables from Jash USA Inc – they have made three applications to RBI through its authorised dealer bank for capitalisation of amount due as allowed under clause 1 of para B.4 of the Master Circular No. 11/2015-16 (RBI/2015-16/41) dated 01 July 2015 on Overseas Direct Investment. During the previous year ended 31 March 2018, RBI has issued a no objection letter dated 27 July 2017 to the authorized dealer bank for proposed capitalization of trade receivables amounting to USD 102,648 against one of the three applications made by the Holding Company and accordingly, these were capitalized under the head non-current investments (refer note 14) by the Company. The authorized dealer bank, vide its letter dated 23 March 2018, requested the Holding Company to arrange for payment of the remaining outstanding receivables from the its wholly owned subsidiaries.

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

42. As per transfer pricing legislation under section 92-92F of the Income Tax Act, 1961, the Holding Company is required to use certain specific methods in computing arm's length prices of international transaction with associated enterprises and maintain adequate documentation in this respect. The legislations require that such information and documentation to be contemporaneous in nature, the Company has appointed independent consultant (the 'Consultant') for conducting the Transfer Pricing Study (the 'Study') to determine whether the transactions with associate enterprises undertaken during the financial year are on an "arm's length basis". Management is of the opinion that the Company's international transaction are at arm's length and require no transfer pricing adjustments.
43. The Holding Company has one unit which is located in Special Economic Zone (the "SEZ") and is 100% exempted from income tax (current tax) till 31 March 2015, 50% exempted from April 1, 2015 to March 31, 2020 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ Reserve Account) from 1 April 2020 to 31 March 2025 - under the provisions of Section 10AA of the Income Tax Act, 1961. Deferred tax pertaining to this unit is recognized on timing differences, being the difference between taxable income and accounting income, that originate in one period and are capable of reversal in one or more subsequent periods beyond the periods during which the respective units are exempt from income-tax as aforesaid.

44. During the year ended 31 March 2018, the classification of operations of Jash USA Inc., a wholly owned subsidiary company has been changed from integral foreign operation, to non-integral foreign operation, as per the guidance in Accounting Standard 11, The Effects of Changes in Foreign Exchange Rates. The operations of Jash USA Inc. increased significantly and there was greater autonomy in the operations of this subsidiary company, which has led to a change in the classification. The impact of the change in classification on shareholders' funds is Nil. Had the change in classification been done in the previous year ended 31 March 2017, the net profit for the year ended 31 March 2017 would have been higher by ₹ 3,967,555.

45. Related party transactions

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

(I) Key management personnel

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

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

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)
 Mr. Harsh Patel (son of Mr. Pratik Patel)
 Mrs. Swati Desai (sister of Mr. Pratik Patel)
 Mr. Tarang Amin (brother-in law of Mr. Pratik Patel)
 Mr. Rasesh Amin (son of Mr. L. D. Amin)
 Ms. Avani Vipul Patel (daughter of Mr. L. D. Amin)

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

Patamin Investments Private Limited
 Jash Precision Tools Limited
 Schutte Industrieservice GmbH (till 31 March 2018)
 Schutte Meyer Industries Private Limited (till 31 July 2017)
 Schutte Meyer Ashwath Alloys Private Limited (till 31 July 2017)
 Schütte Meyer Technical Services GmbH (till 31 March 2018)
 Micro Flat Datums Private Limited
 Jash Flowcon Engineers (a partnership firm)
 L. D. Amin HUF

(iv) Entity having significant influence over the Company

Pragati India Fund Limited (till 11 October 2017)

(This space has been intentionally left blank)

45. Related party transactions (Contd.)

| Particulars | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company | | Total | |
|--------------------------------------------------------------------|----------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| (iv) Transactions with related parties during the year | | | | | | |
| Managerial remuneration | | | | | | |
| Pratik Patel | 1,00,98,729 | 1,07,77,082 | - | - | 1,00,98,729 | 1,07,77,082 |
| L.D. Amin | 54,64,525 | 57,88,470 | - | - | 54,64,525 | 57,88,470 |
| Harsh Patel | 46,34,204 | 48,77,632 | - | - | 46,34,204 | 48,77,632 |
| | - | 1,10,980 | - | - | - | 1,10,980 |
| Sale of goods | | | | | | |
| Jash Precision Tools Limited | - | - | 5,68,07,607 | 4,76,36,109 | 5,68,07,607 | 4,76,36,109 |
| Schutte Industrieservice GmbH | - | - | 5,51,68,959 | 3,89,26,671 | 5,51,68,959 | 3,89,26,671 |
| Schutte Meyer Ashwath Alloys Private Limited | - | - | - | 7,93,215 | - | 7,93,215 |
| Micro Flat Datums Private Limited | - | - | - | 58,75,907 | - | 58,75,907 |
| Schutte Meyer Technical Services GmbH | - | - | 16,38,648 | 14,75,620 | 16,38,648 | 14,75,620 |
| | - | - | - | 5,64,696 | - | 5,64,696 |
| Purchase of goods | | | | | | |
| Jash Precision Tools Limited | - | - | 84,00,709 | 3,09,79,240 | 84,00,709 | 3,09,79,240 |
| Schutte Meyer Industries Private Limited | - | - | - | 2,44,665 | - | 2,44,665 |
| Schutte Meyer Ashwath Alloys Private Limited | - | - | - | 1,46,753 | - | 1,46,753 |
| Micro Flat Datums Private Limited | - | - | - | 2,71,51,328 | - | 2,71,51,328 |
| | - | - | 84,00,709 | 34,36,495 | 84,00,709 | 34,36,495 |
| Job work charges and labour charges | | | | | | |
| Jash Precision Tools Limited | - | - | 2,48,68,344 | 1,33,92,518 | 2,48,68,344 | 1,33,92,518 |
| Jash Flowcon Engineers | - | - | 1,50,34,242 | 76,16,345 | 1,50,34,242 | 76,16,345 |
| Micro Flat Datums Private Limited | - | - | 97,33,933 | 55,92,321 | 97,33,933 | 55,92,321 |
| | - | - | 1,00,169 | 1,83,852 | 1,00,169 | 1,83,852 |
| Dividend for the year (excluding dividend distribution tax) | | | | | | |
| Pratik Patel | 44,45,145 | 85,63,790 | 4,03,000 | 51,62,204 | 48,48,145 | 1,37,25,994 |
| L.D. Amin | 19,21,065 | 38,22,930 | - | - | 19,21,065 | 38,22,930 |
| Axel Schutte | 2,67,385 | 5,34,770 | - | - | 2,67,385 | 5,34,770 |
| Patamin Investments Private Limited | 7,70,000 | 15,40,000 | - | - | 7,70,000 | 15,40,000 |
| Pragati Fund Private Limited | - | - | 4,03,000 | 16,000 | 4,03,000 | 16,000 |
| Bhairavi Patel | - | - | - | 51,46,204 | - | 51,46,204 |
| Swati Desai | 2,52,308 | 5,04,616 | - | - | 2,52,308 | 5,04,616 |
| | 20,330 | 23,660 | - | - | 20,330 | 23,660 |

| Particulars | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ entity having significant influence over the Company | | Total | |
|------------------------------------------------------------------|----------------------------------------------|------------------|-------------------------------------------------------------------------------------------------------------------------------------------|--------------------|------------------|--------------------|
| | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| | | | | | | |
| Tarang Amin | 1,23,950 | - | - | - | 1,23,950 | - |
| Rasesh Amin | 4,42,750 | 8,83,100 | - | - | 4,42,750 | 8,83,100 |
| Avani Vipul Patel | 1,97,357 | 3,54,714 | - | - | 1,97,357 | 3,54,714 |
| Harsh Patel | 4,50,000 | 9,00,000 | - | - | 4,50,000 | 9,00,000 |
| Interest expense | 44,747 | 9,43,348 | - | 11,76,868 | 44,747 | 21,20,216 |
| Patamin Investments Private Limited | - | - | - | 10,44,396 | - | 10,44,396 |
| L. D. Amin HUF | - | - | - | 1,32,472 | - | 1,32,472 |
| Pratik Patel | 44,747 | 9,43,348 | - | - | 44,747 | 9,43,348 |
| Expenses incurred/paid on behalf of Company | - | - | - | 8,24,943 | - | 8,24,943 |
| Micro Flat Datums Private Limited | - | - | - | 3,000 | - | 3,000 |
| Schutte Meyer Industries Private Limited | - | - | - | 8,21,943 | - | 8,21,943 |
| Rent expense | - | - | 49,56,000 | 49,24,500 | 49,56,000 | 49,24,500 |
| Patamin Investments Private Limited | - | - | 49,56,000 | 49,24,500 | 49,56,000 | 49,24,500 |
| Expenses incurred by Company on behalf of related parties | 4,46,730 | 1,43,598 | 2,47,130 | 2,29,900 | 6,93,860 | 3,73,498 |
| Jash Flowcon engineers | - | - | 76,745 | 65,897 | 76,745 | 65,897 |
| Jash Precision Tools Limited | - | - | 1,70,385 | 1,64,003 | 1,70,385 | 1,64,003 |
| Pratik Patel | 4,46,730 | 1,26,952 | - | - | 4,46,730 | 1,26,952 |
| L. D. Amin | - | 16,646 | - | - | - | 16,646 |
| Reimbursement of expenses | 21,09,321 | 22,20,203 | - | 4,43,254 | 21,09,321 | 26,63,457 |
| Pratik Patel | 19,91,626 | 20,91,072 | - | - | 19,91,626 | 20,91,072 |
| L. D. Amin | 1,17,695 | 1,29,131 | - | - | 1,17,695 | 1,29,131 |
| Schutte Meyer Industries Private Limited | - | - | - | 2,42,708 | - | 2,42,708 |
| Schutte Meyer India Private Limited | - | - | - | 2,00,546 | - | 2,00,546 |
| Loan taken | - | 80,00,000 | - | 1,30,00,000 | - | 2,10,00,000 |
| Pratik Patel | - | 80,00,000 | - | - | - | 80,00,000 |
| Patamin Investments Private Limited | - | - | - | 1,30,00,000 | - | 1,30,00,000 |

| Particulars | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company | | Total | |
|-------------------------------------|----------------------------------------------|---------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|---------------|---------------|
| | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 | 31 March 2019 | 31 March 2018 |
| Loan repaid/adjusted | | | | | | |
| Pratik Patel | 21,39,165 | 2,72,49,441 | - | 1,90,66,401 | 21,39,165 | 4,63,15,842 |
| Bhairavi Patel | 21,39,165 | 2,35,04,644 | - | - | 21,39,165 | 2,35,04,644 |
| Harsh Patel | - | 4,18,793 | - | - | - | 4,18,793 |
| L. D. Amin HUF | - | 8,37,587 | - | - | - | 8,37,587 |
| Patamin Investments Private Limited | - | 24,88,417 | - | - | - | 24,88,417 |
| | - | - | - | 1,90,66,401 | - | 1,90,66,401 |
| Year end balances | | | | | | |
| Trade receivables | | | | | | |
| Jash Precision Tools Limited | - | - | 4,23,20,891 | 2,37,68,787 | 4,23,20,891 | 2,37,68,787 |
| Schutte Industrieservice GmbH | - | - | 3,55,76,040 | 1,53,46,412 | 3,55,76,040 | 1,53,46,412 |
| Micro Flat Datums Private Limited | - | - | - | 14,71,911 | - | 14,71,911 |
| | - | - | 67,44,851 | 69,50,463 | 67,44,851 | 69,50,463 |
| Trade payables | | | | | | |
| Jash Precision Tools Limited | - | - | 99,94,977 | 47,31,827 | 99,94,977 | 47,31,827 |
| Micro Flat Datums Private Limited | - | - | 76,979 | - | 76,979 | - |
| Jash Flowcon Engineers | - | - | 36,02,440 | - | 36,02,440 | - |
| Schutte Industrieservice GmbH | - | - | 63,15,558 | 40,95,234 | 63,15,558 | 40,95,234 |
| | - | - | - | 6,36,593 | - | 6,36,593 |
| Short term borrowings | | | | | | |
| Pratik Patel | - | 21,39,164 | - | - | - | 21,39,164 |
| | - | 21,39,164 | - | - | - | 21,39,164 |
| Security deposits | | | | | | |
| Patamin Investments Private Limited | - | - | 25,00,000 | 25,00,000 | 25,00,000 | 25,00,000 |
| | - | - | 25,00,000 | 25,00,000 | 25,00,000 | 25,00,000 |
| Employee related payables | | | | | | |
| Pratik Patel | 5,13,917 | 4,46,442 | - | - | 5,13,917 | 4,46,442 |
| L. D. Amin | 3,45,763 | 2,81,327 | - | - | 3,45,763 | 2,81,327 |
| | 1,68,154 | 1,65,115 | - | - | 1,68,154 | 1,65,115 |

(This space has been intentionally left blank)

46. The Holding Company has completed Initial Public Offer (IPO) on the Emerge Board of National Stock Exchange of India Limited, comprising of Offer for sale by the Selling Shareholder of 25,73,103 equity shares and Fresh issue of 22,61,198 equity shares of the Company on 11 October 2017 at an offer price of ₹ 120 per share aggregating to ₹ 30,87,72,360 and ₹ 2,713,43,760 respectively. The disclosure relating to utilization of IPO proceeds from Fresh issue is as follows: -

| Particulars | Utilization planned as per prospectus | Total utilization upto 31 March 2019 | Adjustments (utilization of surplus towards other objects) | Amount pending for for utilization as at 31 March 2019 |
|------------------------------------------------------------------------------------------------------------|---------------------------------------|--------------------------------------|------------------------------------------------------------|--------------------------------------------------------|
| Working capital | 9,00,00,000 | 9,00,00,000 | - | - |
| Expansion of manufacturing facilities at Unit III, SEZ 1, Pithampur | 1,93,48,000 | 60,55,105 | 1,32,92,895* | - |
| Acquire leased land and to set-up new manufacturing plant at SEZ (SEZ 2) Pithampur (i.e. Proposed Unit IV) | 8,59,14,760 | 9,92,06,895 | (1,32,92,895)* | - |
| General corporate purposes | 3,60,82,000 | 3,31,58,000 | (29,24,430)* | - |
| Share issue expenses | 4,00,00,000 | 4,29,24,430 | 29,24,430* | - |
| Total | 27,13,43,760 | 27,13,43,760 | - | - |

Excess utilization towards offer related expenses and set-up of new manufacturing plants at SEZ Pithampur have been adjusted with other object of the issue.

47. Segment reporting:

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

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

| Particulars | As at 31 March 2019 (Rs.) | As at 31 March 2018 (Rs.) |
|------------------------------------------------|---------------------------|---------------------------|
| Segment revenue from external customers | | |
| Within India | 1,78,38,83,674 | 1,36,11,66,454 |
| Outside India | 69,93,83,846 | 38,42,43,993 |
| Income from operations | 2,48,32,67,520 | 1,74,54,10,447 |
| Segment Assets | | |
| Within India | 2,07,91,30,057 | 1,88,14,02,929 |
| Outside India | 60,08,78,967 | 43,96,32,332 |
| Total assets | 2,68,00,09,024 | 23,21,035,261 |
| Capital expenditure | | |
| Within India | 12,660,5914 | 10,97,91,395 |
| Outside India | 3,49,46,821 | 7,13,10,491 |
| Total capital expenditure | 16,15,52,735 | 18,11,00,886 |

- 48.** Revenue for the year ended 31 March 2019 is net of Goods and Service Tax (GST) which is applicable from 1 July 2017, however, revenue for the year ended 31 March 2018 is net of VAT but gross of excise duty till 30 June 2017. Accordingly, revenue for the year ended 31 March 2019 is not comparable with the previous year ended 31 March 2018 presented in these unaudited financial results.
- 47.** In the opinion of the board of directors, assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amounts at which they are stated and provision for all known liabilities have been made. All loans, guarantees and securities as disclosed in respective notes are provided for business purposes.
- 49.** Prior period adjustments for previous year ending 31 March 2018 of one of the subsidiary company, Jash USA Inc, relating to employee benefits expense aggregating to ₹ 2,19,81,410, depreciation expense aggregating to ₹ 7,05,792 and other incomes aggregating to ₹ 2,64,052, have been included under the respective heads in the consolidated financial statements.
- 50.** The previous year figures have been re-grouped/re-classified wherever considered necessary, to make them comparable.

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

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

Sd/-
per **Neeraj Sharma**
Partner

Place : Indore
Date : 28th May 2019

Sd/-
Laxminandan Amin
Chairman and Executive Director
DIN 00007735

Sd/-
Dharmendra Jain
Chief Financial Officer

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

Sd/-
Pratik Patel
Managing Director
DIN-00780920

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

HIGHLIGHTS OF THE YEAR

5. The Rodney Hunt plant at Orange, Massachusetts has commenced operations in August 2018 and the plant is now producing gates and screens. The first large screen manufactured for Port Monmouth, USA is displayed.



Multirake Bar Screen for
Port Monmouth, Orange, USA



Machine Shop of Rodney Hunt Plant



Storage Area of Rodney Hunt Plant

6. A new corporate office of Rodney Hunt Inc. at 6200 Savoy Dr Ste 750, Houston, TX 77036 USA was opened in July 2019. This office is large enough to accommodate 20 people and should serve our needs till the company touches USD 25 million in sales.



Office Entrance



Office Working Area

HIGHLIGHTS OF THE YEAR

7. DN 2000 valve, supplied to PUB Singapore for Changi Water Reclamation plant (C22B)



8. Crest Gate made for Rodney Hunt project Chocolate Bayou, TX, USA.



PRODUCTS AT A GLANCE



Penstocks / Sluice Gates



Open Channel Gates



Downward Opening
Weir Gates



Flap Gates /
Automatic Drainage Gates



Stop Logs



Mono Series Knife
Gate Valve



“ZFI” Series
Knife Gate Valve



Zero Velocity Valve



Air Cushion Valve



Energy
Dissipating Valve



Trash Rack



Suspended Trash
Rake Screen



“JMR” Multi-rake Screen



Mahr Maschinenbau
mm2mm
Multi-rake Screen



Screenmat Step Screen



Rotoclean Rotary
Drum Screen



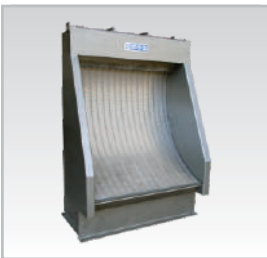
Mahr Maschinenbau
Per-Scalator
Filter Band Screen



Travelling Band Screen



Rotobrush Rotary Screen



Hyperbole
Static Screen



Flat Belt
Conveyor



Screw Conveyor
With Wash Compactor



Jet Breaker
Washer Compactor



Archimedean Screw
Turbine



Archimedean
Screw Pumps

Jash Engineering Ltd.

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