04.09.2024

**To,**
**The Manager**
**Listing Department**
**National Stock Exchange of India Limited**
**Bandra Kurla Complex, Bandra (East)**
**Mumbai – 400 051**
**Symbol: JASH**

**Sub.: Intimation of 50th Annual General Meeting and Book Closure of Register of Member and Share Transfer Books, pursuant to the Regulations of the Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015**

This is to inform you that pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, (LODR) the 50th Annual General Meeting (AGM) of the Company schedule to be held on Thursday, 26th September 2024 at 11:00 AM (IST) through Video Conferencing /Other Audio-Visual Means (VC/ OAVM) Facility.

Pursuant to Regulation 42 of the Listing Regulations, we hereby inform that the Register of Members and Share Transfer Books of the Company shall remain closed from 20th September 2024 to 26th September 2024 (both days inclusive) for the purpose of Annual General Meeting and ascertaining the eligibility of shareholders for the payment of final dividend, if approved at the ensuing 50th Annual General Meeting of the Members of the Company schedule to be held on Thursday, 26th September 2024.

Further, pursuant to section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administrative) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is providing facility to the member to attend meeting through Video Conferencing / Other Audio Visual Means (VC/ OAVM) Facility and cast their votes by electronic means on all the resolutions set out in the Notice of 50th AGM through facility of remote E-voting and voting at Annual General Meeting provided by service provider i.e., **M/s. Link Intime India Pvt. Ltd**. _ **Insta Vote** and **Insta Meet**.

The Cut-off date, for determining the eligibility of members to vote by remote e–voting and voting at 50th AGM, is Thursday 19th September 2024. The remote e-voting will commence on Monday 23rd September 2024 at 9:00 AM (IST) and will end on Wednesday 25th September 2024 at 5:00 PM (IST).

Kindly take the same on your records.

Thanking you

Your faithfully
**For JASH Engineering Limited**

Tushar Kharpade
Digitally signed by Tushar Kharpade
Date: 2024.09.04 19:37:08 +05'30'

**Tushar Kharpade**
**Company Secretary & Compliance Officer**
**Encl.: A/a**

**CC: National Securities Depository Ltd.**
**Central Depository Services (India) Ltd.**
**Link Intime India Pvt. Ltd.**

# JASH ENGINEERING LIMITED

**CIN: L28910MP1973PLC001226**
**Registered Address :31, Sector – C, Industrial Area, Sanwer Road, Indore - 452015 (MP)**
**Telephone: +91-731-27020143, 2721143 • Fax: +91-731-2720499**
**Email Id : info@jashindia.com / Website: www.jashindia.com**

## NOTICE

*Section 101 of the Act and Rule 18 of the Companies (Management and Administration) Rules, 2014*

**NOTICE** is hereby given that the Fiftieth Annual General Meeting ("50th AGM") of Jash Engineering Limited will be held on Thursday, 26th September, 2024 at 11.00 A.M (IST), through Video Conferencing (VC)/Other Audio Visual Mode (OAVM) facility to transact the following business(es):

**Ordinary Businesses:**

1. To receive, consider and adopt:
   a) Audited standalone financial statements of the Company for the financial year ended March 31, 2024, 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, 2024, together with the Report of the Auditor's thereon.

2. To consider and declare Final Dividend of 72% i.e. @Rs. 7.20/- per share out of the profits for the year 2023-24.

3. To consider re-appointment of Mr. Rahul Patel (DIN: 09201061) as a Director who retires by rotation and, being eligible, offers himself for re-election.

   Mr. Rahul Patel (DIN: 09201061) 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. Accordingly, he will continue as Director of the Company till the Annual General Meeting and his re-appointment is proposed hereof.

**Special Businesses:**

4. **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, and based on the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, and based on the approval/ recommendation of the Audit Committee and the Board of Directors of the Company, as the case may be, approval 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 subsidiaries and Joint Venture as defined under the Act and Regulation of the Listing Regulations 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 and that the said contract(s)/ arrangement(s)/ agreement(s)/ transaction(s) shall be carried out includes in the ordinary course of business of the Company and at arm's length basis 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 50th AGM and ending at the date of the 51th 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, statuary, 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."

5. **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, 2024, 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.**"**

6. **Continuation of Mr. Axel Schutte (DIN: 02591276) as a Non-Executive Non-Independent Director of the Company on completion of 75 years of age. To consider and give assent or dissent to the following Special Resolution:**

"**RESOLVED THAT** pursuant to regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, approval be and is hereby accorded for continuation of Mr. Axel Schutte (DIN: 02591276) as a Non-Executive Non Independent Director of the Company liable to retire by rotation, who will attain the age of 75 years on December 26th, 2024."

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

7. **Sub-Division / Split of Equity Shares of the Company. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"**RESOLVED THAT** pursuant to provisions of Section 61 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as 'Listing Regulations' and other approvals, consents, permissions and sanctions as may be necessary from the appropriate statutory authority(ies) and based on the recommendation of the Board, approval of the members of the Company be and is hereby accorded for sub-division of 1 (One) Equity Share of the Company having a face value of Rs. 10/- (Rupees Ten only) each fully paid up into 5 (Five) Equity Shares having a face value of Rs. 2/- (Rupee Two only) each fully paid up on such date as may be fixed by the Board of Directors of the Company (hereinafter referred to as the "**Board"** which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred by the Board) for this purpose (hereinafter referred to as **"Record Date"**);

**RESOLVED FURTHER THAT** pursuant to sub-division of equity shares of the Company, the Authorised, Issued, Subscribed and Paid-up Equity Share Capital of 1 (One) Equity Share of face value of Rs. 10/- (Rupees Ten only) each fully paid-up shall stand sub-divided into 5 (Five) Equity Shares of face value of Rs. 2/- (Rupees Two Only) each fully paid-up as existing on the Record Date and shall rank pari-passu in all respects with each other and carry the same rights as to the existing fully paid-up equity share of Rs.10/- (Rupees Ten only) each of the Company;

**RESOLVED FURTHER THAT** the approval of the members of the Company is hereby accorded to alter the existing Clause V of the Memorandum of Association of the Company relating to Capital by substituting with the following Clause V:

*"V. The Authorised Share Capital of the Company is Rs. 14,00,00,000/- (Rupees Fourteen Crores) consisting of Rs. 13,49,00,000 (Rupees Thirteen Crores Forty-Nine Lakhs) divided into 6,74,50,000 equity shares of Rs. 2/- (Rupees Two Only) each and Rs. 51,00,000 (Rupees Fifty-One Lakhs only) divided into 5,10,000 preference shares of Rs. 10/- (Rupees Ten Only) each."*

**RESOLVED FURTHER THAT** upon the sub-division of the Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares having face value of Rs.10/- each (Rupees Ten Only) held in the physical form, if any, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date (as determined by the Board of Directors of the Company) and the Company may, without requiring the surrender of the existing share certificate(s), issue and dispatch the new share certificate(s) of the Company in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 amended from time to time and in the case of equity shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the depository participants, in lieu of the existing credits representing the equity shares of the Company before sub-division and the Company shall undertake such Corporate Action(s) as may be necessary in relation to the existing equity shares;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board / Committee of the Board or any officer(s) authorized by the Board of Directors, be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard."

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

**Date: 8th August 2024**
**Place: Indore**

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

**Notes:**

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by "COVID-19", General Circular Nos. 20/2020 dated May 5, 2020, 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to "Clarification on holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM)" (collectively referred to as "MCA Circulars") permitted the holding of the AGM through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars, the AGM of the Company is being held through VC /OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.

2. The relative explanatory statement pursuant to Sec. 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed and forms part of Notice.

3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to this Notice.

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. Members are also requested to confirm their email ID, or otherwise notify changes in the email ID, if there is any to which the Company could forward all communications, notices, annual report and copies of accounts.

6. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM, on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer shall be sent to the Scrutinizer by email through its registered email address to ankitjoshi0811@gmail.com with a copies marked to the Company at csjash@jashindia.com / info@jashindia.com and to the Registrar and Transfer Agent at rnt.helpdesk@linkintime.co.in.

7. Book Closure and Record Date: The Register of Members and the Share Transfer Books of the Company will be closed from Friday, September 20th, 2024 to Thursday, September 26th, 2024 (both days inclusive). The dividend, if declared at the AGM, will be paid in accordance of the Act, Regulations to those persons:

   (a) whose names appear as beneficial owners at the end of the business hours on Thursday, September 19th, 2024 in the list of beneficial owners to be furnished by the National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) in respect of the shares held in electronic form; and

   (b) whose names appear as members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Registrar and Share Transfer Agents on or before Thursday, September 19th, 2024.

8. The final dividend, as recommended by the Board of Directors, if approved at the AGM, payment of such dividend subject to deduction of tax at source will be made within statutory time limit and/or after Thursday, September 26th, 2024 as under:

(i) To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), as of the close of business hours on Thursday, September 19th, 2024;

(ii) To all Members in respect of shares held in physical form after giving effect to transmission or transposition requests, change of name lodged with the Company as of the close of business hours on Thursday, September 19th, 2024.

SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

9. Deduction of Tax at Source on Dividend: Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders with effect from April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

   A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G (applicable to individual) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions as prescribed under the Act are met. To avail the benefit of non-deduction of tax at source, the documents are to be submitted through Form 15G and 15H can be downloaded from the website of the RTA viz - https://liiplweb.linkintime.co.in/formsreg/submission-of-form-15g-15h.html on or before Thursday, September 19th, 2024 (06:00 p.m. IST). Shareholders are requested to note that if the PAN is not correct/ invalid/ inoperative or have not filed their income tax returns, then tax will be deducted at higher rates prescribed under Sections 206AA or 206AB of the Income-tax Act, as applicable and incase of invalid PAN, they will not be able to get credit of TDS from the Income Tax Department.

   Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the documents at aforesaid link or sending an email to jashdivtax@linkintime.co.in.

   The aforesaid declarations and documents need to be submitted by the shareholders on or before Thursday, September 19th, 2024 (06:00 p.m. IST).

   All queries with respect to TDS on dividend and submission of relevant documentation should be sent to jashdivtax@linkintime.co.in.

10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

    **a. For shares held in electronic form:** to their Depository Participants ("DPs")

    **b. For shares held in physical form:** to the Company/RTA in prescribed Form ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/ CIR/2023/169 dated October 12, 2023. To mitigate unintended challenges on account of freezing of folios, SEBI vide its Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated November 17, 2023, has done away with the provision regarding freezing of folios not having PAN, KYC, and Nomination details.

11. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website at www.jashindia.com and on the website of the Company's RTA, Link Intime at https://linkintime.co.in/. It may be noted that any service request can be processed only after the folio is KYC Compliant.

12. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or Link Intime, for assistance in this regard.

13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.jashindia.com. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Link Intime in case the shares are held in physical form.

15. Information related to Investor Education and Protection Fund ("IEPF") Pursuant to the provisions of Section 124 of the Act, the unpaid / unclaimed dividend for the financial year 2015-16 has been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government. In compliance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has already transferred dividend amount pertaining to the financial year 2015-16 to the IEPF Account, after providing necessary intimations to Members. Details of unpaid / unclaimed dividend and equity shares for the financial year 2015-16 are uploaded on the website of the Company as well as that of the MCA. No claim shall lie against the Company in respect of unclaimed dividend amount transferred to the IEPF Account, pursuant to the IEPF Rules. Members can however claim both the unclaimed dividend amount from the IEPF Authority by making applications in the manner provided in the IEPF Rules.

    In terms of the provisions of Section 124(5) of the Act, dividend for the Financial Year 2016-17 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of seven consecutive years will be transferred to IEPF. Further, in terms of the provisions of the IEPF Rules, equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more from the date of declaration will also be transferred to IEPF Account, which is operated by the IEPF Authority in terms of the IEPF Rules.

    Members, who have so far not encashed their dividend relating to the financial year 2016-17 are requested to do so by November 5th, 2024 by writing to the Company at the Registered Office of the Company or mail at csjash@jashindia.com, failing which the dividend and the equity shares relating thereto will be transferred to the IEPF.

16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and documents referred to in the Notice are open for inspection by the members at the registered office of the Company on all working days (that is, except Sundays and Public Holidays) during business hours up to the date of the Meeting.

17. The Company has been maintaining all statutory registers at the Registered Office of the Company. In accordance with the MCA Circulars the Registers which are permissible for inspection of members shall be available for inspection by the members.

18. The attendance of the members attending the AGM through VC / OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

19. Members desirous of getting any information about the accounts and operations of the Company are requested to send their query to csjash@jashindia.com / info@jashindia.com on or before September 17th, 2024.

20. 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.

21. The details of Directors seeking appointment/reappointment at this Annual General Meeting as required under Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India is annexed hereto.

22. **Instructions for Voting through electronic mode:**

a) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, the members are provided with the facility to exercise their right to vote electronically, through the e-voting services provided by M/s Link Intime (India) Pvt. Ltd, i.e. facility of casting the votes by the members using an electronic voting system from a place other than the venue of AGM (remote e-voting) on all the resolutions set forth in this Notice.

b) The voting period begins on Monday, September 23rd, 2024 (09.00 a.m.) and ends on, Wednesday, September 25th, 2024 (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, 19th September 2024 may cast their vote electronically. The e-voting module shall be disabled by M/s. Link Intime India Pvt. Ltd. through remote e-voting beyond the said time and date. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.

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

d) The members who have cast their vote by remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.

e) The Members attending the AGM through the VC Facility, who have not cast their votes by remote e-voting shall only be able to exercise their voting rights during the AGM.

f) Shareholders are advised to update their mobile number and email ID in their demat accounts to access e-Voting facility.

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

| **Type of shareholders** | **Login Method** |
|---|---|
| **Individual Shareholders holding securities in Demat mode with NSDL** | **METHOD 1 - If registered with NSDL IDeAS facility**<br><br>• **Users who have registered for NSDL IDeAS facility:**<br>a) Visit URL: https://eservices.nsdl.com and click on "Beneficial Owner" icon under "Login".<br>b) Enter user id and password. Post successful authentication, click on "Access to e-voting". |

| | |
|---|---|
| | c) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period and e-voting during AGM.<br><br>• **User not registered for IDeAS facility:**<br>a) To register, visit URL: https://eservices.nsdl.com and select "Register Online for IDeAS Portal" or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp "<br>b) Proceed with updating the required fields.<br>c) Post registration, user will be provided with Login ID and password.<br>d) After successful login, click on "Access to e-voting".<br>d) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period and e-voting during AGM. |
| | **METHOD 2 - By directly visiting the e-voting website of NSDL:**<br><br>a) Visit URL: https://www.evoting.nsdl.com/<br>b) Click on the "Login" tab available under 'Shareholder/Member' section.<br>c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.<br>d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see "Access to e-voting".<br>e) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period and e-voting during AGM. |
| **Individual Shareholders holding securities in Demat mode with CDSL** | **METHOD 1 – From Easi/Easiest**<br><br>• **Users who have registered/ opted for Easi/Easiest**<br>a) Visit URL: https://web.cdslindia.com/myeasitoken/Home/Login or https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration.<br>b) Click on New System Myeasi<br>c) Login with user id and password<br>d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.<br>f) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period and e-voting during AGM.<br><br>• **Users not registered for Easi/Easiest**<br>a) To register, visit URL: https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration / https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration<br>b) Proceed with updating the required fields.<br>c) Post registration, user will be provided Login ID and password.<br>d) After successful login, user able to see e-voting menu.<br>g) Click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period and e-voting during AGM. |

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| | **METHOD 2 - By directly visiting the e-voting website of CDSL.**<br><br>i. Visit URL: https://www.cdslindia.com/<br>ii. Go to e-voting tab.<br>iii. Enter Demat Account Number (BO ID) and PAN No. and click on "Submit".<br>iv. System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account<br>h) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period and e-voting during AGM. |
| **Individual Shareholders (holding securities in Demat mode) & login through their Depository participants ("DP")** | Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.<br><br>a) Login to DP website<br>b) After Successful login, members shall navigate through "e-voting" tab under Stocks option.<br>c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.<br>d) After successful authentication, click on "LINKINTIME" or "evoting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period and e-voting during AGM. |
| **Individual Shareholders holding securities in Physical mode & E-voting service provider is Link Intime.** | 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in<br>A. Click on **"Sign Up"** under '**SHARE HOLDER'** tab and register with your following details: -<br>a) **User ID:** Shareholders/ members holding shares in physical form shall provide Event No. + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 characters DP ID followed by 8 digit client ID; Shareholders holding shares in CDSL demat account shall provide 16 digit beneficiary ID.<br>b) **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.<br>c) **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)<br>d) **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.<br>* Shareholders/ members holding shares in **physical form** but have not recorded information under 'C' and 'D', shall provide their Folio number in 'D' above.<br>B. Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).<br>C. Click "confirm" (Your password is now generated).<br><br>2. Click on 'Login' under **'SHARE HOLDER'** tab.<br><br>3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**.<br><br>4. After successful login, you will be able to see the notification for e-voting. |

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| | Select '**View'** icon.<br><br>5. E-voting page will appear.<br><br>6. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).<br><br>7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on **'No'** and accordingly modify your vote. |
| **Institutional shareholders:** | **STEP 1 – Registration**<br>a) Visit URL: https://instavote.linkintime.co.in<br>b) Click on Sign up under "Corporate Body/ Custodian/Mutual Fund"<br>c) Fill up your entity details and submit the form.<br>d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.<br>e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.<br>f) While first login, entity will be directed to change the password and login process is completed.<br><br>**STEP 2 –Investor Mapping**<br>a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.<br>b) Click on "Investor Mapping" tab under the Menu Section<br>c) Map the Investor with the following details:<br>a. 'Investor ID' -<br>i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*<br>ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID*.<br>b. 'Investor's Name - Enter full name of the entity.<br>c. 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.<br>d. 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.<br>d) Click on Submit button and investor will be mapped now.<br>e) The same can be viewed under the "Report Section".<br><br>**STEP 3 – Voting through remote e-voting.**<br><br>The corporate shareholder can vote by two methods, once remote e-voting is activated:<br><br>**METHOD 1 - VOTES ENTRY**<br><br>a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.<br>b) Click on 'Votes Entry' tab under the Menu section. |

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| | c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote evoting.<br>d) Enter '16-digit Demat Account No.' for which you want to cast vote.<br>e) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).<br>f) After selecting the desired option i.e., Favour / Against, click on 'Submit'.<br>g) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).<br><br>**VOTES UPLOAD:**<br><br>a) Visit URL: https://instavote.linkintime.co.in and login with credentials as received in Step 1 above.<br>b) You will be able to see the notification for e-voting in inbox.<br>c) Select **'View'** icon for **'Company's Name / Event number '.** E-voting page will appear.<br>d) Download sample vote file from 'Download Sample Vote File' option.<br>e) Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.<br>f) Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently). |
| **In case Individual Shareholders holding securities in Physical mode & E-voting service Provider is Link Intime, have forgotten the password:** | If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in<br><br>o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**<br>o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".<br>*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.*<br><br>User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company<br>User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID<br>User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID. |
| **Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:** | If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in<br><br>o Click on **'Login'** under **'Corporate Body/ Custodian/Mutual Fund'** tab and further Click **'forgot password?'** |

| | |
|---|---|
| | o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".<br><br>*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.* |
| **Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:** | Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.<br><br>➢ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.<br>➢ For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.<br>➢ During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event". |

**Helpdesk for Individual Shareholders holding securities in demat mode:**

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

| **Login type** | **Helpdesk details** |
|---|---|
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at.:<br>022-48867000 and 022-24997000 |
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no.:<br>1800225533. |

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

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

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

**General Guidelines for shareholders:**

- In case of joint holders attending the AGM, only such joint holder(s) who is/are higher in the order of names will be entitled to vote.

- Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently or cast the vote again.

- Subject to receipt of requisite number of votes, the Resolutions proposed in the Notice shall be deemed to be passed on the date of the AGM i.e. Thursday, 26th September, 2024.

- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after dispatch of this notice and holds shares as of the cut-off date i.e. 19th September, 2024, may obtain the login id and password by sending a request at info@jashindia.com or rnt.helpdesk@linkintime.co.in by mentioning their Folio No./ DP ID and Client ID.

- Shareholders holding multiple folios/ demat account shall choose the voting process separately for each of the folios/ demat account.

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

- Open the internet browser and launch the URL: https://instameet.linkintime.co.in & Click on **"Login"**

▶ Select the **"Company"** and **'Event Date'** and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

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

**C. Mobile No.:** Enter your mobile number.

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

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

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

1. Shareholders who would like to speak during the meeting must register their request mentioning their name, demat account number/folio number, email id, mobile number with the Company at e-mail info@jashindia.com/csjash@jashindia.com from Wednesday, 18th September, 2024 to Sunday 22nd September, 2024.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive "**speaking serial number**" once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

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

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

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

1. On the Shareholders VC page, click on the link for e-Voting **"Cast your vote"**

2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on **'Submit'.**

3. After successful login, you will see **"Resolution Description"** and against the same the option **"Favour/ Against"** for voting.

4. Cast your vote by selecting appropriate option i.e. **"Favour/Against"** as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under **'Favour/Against'**.

5. After selecting the appropriate option i.e. **Favour/Against** as desired and you have decided to vote, click on **"Save".** A confirmation box will be displayed. If you wish to confirm your vote, click on **"Confirm"**, else to change your vote, click on **"Back"** and accordingly modify your vote.

6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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

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

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

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

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on:- Tel: 022-49186175

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

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

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

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

**Date: 8th August 2024**
**Place: Indore**

**ANNEXURE TO THE NOTICE**

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

**Item No. 4**

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.

The Securities and Exchange Board of India ('SEBI'), vide its notification dated November 09, 2021, has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 ('Amendments') introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Given the nature of the business, the Company works closely with its related parties to achieve its business objectives and enters into various operational transactions, from time to time, in the ordinary course of business and on arm's length basis. The Management has provided to the Audit Committee all required and relevant details of the proposed transactions including rationale, material terms etc. and after due deliberations at the meeting of Audit Committee, the Independent Directors who are members of the Audit Committee have approved the said material related party transactions and noted that these proposed transactions will be in the ordinary course of business and on arm's length basis.

Accordingly, it is in the above context that the resolutions as set out at Item Nos. 4 are proposed for the approval of the members under the SEBI Listing Regulations.

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

None of the Directors and Key Managerial Personnel of the Company except Mr. Pratik Patel (DIN: 00780920), Mr. Suresh Patel (DIN: 00012072), Mr. Rahul Patel (DIN: 09201061), 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. 5**

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, 2024 as per the following details:

| Sr. No. | Name of Cost Auditor | Audit Fees (INR) |
|---|---|---|
| 1. | M/s. M.P. Turakhia & Associates | 75,000/- 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. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2024. 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. 6**

Mr. Axel Schutte (DIN: 02591276), Non-Executive Non-Independent Director, of the Company was appointed on the Board of the Company on September 30, 1995, in terms of Companies Act, 2013.

The Securities and Exchange Board of India (SEBI) has amended the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 vide circular dated May 9, 2018, which requires continuance of any Non-Executive Director who has attained the age of 75 years after seeking the prior approval of shareholders by way of a Special Resolution.

Mr. Axel Schutte will attain the age of 75 years on December 26, 2024, hence approval by way of Special Resolution is placed before the shareholders in order to comply with the aforesaid circular. Mr. Axel Schutte has been effectively performing his duties and providing valuable guidance to the Company in key strategic matters from time to time.

The Board is of the opinion that Mr. Axel Schutte's rich and diverse experience is a valuable asset to the Company which adds value and enriched point of view during Board discussions and decision making. He is also a person of integrity who possesses required expertise and his association as Non-Executive Non Independent Director will be beneficial to the Company.

None of the Directors or Key Managerial Personnel of the Company except Mr. Axel Schutte himself or their relatives are concerned or interested in the proposed resolution.

The Board recommends the special resolution as set out at Item No.6 of the Notice for approval by the shareholders.

**Item No. 7**

In order to improve the liquidity of Company's Share and to make it more affordable for small investors and also to broad base of small investors, the Board of directors of the Company in their meeting held on 8th August, 2024 recommended to sub-divide (split) Company's 1(One) Equity share of face value of Rs. 10/- (Rupees Ten Only) each into 5 (Five) Equity Shares of Face Value of Rs. 2/- (Rupees Two Only) each subject to the approval of members.

The Record date for the aforesaid sub-division of the equity shares shall be fixed by the Board of Directors.

Upon approval of shareholder for the sub-division of equity shares, in case the equity shares are held in physical form, the old share certificates of face value of Rs. 10/- each will stand cancelled on the record date and the new share certificate(s) of nominal value of Rs. 2/- each, fully paid up, will be dispatched to the shareholders, in case the equity shares are in ematerialized form, the sub-divided equity shares will be directly credited to the shareholder's demat account on record date, in lieu of their existing equity shares.

Pursuant to the provisions of Section 13, 14 and 61 of the Companies Act, 2013 approval of the Members is required for sub-division of shares and consequent amendment to Clause V of the Memorandum of Association of the Company.

Accordingly, the resolutions set out at Item No. 7 seek approval of the Members for the proposed subdivision of face value of the Equity Shares and the consequent amendments to the existing Clause V of the Memorandum of Association of the Company.

The Board of Directors is of the opinion that the aforesaid sub-division of the face value of Equity Shares, is in the best interest of the Company and hence recommends passing of the resolutions set out at Item No. 7 as Special Resolution.

None of the Directors / Key Managerial Personnel of the Company except Mr. Pratik Patel (DIN: 00780920), Mr. Suresh Patel (DIN: 00012072), Mr. Rahul Patel (DIN: 09201061) or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

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

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

**Date: 8th August 2024**
**Place: Indore**

**Enclosure I to Notice of AGM 2024**

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

| | | | |
|---|---|---|---|
| 1 | Name in Full | **Mr. Rahul Patel** | **Mr. Axel Schutte** |
| 2 | DIN | 09201061 | 02591276 |
| 3 | DOB | 26.01.1984 | 26.12.1949 |
| 4 | Father's name/ Husband name in full | Late Mr. Udayanbhai Jashbhai Patel | Mr. Alfred Hans Schutte |
| 5 | Business Occupation | Business | Business |
| 6 | No. of Shares held in the Company | Eq. Shares 71,417 | Eq. Shares 5,92,807 |
| 7 | Nationality of origin | Indian | Germany |
| 8 | Educational Qualification | Bachelor of Science in Electrical Engineering – University of Houston, USA | B.A. (Economics) |
| 9 | Date of first appointment on the Board | 14th November 2022 | 30th September 1995 |
| 10 | Brief Profile | Mr. Rahul Patel is qualified as Bachelor of Science in Electrical Engineering, University of Houston, USA, after graduation he was worked in M/s Toshiba Ind. Corp, USA as a Field Service Engineer for Variable Frequency Drives. He is actively involved in Product Development, Production, Planning, Vendor Development, Quality Management, Finance etc of M/s Micro Flat Datums Pvt Ltd, Gujarat. He has experience of more than 11 years in successfully managing the state of affairs of the business especially the matters concerning to management, quality production, and achieving inorganic growth. | He has wide business experience in many countries and is on the board since 1995 He has experience of over 40 years in the Engineering Industry and is an expert on Knife gate and bulk solids handling valves |
| 11 | Relationship with other Directors, manager and Key Managerial Personnel of the company | Cousin brother of Mr. Pratik Patel. | Not related to any Director of the Company |
| 12 | Board Committee's updates | - | - |
| 13 | List of outside Company's directorships/ Membership/ Chairmanship of Committees of other boards | - | - |
| 14 | Remuneration Last Drawn | - | - |

**Enclosure II To Notice of AGM 2024**

**PROPOSED RELATED PARTY TRANSACTIONS 2024-25**

| | | |
|---|---|---|
| 1 | Name of the related party | **Shivpad Engineers Private Limited** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | Shivpad Engineers Private Limited is a Wholly Owned Subsidiary of Jash Engineering Limited. Hence, Shivpad Engineers Private Limited and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) Sale, purchase or supply of any goods or materials;<br>b) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 6 crores through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25. |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 1.15% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel<br>Mr. Dharmendra Jain |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |

| | | |
|---|---|---|
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

| | | |
|---|---|---|
| 1 | Name of the related party | **Jash USA Inc. DBA Rodney Hunt** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | Jash USA Inc. DBA Rodney Hunt is a Wholly Owned Subsidiary of Jash Engineering Limited. Hence, Jash USA Inc. DBA Rodney Hunt and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) Sale, purchase or supply of any goods or materials;<br>b) Job Work/ Rework<br>c) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 106 crores through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25 |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 20.31% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |

| | | |
|---|---|---|
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

| | | |
|---|---|---|
| 1 | Name of the related party | **Micro Flat Datums Private Limited** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | Micro Flat Datums Private Limited is a private company in which a director or his relative is a member or director. Hence, Micro Flat Datums Private Limited and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) Sale, purchase or supply of any goods or materials;<br>b) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 2 crores through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25. |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 0.38% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel<br>Mr. Suresh Patel<br>Mr. Rahul Patel |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, | Not Applicable |

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|---|---|---|
| | intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

| | | |
|---|---|---|
| 1 | Name of the related party | **JASH Flowcon Engineers** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | JASH Flowcon Engineers is a firm, in which a director, manager, or his relative is a partner. Hence, JASH Flowcon Engineers and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | 1. Job Work<br>2. Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 1.5 crore through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25 |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 0.29% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel<br>Mr. Suresh Patel<br>Mr. Rahul Patel |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |

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|---|---|---|
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

| | | |
|---|---|---|
| 1 | Name of the related party | **Patamin Investments Private Limited** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | Patamin Investments Private Limited is a private company in which a director or his relative is a member or director. Hence, Patamin Investments Private Limited and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) sale, purchase or supply of any goods or materials;<br>b) Lease;<br>c) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 75 Lacs through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25. |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 0.14% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will help the Company in achieving its growth targets and this would bring operational efficiencies. Further, the proposed RPT's will be in the best interest of the members |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |

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| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel<br>Mr. Rahul Patel |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

| | | |
|---|---|---|
| 1 | Name of the related party | **Mahr Maschinenbau Ges.m.b.h** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | Mahr Maschinenbau Ges.m.b.h is a Wholly Owned Subsidiary of Jash Engineering Limited. Hence, Mahr Maschinenbau Ges.m.b.h and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) sale, purchase or supply of any goods or materials;<br>b) availing or rendering of any services;<br>c) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 5 crores through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25 |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 0.96% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its |

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| | | sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

| | | |
|---|---|---|
| 1 | Name of the related party | **JASH Invent India Private Limited** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | JASH Invent India Private Limited is Joint venture of Jash Engineering Limited. Hence, Jash Invent India Pvt Ltd and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) Sale, purchase or supply of any goods or materials;<br>b) Availing or rendering of any services;<br>c) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 6 crores through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25 |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25 |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is | Value of the proposed transaction represents 1.15% of the consolidated turnover of the Company for FY 2023-24. |

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| | represented by the value of the proposed transaction | |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel<br>Mr. Dharmendra Jain |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

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|---|---|---|
| 1 | Name of the related party | **Waterfront Fluid Controls Limited UK** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | Waterfront Fluid Controls Limited UK is a Subsidiary of Jash Engineering Limited. Hence, Waterfront Fluid Controls Limited UK and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) Sale, purchase or supply of any goods or materials;<br>b) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 11 crore through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |
| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25. |

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| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 2.11% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel<br>Mr. Dharmendra Jain |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

| | | |
|---|---|---|
| 1 | Name of the related party | **Engineering & Manufacturing Jash Limited** |
| 2 | Nature of relationship [including nature of its interest (financial or otherwise)] | Engineering & Manufacturing Jash Limited is a Wholly Owned Subsidiary of Jash Engineering Limited. Hence, Engineering & Manufacturing Jash Limited and Jash Engineering Limited are related parties. |
| 3 | Type of the proposed transaction | a) Sale, purchase or supply of any goods or materials;<br>b) Availing or rendering of any services;<br>c) Any transfer of resources, services or obligations to meet its objectives/ requirements |
| 4 | Nature, duration/ tenure, material terms, monetary value and particulars of contract/ arrangement | Transactions in the normal course of business with terms and conditions that are generally prevalent in the industry segments. Monetary value of transactions subject to a maximum of Rs. 1 crores through contracts/arrangements for the Financial Year 2024-25 with effect from FY 2024-25. |

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| 5 | Particulars of the proposed transaction | As provided in Serial Number 3 above |
| 6 | Tenure of the transaction | Contractual commitments expected for the Financial Year 2024-25 |
| 7 | Value of the proposed transaction | As provided in Serial Number 4 above |
| 8 | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction | Value of the proposed transaction represents 0.19% of the consolidated turnover of the Company for FY 2023-24. |
| 9 | Justification of the proposed transaction | The proposed RPTs will enable the Company to achieve its sales target and Further, the proposed RPT's will be in the best interest of the members. |
| 10 | Details of the valuation report or external party report (if any) enclosed with the Notice | All contracts with related party defined as per Section 2(76) of the Act are reviewed for arm's length testing internally and by Statutory Auditors. |
| 11 | Name of the Director or Key Managerial Personnel, who is related | Mr. Pratik Patel |
| 12 | Following additional disclosures to be made in case of loans, inter-corporate deposits, advances or investments made or given: | |
| | 1. Source of funds | Not Applicable |
| | 2. In case any financial indebtedness is incurred to make or give loans, intercorporate deposits, advances or investment:<br>• Nature of indebtedness;<br>• cost of funds; and<br>•tenure of the indebtedness | Not Applicable |
| | 3. Terms of the loan, inter-corporate deposits, advances or investment made or given (including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security) | Not Applicable |
| | 4. the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not Applicable |
| 13 | Any other relevant information | All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice |

JASH

CELEBRATING 50 YEARS 1973 - 2023
WHEN EVERY DROP COUNTS




Sevier Bridge Dam
Rehabilitation, Utah, USA

CONTRIBUTING TO A SUSTAINABLE ENVIRONMENT

# JASH ENGINEERING LIMITED

# Annual Report

## 2023-24

# Index


Corporate Information....04
Engineering the Future of Water with Excellence....06
Chairman's speech....08
Jash At A Glance....10
About Jash Engineering....12
Our Vision and Mission....14
Our Products....16
The Jash Evolution Journey....18
Our Manufacturing Capabilities....20
Board Of Directors....22
Our Clients....24
CSR Activities....26
Certification Standards....28
Awards & Recognition....29
Future Outlook....30

**Statutory Reports**

Director Report & its Annexures....32
Management Discussion and Analysis Report....56
Corporate Governance Report....68

**Financial Statements**

Standalone....160
Consolidated....238

# CORPORATE INFORMATION

## JASH ENGINEERING LIMITED
CIN : L28910MP1973PLC001226

## BOARD OF DIRECTORS
**Mr. Pratik Patel**
(Chairman & Managing Director)

**Mr. Suresh Patel**
(Executive Director)

**Mr. Axel Schutte**
(Director)

**Mr. Rahul Patel**
(Director)

**Mr. Vishwapati Trivedi**
(Independent Director)

**Mr. Durgalal Tuljaram Manwani**
(Independent Director)

**Mr. Brij Mohan Maheshwari**
(Independent Director)

**Ms. Sunita Kishnani**
(Independent Director)

**Mr. Dharmendra Jain**
(Chief Financial Officer)

**Mr. Tushar Kharpade**
(Company Secretary)





## BANKERS
**State Bank of India**
Commercial Branch, GPO,
Indore - 452 001 (M.P.)

**HDFC Bank Ltd. South Tukoganj**
Branch, Indore - 452 001 (M.P.)

**AXIS Bank Ltd.**
Yashwant Niwas Road,
Indore - 452 001 (M.P.)

**Kotak Mahindra Bank Narayan**
Kothi, Indore - 452 001 (M.P.)

## STATUTORY AUDITORS
Deloitte Haskins & Sells LLP
Lotus Corporate Park 1 st Floor,
Wing A - G CTS No.185/A,
Jay Coach Off Western Express
Highway Goregaon (East),
Mumbai - 400 063 Maharashtra, India

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

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

## SECRETARIAL AUDITOR
CS Ankit Joshi
15/5, Snehlataganj,
Indore 452 001

## REGISTRAR AND SHARE TRANSFER AGENT
Link Intime India Pvt. Ltd. C101, 247 Park,
L.B.S. Marg, Vikhroli (W), Mumbai 400083

## 50th ANNUAL GENERAL MEETING
at 11:00 am on Thursday, 26th September 2024 At the Registered Office of the Company

## REGISTERED AND HEAD OFFICE
Jash Engineering Ltd.,
31, Sector 'C', Industrial Area, Sanwer Road,
City: Indore, PIN – 452 015 , State: M.P.,
Country : INDIA



# ENGINEERING THE FUTURE OF WATER WITH EXCELLENCE!

The world has been witness to global challenges around water resources. Our focus on this year's theme, ' Engineering the Future of Water with Excellence,' is reflective of our dedicated efforts towards improvising this sector. We have utilized our capabilities to shape a future that is dedicated to building effective water systems through efficient, reliable, environmentally responsible engineering. Our intention of engineering the future of water with excellence has been a paramount step towards advancing water equipment solutions to meet the evolving needs of the world. It's not just about solving today's problems; it's about engineering a better tomorrow for all.





# CHAIRMAN'S SPEECH

**Dear Shareholders,**
It gives me immense pleasure to present to you the 50th Annual Report of Jash Engineering Ltd for the fiscal year ended 31st March 2024. This fiscal year has been remarkable for us at Jash Engineering.





In a year marked by global economic uncertainties and challenges, our industry has shown resilience and adaptability. The engineering sector has played a crucial role in infrastructure development and technological advancement worldwide. Despite fluctuations in global supply chains and economic pressures, we have witnessed steady growth and innovation across the industry.

Against this backdrop, your Company achieved significant milestones, with a consolidated revenue growth of 26%, increase in Profit After Tax of 29% and Earnings Per Share (EPS) rising by 28%. These figures reflect not just our strategic planning and execution but our commitment to delivering value to our shareholders. We have not only met but exceeded our projections and guidance for FY24. Our US subsidiary, Rodney Hunt, has realized its potential, contributing to our impressive, consolidated PAT margins of 12.8%. These accomplishments speak of our dedication to innovation, efficiency and excellence, positioning Jash Engineering as a formidable player in the water engineering landscape.
We remain focused on expanding our manufacturing capabilities to meet future growth. This year, we added a new Stainless steel fabricated products plant in Unit-2 and a new facility in Glasgow at Waterfront. However, our growth journey does not stop here. We have ambitious plans to further expand our capacity by commissioning the new plant in Chennai for manufacturing process equipment by Feb 2025. We are also commencing work on an additional new plant at Unit-4 in the Special Economic Zone (SEZ) this year and plan to commission the same by end of 2025. These investments aims to increase our total capacity to over Rs. 900 crores within the next two years.

Our strategic expansion into new markets and countries, coupled with continuous development and launch of new products, has ensured a robust order book. As on 1st August 2024 our consolidated order book stands strong at ₹ 939 Crores, with ₹ 612 Crores coming from orders outside India and ₹ 327 crores within India. Order pipeline is also exceptionally strong, with negotiated orders amounting to nearly ₹ 60 Crores in the month of August 2024, and additional orders under negotiation worth approximately ₹ 43 crores.

As we navigate the complexities of a dynamic world, environmental and weather-related issues worldwide resulting into rising sea levels and flooding, position us on a formidable growth trajectory in the coming years. We have set an ambitious target of doubling our revenue to over Rs. 1,000 crores by FY28, and we remain optimistic about achieving this with an improved margin profile.

None of these achievements would have been possible without the unwavering support and trust of our stakeholders. To our shareholders, thank you for your continued confidence in Jash Engineering Limited. To our employees, your dedication and hard work continue to drive our success. To our customers and partners, your trust and collaboration inspire us to reach new heights.

As we look to the future, we are committed to sustaining our growth, embracing innovation, and creating value for all our stakeholders. Our journey over the past five decades has been one of resilience, innovation, and growth. Together, we will continue to build a stronger, more prosperous future.

Thank you for your continued support and trust in Jash Engineering Limited. Here's to a future filled with new opportunities and achievements.

With best regards,

**Mr. Pratik Patel**
Chairman & Managing Director

# JASH AT A GLANCE

An **ISO-9001:2015/ISO-14001:2015/OHSAS ISO 45000:2018** certified company dedicated to offering varied products for use in Water and Wastewater Pumping Stations and Treatment Plants, Storm Water Pumping Stations, Water Transmission Lines, Desalination, Power, Steel, Cement, Paper & Pulp, Petrochemicals, Chemicals, Fertilizers and other process plants.

Headquarter in Indore: India, Jash has six well-integrated state-of-art manufacturing facilities, four in India, one in the USA and one in the UK.

Global presence with bases in India / USA / Austria / Hong Kong to serve our clients and help achieve the common goal of creating a sustainable environment worldwide for all time to come.



# ABOUT JASH ENGINEERING LIMITED

Jash Engineering Limited is a pioneer in manufacturing superior quality equipments in water engineering systems and solutions. This includes equipment for Water & Sea Water Intake Systems, Water and Waste Water Pumping Stations and Treatment Plants, Desalination plants, Storm Water Pumping Stations, Water Transmission Lines, Hydropower generation and also for Power, Steel, Cement, Paper & Pulp, Petrochemicals, Chemical, Fertilizers and other process plants.

With over 50+ years of experience, the company is a trusted name within the segment. The company has established a presence on 4 continents through its wholly owned subsidiaries, Jash is a global company deriving over 60% of its revenue from supply of equipment to projects outside India.

The company, along with it's subsidiaries takes pride in having 350 years of cumulative experience and are considered as preferred supplier for most of critical applications to over 45 countries worldwide. We believe in consistently innovating and developing products that can riase industry benchmark standards. Thus uplifting the industry as a whole.

5 Subsidiaries, 1 Joint Venture and 6+ manufacturing units, the company is all set to deliver engineering solutions par excellence.





# OUR VISION

To lead the industry and command respect for ourselves and our stakeholders through growth, innovation and customer focus.



# OUR MISSION

**We aim to**

- Be the market leader in India throughout our product range.
- Be amongst the top three companies globally, in the Water Control Gates business by 2025.
- Reach Rs. 1000 Cr in net revenue by 2027-28 through expansion and acquisition(s).





# CORE VALUES

We have very **"CLEAR"** Core values which define our company and our work. These are:

**CUSTOMER FOCUS**
We will focus on understanding customers' needs and strive to achieve it.

**LEADERSHIP**
We will be an industry leader by constant evolution, innovation & improvements.

**EXCELLENCE**
We will pursue the highest standards for the smallest of the tasks.

**ASPIRATION**
We will be constantly alive to the aspirations of our employees and society.

**RESPONSIBILITY**
We will do business responsibly thereby earning respect for all stakeholders.

# OUR PRODUCTS

We deliver meticulously engineered products crafted to the highest standards of excellence. Our commitment to quality ensures that every product not only meets but often exceeds customer expectations and international benchmarks. With unmatched technical expertise and a keen eye for detail, we create solutions that are reliable, durable, and efficient, consistently performing at peak levels. Our products embody precision and excellence, setting a benchmark in the industry.

## Water Control Gates


Penstocks/ Sluice Gates


Open Channel Gates


Downward Opening Weir Gates

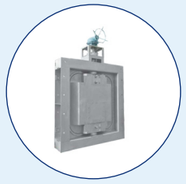

Flap Gates

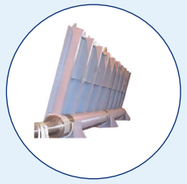

Stop Logs

## Heavy Fabricated Gates

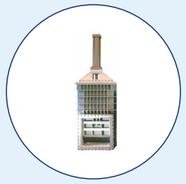

Bulk Head Slide Gates


Roller Gates


Butterfly Gates


Crest Gates

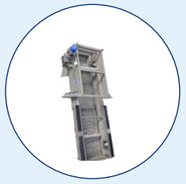

Radial/ Tainter Gates

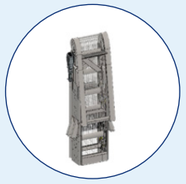

Bonneted Gates

## Coarse Screening Equipment


Trash Rack


Jash MMR Screen


“JMR” Back Rake Screen

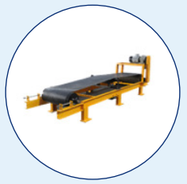

Jash Back Rake Screen

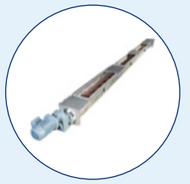

Suspened Trash Rack





## Screening Conveying Equipment


Belt Coveyor

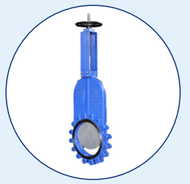

Screw Conveyor


Jet Breaker Washer compactor


Screw Conveyor with Wash Compactor

## Knife Gate Valves


“ZFI” Series Knife Gate Valve


“MONO” Series Knife Gate Valve

## Special Purpose Valves


Zero Velocity Valve



Air Vessel


Air Cushion Valve

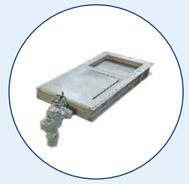

Energy Dissipating Valve

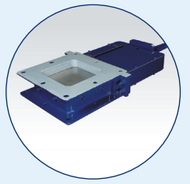
## Bulk Solid Handling Valve


Slide Gate Valve – Version ZFB

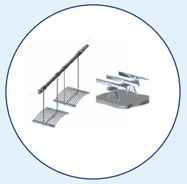

Swing Gate Valve – Version KU

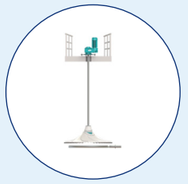

Double Flap Valve – Version DFG


Fabricated Slide Gate Valve-VEG


Slide Gate Valve-ZFS

## Secondary Treatment Equipment


Diffuser Areation


Mixing and Areation Equipment


Decating Equipment


Trubo Blower

Corporate Overview Statutory Reports Financial Statements

# THE JASH EVOLUTION JOURNEY

**01** **1973**
Formation of Jash Engineering Pvt Ltd

**02** **1996**
Biggest Water Control gates company of India & converted into public limited company. Technical & Financial collaboration with Schuette, Germany for Bulk solids valves

**03** **2000**
First company to introduce fine screen in India in Technical collaboration with Hollung, Sweden

**04** **2005**
Expanded Screen manufacturing facility and became largest manufacturer of fine screen in India

**05** **2006**
New facility to manufacture bulk solids handling valves

**06** **2008**
Technical collaboration with Weco Armaturen, Germany to offer its range of Valves in Asian market

**07** **2009**
Acquisition of Sureseal to add Water Hammer control valve range

**08** **2010**
Established UNIT-3 of 50,000 Sqft. At SEZ Pithampur for Valves & Gates

**09** **2011**
Technical collaboration with Rehart, Germany for Archimedes screw pumps & hydro power generation. Acquisition of Shivpad to add Process Equipment range

**10** **2012**
Established UNIT-2 of 150,000 Sqft. For Fabricated products. Technical collaboration with Mahr Maschinenbau, Austria for various Screens

**11** **2014**
Acquisition of Mahr Maschinenbau, Austria

**12** **2016**
Acquisition of Rodney Hunt Brand in US

**13** **2017**
Company listed on National Stock Exchange (NSE)

**14** **2018**
Established plant of 60,000 sqft at Orange Massachusetts, USA for Fabricated products.

**15** **2019**
Established UNIT-4 of 50,000 Sqft at SEZ for Fabricated products. Technical Collaboration with Invent, Germany for Disc Filters

**16** **2023**
Joint Venture with Invent , Germany to manufacture their range of aeration and mixing equipment. Acquired Waterfront Fluid Controls Ltd, UK

# OUR MANUFACTURING CAPABILITIES

## Total Turnover Potential from existing facility | ₹ 800+ Cr



**UNIT-1 CAST PRODUCTS PLANT**
Built Up Area: 125,000 Sq. ft. | Turnover Capability: ₹ 75 Crore



**UNIT-3 SEZ PLANT**
Built Up Area: 75,000 Sq. ft. | Turnover Capability: ₹ 100 Crore



**Rodney Hunt Plant, Orange, MA USA**
Built Up Area: 60,000 Sq. ft. | Turnover Capability: USD 15M (₹ 125 Crore)







**UNIT-2 FABRICATED PRODUCTS PLANT**
Built Up Area: 185,000 Sq. ft. | Turnover Capability: ₹ 350 Crore



**UNIT-4 Rodney Hunt Plant**
Built Up Area: 50,000 Sq. ft. | Turnover Capability: ₹ 100 Crore




**Waterfront Fluid Controls Ltd, UK**
Built Up Area: 25,000 Sq. ft. | Turnover Capability: GBP 5M ( ₹ 50 Crore)

# BOARD OF DIRECTORS



**Mr. Pratik Patel**
Chairman & Managing Director



**Mr. Suresh Patel**
Executive Director



**Mr. Axel Schutte**
Non-Executive Director



**Mr. Rahul Patel**
Non-Executive Director



**Mr. Vishwapati Trivedi**
Independent Director



**Ms. Sunita Kishnani**
Independent Director



**Mr. Durgalal Tuljaram Manwani**
Independent Director



**Mr. Brij Mohan Maheshwari**
Independent Director



# OUR CLIENTS

Our clients are the reason that drives us and motivates us towards continuous improvement. We are committed to meeting and exceeding our client's needs. We foster a sense of strong collaborative approach that encourages us to do better. We ensure that our clients receive exceptional service and support. Our dedication to their success is reflected in our unwavering focus on quality, innovation, and reliability, helping them achieve their goals and build lasting success.

## CLIENTS & CONSULTANTS: INDIA

TATA · LARSEN & TOUBRO · NTPC · adani · BHEL · NJS · THERMAX · NPCIL · DASTUR · FICHTNER · WABAG · meil · NCC · RAMKY · Reliance Industries Limited · xylem Let's Solve Water · WAPCOS · ThyssenKrupp · suez · सेल SAIL · Multi Media Consultants · Kirloskar · SAPIENT TECHNO CONSULTANTS · STUP CONSULTANTS PVT. LTD. · ISO 9001 Company · UNITY I. E. WORLD Infrastructure Environment Water & Sanitation · MaRS · ENVRO Enviro Control Private Limited

## CLIENTS & CONSULTANTS: INTERNATIONAL

VEOLIA · Sembawang A PUNJ LLOYD COMPANY · HAZEN AND SAWYER Environmental Engineers & Scientists · Kubota · Mott MacDonald · CDM Smith · BECHTEL · BLACK & VEATCH · ATKINS · ARUP · EBARA · PKS Kiewit · Bestwise · CHEVALIER · KEO KEO International Consultants · AECOM · MWH · HDR · SANLI · KOH BROS · Stantec · SJ SURBANA JURONG · ZÜBLIN · ATAL · GE · ArcelorMittal · أرامكو السعودية saudi aramco · SMHB Sdn Bhd · UES Better Environments · SMITECH



# CSR ACTIVITIES

We are committed to drive change with the help of our corporate social responsibility activities. We truly delivering impact requires dedicated efforts to improve the well-being of our community and the country as a whole. Our focus remains on sustainable development, supporting education, healthcare, and environmental conservation. We collaborate to drive programs that improve lives, foster inclusivity, and empower business practice.

## AIMP'S CANTEEN ACTIVITY

Jash Engineering aims to boost environment conservation activities by helping fund such programs. This involved the construction of AIMP canteen that was handed over to the Association of Industries Madhya Pradesh (AIMP). There were more than 2000 trees planted over a 2 acre plot to build this forest into a dense ecosystem that helps improve air quality in an industrial area. This area also helps rejuvenate ground water levels in the industrial area. The canteen will ensure that healthy snacks and food is served to workers / staff / owners / visitors to the Sector-C. Everyone can enjoy their food sitting in a nice clean area surrounded by nature.

## SETTING UP CANCER HOSPITAL

The company helped set up of Cancer Hospital Shree Guruji Seva Nyas to help facilitate cancer treatment to the needy.














## DISHA LEARNING CENTRE

The company continues to invest in Disha Learning Center, Indore. This center is a key spot of children to access education and improve their chances to success to the modern workforce. The center promotes activities that help them with skill enhancement and enable empowerment.

## JEEVAN UMANG GIRLS HOSTEL

We understand that safe living conditions for girls as an important factor in theor progress as an individual. This is why, we have donated lodging and boarding of 10 underprivileged tribal girls who have come to the city for education purposes.

## MATRUCHAYYA ORPHAN CHILDREN'S HOME

Our company partnered with Matruchhaya Orphan Children Homes, Indore to support four new orphaned babies. We aim to support this cause to help empower communities and help children receive the right care, nourishment and safety. By covering their living expenses and daily needs, we aim to give these children a strong foundation, enabling them to thrive and have a better future.

## MADHAV SRISHTI CHAMELI DEVI AGARWAL MEDICAL CENTER, INDORE

Helping towards infrastructure development for consultation and treatment of tribals and villagers





# CERTIFICATION STANDARDS

We take pride in upholding our quality standards and ensuring high service levels. Our host of certifications attests to our commitment to quality and maintains trust. In pursuit of excellence, we remain unwavering in our zest to meet international quality standards. We consistently adhere to rigorous standards. Our certifications reinforce our promise towards continual improvement and innovation and uphold our customers' trust in us.



Intertek ETL SEMKO

**Certificate of Compliance**

TO THE MACHINERY DIRECTIVE – 98/37/EC

Project No.: DL05000034-71Q
Type of Product: SLUICE GATES
Document holder: JASH ENGINEERING LIMITED 31, SECTOR 'C' INDUSTRIAL AREA SANWER ROAD INDORE – 452 015 (M.P) INDIA
Manufacturer: JASH ENGINEERING LIMITED 31, SECTOR 'C' INDUSTRIAL AREA SANWER ROAD INDORE – 452 015 (M.P) INDIA
Type designation: PLEASE SEE ANNEXURE
Trademark: -

This Notice of Presumption of Conformity has been based on the following:

- **Safety test report issued by Intertek with reference number DL05000034-001**
- **Applicable standard: EN 982, BS 7775**
- **Other Info: Manufacturer's Technical File**
- **Manufacturer ensures that the manufactured products will be identical to the samples evaluated**

We confirm that the samples evaluated, according to our review of the above test reports and with our complementary evaluation, without any reasonable doubt will fulfil the requirements according to following mentioned standards

The product was found to contain the required items for CE Markings according to:

- *Machinery Directive – 98/37/EC*
- *EN 982*
- *BS 7775*

Note: Products entering the European Union are subject to the requirements set forth in the European Directives. It is the responsibility of the person placing the product on the European market to ensure compliance with applicable Directives. Our services are intended to provide you with the data needed to determine compliance, but the person placing the product on the European market still has the responsibility to ensure each product complies with the applicable Directives. Our report under this investigation will not imply that Intertek has Listed, Verified, or Recognized the product, nor does it authorize the use of Listing or Verification Marks or other reference to ETL SEMKO, as or in connection with the product.

Intertek Testing Services India Pvt. Limited
53, Okhla Industrial Estate, Phase III, New Delhi – 110 020, India
Tel: + 91 (0)11 6108 5400 Fax: +91 (0)11 5159 5475
http://www.intertek-etlsemko.com

Anirban Bhattacharya
Authorised Signatory
September 30, 2006

This certificate may only be reproduced in its entirety and without any change.

Page 1 of 2



Intertek

**Verification of Conformity with European Directives**

Project No.: DL 09000003-71CA
Type of equipment: Knife Gate Valves
Document holder: Jash Engineering Ltd., 31, Sector 'C', Industrial Area, Sanwer Road, INDORE – 452 015 (M.P.) India.
Manufacturer: Same as above
Type designation: ZFB, ZFT,ZFS,KU,MONO,VEG series
Technical Data See annex A
Trade mark

**A sample of the Knife Gate Valve has been tested according to the following EC directive(s):**
- The EC Machinery Directive 98/37/EC

Standard(s) used for showing compliance with the essential requirements in the specified directive(s):

| Standard(s): | Test report(s): | Issued by: | Date(s): |
|---|---|---|---|
| EN 982 : 1995 MSS SP51 : 2006 | Ref. No. DL 09000003-001 | Intertek | 19th January, 2009 |

The referred test reports show that the product complies with standards recognised as giving presumption of compliance with the essential requirements in the specified EC directives. On the basis of this document, the manufacturer (or his European authorised representative) can draw up an EC Declaration of Conformity and affix the CE marking.

Note: Products entering the European Union are subject to the requirements set forth in the European Directives. It is the responsibility of the person placing the product on the European market to ensure compliance with applicable Directives. Our services are intended to provide you with the data needed to determine compliance, but the person placing the product on the European market still has the responsibility to ensure each product complies with the applicable Directives. Our report under this investigation will not imply that Intertek has Listed, Verified, or Recognized the product, nor does it authorize the use of Listing or Verification Marks or other reference to Intertek, or in connection with the product.

Date: 19th January, 2009

Intertek Testing Services India Pvt. Limited
E-20, Block B-1, Mohan Co-operative Industrial Estate,
New Delhi – 110 044, India
Tel: +91 11 4159 5460 Fax: +91 11 4150 5476
http://www.intertek-etlsemko.com

Gokul Mahajan
Authorized Signatory

This statement may only be reproduced in its entirety and without any change.



NSF International

RECOGNIZES

Jash Engineering Limited
India

AS COMPLYING WITH NSF/ANSI 61 AND ALL APPLICABLE REQUIREMENTS.
PRODUCTS APPEARING IN THE NSF OFFICIAL LISTING ARE
AUTHORIZED TO BEAR THE NSF MARK.

NSF



Bureau Veritas Certification

JASH ENGINEERING LIMITED

JASH

HEAD OFFICE: PLOT NO 31, SECTOR C, INDUSTRIAL AREA, SANWER ROAD, INDORE – 452 015, MADHYA PRADESH , INDIA.

This is a multi-site certificate, additional site(s) are listed on the next page(s)

*Bureau Veritas Certification Holding SAS – UK Branch certifies that the Management System of the above Organisation has been audited and found to be in accordance with the requirements of the Management System Standards detailed below.*

*Standards*

**ISO 9001:2015, ISO 14001:2015 & ISO 45001:2018**

*Scope of certification*

**DESIGN, MANUFACTURE AND DESPATCH OF WATER CONTROL EQUIPMENT, SCREENING EQUIPMENT, SCREENING CONVEYING AND WASHING EQUIPMENT, KNIFE GATE VALVES, VALVES FOR ISOLATION & METERING OF BULK SOLIDS, WATER HAMMER CONTROL VALVES, ENERGY DISSIPATING VALVES, SCREW TURBINES AND PUMPS, SCREW CONVEYORS, DISC FILTERS, AIR RECEIVERS, WATER & WASTE WATER PROCESS EQUIPMENTS AND CI CASTINGS.**

Original cycle start date for ISO 9001 & ISO 14001 : **20 March 2018**
Original cycle start date for ISO 45001 : **10 April 2020**
Recertification cycle start date: **16 March 2024**
Subject to the continued satisfactory operation of the Organisation's Management System, this certificate is valid until: **19 March 2027**
Certificate No. **IND.24.1066/IMU** Version: **1** Issue date: **18 March 2024**

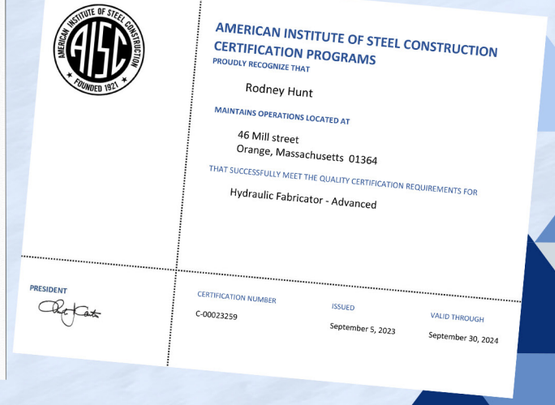
*Signed on behalf of BVCH SAS UK Branch*
*Jagdeesh K. MANGIA*
*Director – CERTIFICATION, South Asia Commodities, Industry & Facilities Division*

Certification body address: 5th Floor, 66 Prescot Street, London, E1 8HG, United Kingdom.

Local office: Bureau Veritas (India) Private Limited (Certification Business), Unit No. 1, Ground Floor, Plot No. C-2, G Block, BKC, Cross Road 'C', Bandra (East), Mumbai – 400 051, India.

Further clarifications regarding the scope of this certificate and the applicability of the management system requirements may be obtained by consulting the certification body.
To check this certificate validity please call + 91 22 6274 3900.

Page 1 of 2



AMERICAN INSTITUTE OF STEEL CONSTRUCTION
FOUNDED 1921

**AMERICAN INSTITUTE OF STEEL CONSTRUCTION CERTIFICATION PROGRAMS**

PROUDLY RECOGNIZE THAT

Rodney Hunt

MAINTAINS OPERATIONS LOCATED AT

46 Mill street
Orange, Massachusetts 01364

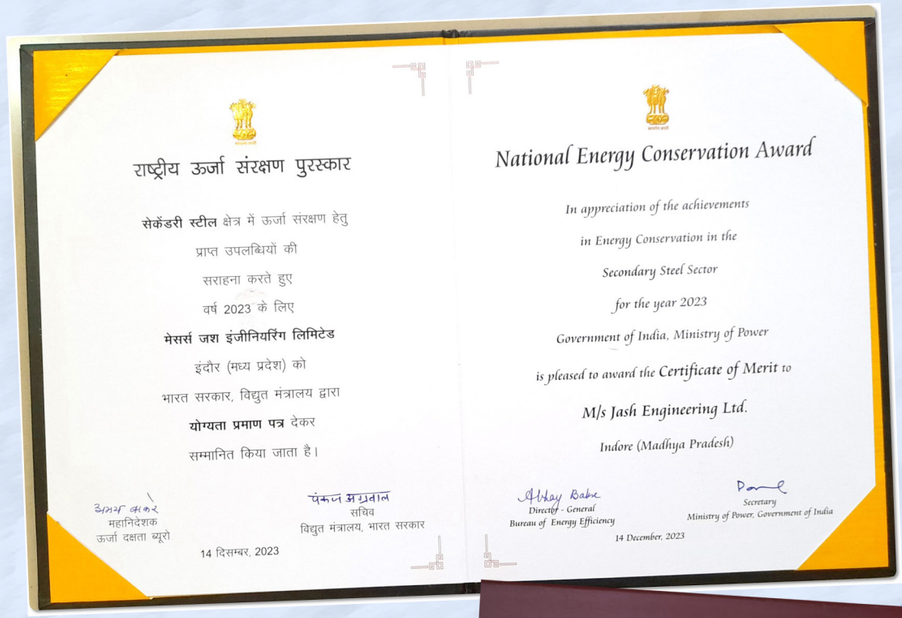
THAT SUCCESSFULLY MEET THE QUALITY CERTIFICATION REQUIREMENTS FOR

Hydraulic Fabricator - Advanced

PRESIDENT

CERTIFICATION NUMBER: C-00023259
ISSUED: September 5, 2023
VALID THROUGH: September 30, 2024

# AWARDS & RECOGNITIONS



राष्ट्रीय ऊर्जा संरक्षण पुरस्कार

**सेकंडरी स्टील** क्षेत्र में ऊर्जा संरक्षण हेतु
प्राप्त उपलब्धियों की
सराहना करते हुए
वर्ष 2023 के लिए
**मेसर्स जश इंजीनियरिंग लिमिटेड**
इंदौर (मध्य प्रदेश) को
भारत सरकार, विद्युत मंत्रालय द्वारा
**योग्यता प्रमाण पत्र** देकर
सम्मानित किया जाता है।

अमर सक्सेना
महानिदेशक
ऊर्जा दक्षता ब्यूरो

पंकज अग्रवाल
सचिव
विद्युत मंत्रालय, भारत सरकार

14 दिसम्बर, 2023

*National Energy Conservation Award*

*In appreciation of the achievements*
*in Energy Conservation in the*
*Secondary Steel Sector*
*for the year 2023*
*Government of India, Ministry of Power*
*is pleased to award the* Certificate of Merit *to*

*M/s Jash Engineering Ltd.*
*Indore (Madhya Pradesh)*

Abhay Bakre
Director - General
Bureau of Energy Efficiency

Daniel
Secretary
Ministry of Power, Government of India

*14 December, 2023*



Quality Day Celebrations

TATA

TATA PROJECTS

"Best Quality Conscious Subcontractor"
in recognition of their Quality work

*Awarded to*

*M/s. Jash Engineering Limited*
TSI-340080-NPCIL-KKNPP- SWS
Piping & Eqpt.
9th November, 2023

# FUTURE OUTLOOK

The company is all set to explore new milestones and achieve them with the same passion and commitment. Some new avenues that the company is poised to navigate in the coming year include

a. The Waterfront Fluid Controls Ltd, UK acquisition is successfully complete, and the company has taken the manufacturing plant on lease, which is in addition to the existing Waterfront shed. This new plant will be pivotal in setting up new markets internationally.

b. The Shivpad manufacturing plant, a new plant for manufacturing process equipment, is under construction in Chennai and will be commissioned in December 2024.

c. Land Acquisition For Unit 5, Sez Pithampur—New land has been acquired to expand Unit 4 (Fabricated Products Plant), SEZ Unit. This new plant, which will ~ be 55000 sq. ft., will be commissioned in FY 2025-26.

Jash Engineering is excited to enter new markets and countries and continuously develop and launch innovative products. Our order pipeline is exceptionally robust, driven by global environmental and weather-related challenges, including rising sea levels. These factors position us on a strong growth trajectory in the coming years. We have set an ambitious target to double our revenue to over Rs 1,000 crores by FY28, and we are confident in achieving this with an improved margin profile.







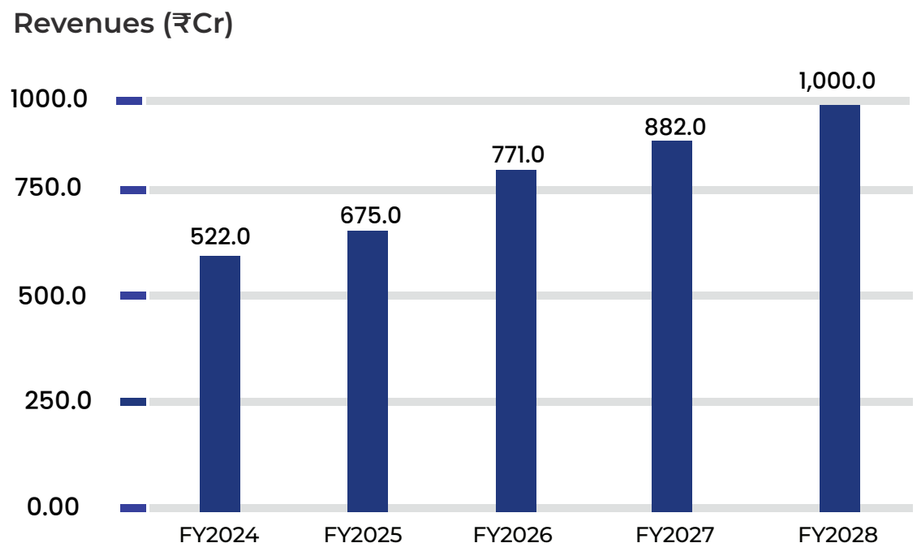















# DIRECTORS' REPORT

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

Your Directors have pleasure in presenting the 50th 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, 2024.

## 1. FINANCIAL HIGHLIGHTS

The financial statements of the Company are in accordance with the Indian Accounting Standard – IND AS and as per the provision of Section 133 of the Companies Act, 2013 (the 'Act') read with Companies (Accounts) Rules, 2014 and amendments thereof. The standalone and consolidated financial highlights of the Company for the financial year ended March 31st, 2024 are summarized below:

(Rs. In Lacs)

| Particulars | Standalone | | Consolidated | |
|---|---|---|---|---|
| | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Total Income | 35258.04 | 28097.32 | 52196.68 | 41520.77 |
| Expenditure other than financial charges and depreciation | 27582.71 | 21770.33 | 41681.98 | 33813.67 |
| Gross Profit before Interest, Depreciation & Taxes | 7675.33 | 6326.99 | 10502.43 | 7707.1 |
| Less: Interest & Financial Charges | 985.30 | 955.61 | 1103.03 | 993.06 |
| Less: Depreciation | 685.47 | 695.69 | 1076.82 | 1064.68 |
| Less: Earlier years adjustments | - | - | - | - |
| **Net profit before tax for the year** | **6004.56** | **4675.69** | **8322.58** | **5649.36** |
| Provisions for tax | 992.69 | 594.67 | 1645.66 | 479.24 |
| **Net Profit after Tax** | **5011.87** | **4081.02** | **6676.92** | **5170.12** |
| Less: **Other Comprehensive Income** | **(90.63)** | **(59.91)** | **86.21** | **312.49** |
| **Total Comprehensive Income** | **4921.24** | **4021.11** | **6763.13** | **5482.61** |
| **No. of Equity Shares** | **12376405** | **12029958** | **12376405** | **12029958** |
| **Equity Shares held In ESOP Trust** | **-** | **-** | **-** | **-** |
| **Earnings Per Share*** | **41.56** | **34.15** | **55.36** | **43.27** |
| **Diluted EPS** | **40.95** | **33.61** | **54.55** | **42.58** |

*EPS has been derived based on weighted average number of shares

## 2. STATE OF AFFAIRS OF THE COMPANY:

### A. BUSINESS ACTIVITIES OF THE COMPANY

Your company is involved in the business of design and manufacture of a wide range of equipment for Raw Water & Sea Water Intake Systems, Water and Waste Water Pumping Stations and Treatment Plants, Storm Water Pumping Stations, Flood Prevention & Mitigation schemes, Water Transmission Lines and also for Power, Steel, Cement, Paper & Pulp, Petrochemicals, Chemical, Fertilizers and other process plants. These equipment are Water control gates, Mechanized screening systems, Screening conveying and washing systems, Knife

gate valves, Bulk Solid handling valves, Water hammer control valves, Air Vessels, Bladder Vessels, Energy dissipating valves, Archimedes screw pumps, Micro hydro turbines and treatment process equipment like Clarifiers, Clari-flocculators, Flash Mixers, Detritors, Aerators & Mixers , Thickeners, Gravity Decanters, Trickling Filters, Digester Mixers, DAF Units ,Disc Filters etc.

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

The company is a market leader in India for most of the products that it manufactures and is also among the first 5 in the world in the Water control gates business. Various brands belonging to the company such as Jash, Jash Schuette, Jash Mahr, Sureseal, Shivpad, Mahr Maschinenbau, Rodney Hunt , Waterfront , E&M, Jash Invent etc. and its subsidiaries are approved and registered in most of the countries and this ensures availability of wide export market for the company. Over 50% of company revenue comes from sales outside India and the company aims to increase more than 65% in next 2 years' time so as to become a truly Indian Multinational company with majority of revenue coming from outside India.

## B. YEAR IN RETROSPECT

### i) CONSOLIDATED PERFORMANCE

In the financial year 2023-24, the company achieved significant growth in its consolidated income as well as profit. The consolidated total income of the company for the year at Rs. 52,196.68 lacs (Rs. 5219.67 million) shows a growth of approximately 26 % over the previous year total income of Rs. 41,520.77 lacs (Rs. 4,152.07 million). The consolidated net profit of the Company for the year is Rs. 6,676.92 lacs (Rs. 667.69 million) as compared to previous year net profit of Rs. 5,170.12 lacs (Rs. 517.01 million), showing a robust growth of approximately 29.14% over the previous year. In the FY 2023-24, the US subsidiary has also achieved significant profits as compared to last financial year. Continuous increase in profitability of US subsidiary will boost the net profits at the consolidated level in the coming years.

### ii) STANDALONE PERFORMANCE

In the financial year 2023-24, the company achieved significant growth in its standalone total income. The standalone total income of the Company for the year at Rs. 35,258.04 lacs (Rs. 3,525.80 million) shows a growth of approximately 25.48% over the previous year total income of Rs. 28,097.32 lacs (Rs. 2,809.73 million). The standalone net profit of the Company for the year is Rs. 5,011.87 lacs (Rs. 501.18 million) as compared to previous year net profit of Rs. 4,081.02 lacs (Rs. 408.10 million), showing a significant growth of approximately 22.81% over the previous year.

The standalone domestic revenue and other income of the Company for the year at Rs. 18,908.02 lacs (Rs. 1890.80 million) shows a growth of 7.26% over the previous year revenue and other income of Rs. 17,590.75 lacs (Rs. 1,759.07 million). The standalone export revenue and other income of the Company during the year at Rs. 15,627.84 lacs (Rs. 1,562.78 million) as compared to previous year revenue and other income of Rs. 10506.56 lacs (Rs.1050.65 million) shows an increase of 48.74 % over the previous year.

### iii) SUBSIDIARIES PERFORMANCE

#### a) SHIVPAD ENGINEERS PVT. LTD., INDIA

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





In the financial year 2023-24, total income of the Company was Rs. 1844.69 lacs (Rs. 184.46 million) as against the previous year total income of Rs. 2,718.80 lacs (Rs. 271.88 million). The net profit of the Company for the year was Rs. 190.83 lacs (Rs. 19.00 million) as against the previous year net profit of Rs. 498.06 lacs (Rs. 49.80 million). The decline in revenue was on account of slowdown on few key projects due to which the clients were not willing to take delivery of ordered equipment within the financial year. These orders will now be executed in the next financial year.

Effective 1st April 2024, Shivpad Engineers Pvt Ltd is being merged with Jash Engineering Limited as Unit-5 with a view to reduce the number of subsidiaries and also to consolidate operations.

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

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

In the financial year 2023-24, the company achieved significant growth in its turnover accompanied with significant improvement in profit. The total income of the Company for the year at USD 26.60 million (equivalent to Rs. 22174.65 lacs / Rs. 2217.46 million) showed a growth of approximately 30.65% over the previous year total income of USD 20.36 million (equivalent to Rs. 16974.12 lacs / Rs. 1697.41 million). The net profit of the Company for the year was USD 2.11 million (equivalent to Rs. 1755.76 lacs / Rs 175.57 million) as compared to previous year net profit of USD 1.04 million (equivalent to Rs. 871.22 lacs / Rs. 87.12 million) showing an increase of approximately 102.88% over the previous year profit.

#### c) MAHR MASCHINENBAU Ges.m.b.H, AUSTRIA

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

In the financial year 2023-24, the total income of the Company was Nil as against the previous year total income of EURO 20,000 (equivalent to Rs. 18.04 lacs / Rs. 1.80 million). The net loss of the Company for the year was Euro - 1,12,670.91 (equivalent to Rs. 101.65 lacs / Rs. 10.16 million) as compared to previous year net Loss of Euro - 1,08,082.16 (equivalent to Rs. 97.51 lacs / Rs. 9.75 million).

#### d) ENGINEERING & MANUFACTURING JASH LIMITED, HONGKONG

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

In the financial year 2023-24, the company achieved significant growth in its turnover accompanied with significant improvement in profit. The total income of the Company for the year was HKD 3,23,240 (equivalent to Rs. 34.44 lacs / Rs. 3.44 million) showing a growth of approximately 170.26% over the previous year total income of HKD 1,19,603 (equivalent to Rs. 12.74 lacs / Rs. 1.27 million). The net profit of the Company for the year was HKD 2,13,845 (equivalent to Rs. 22.78 lacs / Rs. 2.27 million) showing a growth of approximately 436.53% over the previous year net profit of HKD 39,857 (equivalent to Rs. 4.25 lacs / Rs. 0.42 million).

### iv) JOINT VENTURE

### a) JASH INVENT INDIA PRIVATE LIMITED, INDIA

During the financial year 2023-24, a new company was incorporated in India in the name of M\s. Jash Invent India Private Limited, as a joint venture with 50%:50% contribution of equity capital by JASH Engineering Limited, India and Invent Umwelt Und Verfahrenstechnik AG, Germany. JASH Engineering Limited holds 50% equity capital of Joint venture.

### v) NEW ACTIVITIES & DEVELOPMENTS

The company has put in place one of the most comprehensive facilities for manufacturing of its products and has created capacities and capabilities which are biggest amongst its peers. It has now a total of 4 plants in Indore with 2 plants dedicated for domestic business and 2 plants dedicated for export business, 1 plant under construction in Chennai and expected to be ready by Feb 2025, 1 plant in Orange, Massachusetts, USA and 1 plant in Glasgow UK. All plants put together, the company has nearly 600,000 sq feet plant area under cranes. This ensures that when there are big projects or projects needing fast delivery or complex projects, the clients prefer to opt for the company instead of its peers.

Construction of a new SS Products assembly plant of approx. 28,000 square feet at Unit 2 have been completed and this plant was commissioned in Sept 2023. Construction of a new floor in head office building have been completed and this office too was commissioned in Sept 2023. This extension of office can accommodate about 40 people in design and marketing and will ensure that for next 5 years there would be no need for any additional office space. Improvements in machinery and infrastructure was also carried out in Unit 1, Unit 2 and Unit 3 at Indore and at US facility in Orange to improve efficiency and output and reduce outsourcing.

## 3. PROSPECTS FOR YEAR 2024-25

## A. DOMESTIC MARKET SITUATION

As we step into the year 2024, India stands at a crucial juncture in its journey towards sustainable development. The nation's water and wastewater treatment industry is witnessing a transformative phase, driven by the increasing urbanization, industrialization, and the pressing need for sustainable water management solutions. India had abundant supply of water resources. However, from being a water abundant country, India is experiencing a growing threat of water scarcity due to the combined impact of population pressure and urbanization. At present, it is sustaining 18 % of world population with only 4 % of global water resources. Therefore management of water resources has assumed great importance. Today availability of water resources is a major issue and is a big challenge facing our country.

Increasing concerns regarding public health have prompted governments globally, including the Government of India, to prioritize the enhancement of safe drinking water accessibility and the mitigation of pollution stemming from the discharge of untreated or inadequately treated wastewater by diverse industries, such as power generation facilities and refineries. This increased emphasis on improving the standard of living in urban regions is projected to catalyse substantial investments in the refurbishment of existing waste management systems and the establishment of new infrastructures. These initiatives are expected to provide multiple avenues for revenue expansion for entities engaged in the Indian Water and Wastewater Treatment Market.

According to Mordor Intelligence research, The Indian Water and Wastewater Treatment Technology Market is projected to escalate from a valuation of USD 1.02 billion in 2024 to USD 1.71 billion by 2029, registering a Compound Annual Growth Rate (CAGR) of 10.78%. The market is categorized by application into Municipal and Industrial segments, with the Municipal segment commanding a dominant market position. Wastewater treatment is a critical component for numerous urban centers across India, employing a variety of treatment technologies tailored for specific objectives, including initial treatment, primary and secondary treatment, tertiary treatment, Biological Nutrient Removal (BNR), resource recovery, and energy production. This has led to an escalating demand for advanced treatment technologies within the country.





The burgeoning requirement for water treatment is anticipated to drive the demand for essential equipment that is pivotal in controlling, managing, and processing water. The filtration equipment market has witnessed substantial application across both private and residential sectors, while the demand for disinfection equipment is expected to surge due to its utilization in urban and industrial wastewater treatment, as noted by industry leaders. In the context of technological advancements, tertiary water treatment is poised to present intriguing growth prospects, as evidenced by its increasing application in the treatment of municipal wastewater.

Government-led initiatives such as the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), National Mission for Clean Ganga (NMCG), Jal Jeevan Mission, and Community Drinking Water Schemes are instrumental in propelling the growth trajectory of the Indian water and wastewater treatment market. These programs underscore the commitment to ensuring sustainable water management and sanitation practices, thereby fostering a conducive environment for market expansion and technological innovation in the sector.

## B. INTERNATIONAL MARKET SITUATION

According to the Fortune Business Insights report, global water and wastewater treatment market size was valued at USD 323.32 billion in 2023 and is projected to grow from USD 346.41 billion in 2024 to USD 617.81 billion by 2032, exhibiting a CAGR of 7.5%. North America dominated the water and wastewater treatment market with a market share of 38.67% in 2023. Water and wastewater treatment is necessary to meet the growing demand for clean water resources, serving municipal, agricultural, and critical industrial processes. Currently, over 40% of the global population resides in regions experiencing acute water stress. With only about 1% of the Earth's water being freshwater, countries grappling with severe water scarcity are compelled to carry out treatment to convert seawater into freshwater via the desalination process.

Governments across the globe are implementing stringent regulations to mitigate water pollution and promote sustainable water stewardship. Concurrently, rapid urbanization and demographic expansion are exerting pressure on extant water resources and wastewater management systems. Urban locales are responsible for generating substantial quantities of wastewater from household activities, placing a burden on municipal treatment facilities. Furthermore, insufficient sanitation in burgeoning regions aggravates water pollution challenges, necessitating substantial investments in wastewater treatment infrastructure. Governments and local authorities are progressively channeling funds into the expansion and modernization of wastewater treatment plants to cater to expanding populations and enhance water quality standards. This scenario presents a plethora of opportunities for water treatment equipment manufacturers to leverage.

## C. SALES GROWTH

### i) CONSOLIDATED

The consolidated order book position of the Company as on 1st August 2024 (Orders in hand as on 1st April 2024 plus orders received till 31st July 2024 less sales effected till 31st July end 2024) is Rs. 93,890 lacs (Rs. 9,389.0 million). Further orders worth Rs. 6,000 lacs (Rs. 600 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2024 of approx. Rs. 14267 lacs (Rs. 1426.7 million), the current order book position and expected order inflow, we are looking at overall year on year growth of about 29% in the year 2024-25 on consolidated basis and achieve total revenue / income of approx. Rs. 67500 lacs (Rs. 6750 million).

### ii) STANDALONE

The total order book position of the Company as on 1st August 2024 (Orders in hand as on 1st April 2024 plus orders received till 31st July 2024 less sales effected till 31st July end 2024) is Rs. 55,282 lacs (Rs. 5528.2 million). Adding orders received from Rodney Hunt, USA, E&M Jash, Hongkong & Waterfront - UK for manufacturing of their products in India, the total order book position becomes Rs. 62,475 lacs (Rs. 6247.5 million). Further orders worth Rs. 3,800 lacs (Rs. 380.0 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2024 of approx. Rs. 12,887 lacs (Rs. 1288.7 million), the current order book position and expected order inflow, we are looking at overall year on year growth of about 24% in the year 2024-25 on standalone basis and achieve total revenue / income of approx. Rs. 46000 lacs (Rs. 4600 million).

### iii) SUBSIDIARIES

### a) JASH USA INC. RODNEY HUNT INC., USA

The total order book position of the Company as on 1st August 2024 (Orders in hand as on 1st April 2024 plus orders received till 31st July 2024 less sales effected till 31st July end 2024) is US$ 46.40 million (Rs. 37,120 lacs / Rs. 3,712 million). Further orders worth approx. US$ 2.75 million (Rs. 2,200 lacs / Rs. 220 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2024 of approx. US$ 5.20 million (Rs. 4,330 lacs / Rs.433 million), the current order book position and expected order inflow, we are conservatively looking at overall year on year growth of about 31% in the year 2024-25 on standalone basis and achieve total revenue / income of approx. US$ 35 million (Rs. 28000 lacs / Rs. 2800 million)

### b) WATERFRONT FLUID CONTROL, UK

The agreement to acquire 80% stake in Waterfront was done in 2023 and the acquisition of the stake was completed in April 2024. The company acquired 80% stake in Waterfront, UK to capitalize on the closure of Hambaker , a leading gate and screen manufacturer in UK. With this acquisition we hope to fill the void created by closure of Hambaker in UK. We are investing in it to ensure that equipment for short delivery projects are manufactured and supplied from UK facility. Long gestation projects will be delivered from other facilities in India or USA or Austria.

The total order book position of the Company as on 1st August 2024 (Orders in hand as on 1st April 2024 plus orders received till 31st July 2024 less sales effected till 31st July end 2024) is US$ 3.25 million (Rs. 2,600 lacs / Rs. 260 million). Further orders worth approx. US$ 2.75 million (Rs. 2,200 lacs / Rs. 220 million) are already negotiated and expected to be received within next two months.

On the basis of the sales achieved till 31st July 2024 of approx. US$ 1.05 million (Rs. 840 lacs / Rs. 84 million), the current order book position and expected order inflow, we are conservatively looking at overall year on year growth of about 48% in the year 2024-25 on standalone basis and achieve total revenue / income of approx. US$ 4 million (Rs. 3200 lacs / Rs. 320 million)

### c) MAHR MASCHINENBAU Ges.m.b.H, AUSTRIA:

Mahr Maschinenbau GmbH (MM), Austria, is a provider of screens and other products related to the filtering of waste water and was established in the year 1927 by Mr. Matthaeus Mahr. The core competency of MM is design expertise and production of screens required in waste water works with critical usage and high reliability. MM's product portfolio is predominantly comprised of water-filtering screens which are customized according to specifications.

As the bar filtering technology was invented and introduced by Mr. Mahr, bar screens are internationally recognized as being "Mahr"-type in nature, regardless of the producer. The name "Mahr" is thus associated with an innovative, market leading technology. Mahr owned many patents used in the screen business which are specifically computer-based systems. These patents distinguished Mahr screens from all other screens over the last 30 years.

JEL and MM had entered into an agreement dated 3 December 2012, for use of design of MM Multiraked Bar Screen by JEL and provision of related engineering and technical support for a consideration. Within 2 years thereafter JEL bought out Gernot Mahr in the company to make MM its 100% subsidiary. Few years after acquisition JEL decided to close down all activities at MM other than design engineering and shift





production as well as marketing activity to India. This decision was taken because Rodney Hunt was then making losses and because it was felt that these work can be done better from India instead of spending money on MM operations. As a result of this decision, MM did not undertake any significant business activity and has been incurring losses.

Over period, this decision of closing down activities of MM was found to have various limitations as under :

- Offering Mahr product from India under Jash was not accepted in every market, especially in UK and USA.
- The long history of Mahr was getting killed by not promoting MM brand coming from Austria.
- The premium price support and prestige available to Mahr brand from Austria was not found to be available to cobranded products from Jash-Mahr.
- In some markets references of Mahr brand could not be transferred to Jash Mahr brand.
- The financial considerations on which this decision was taken was no more valid with Rodney Hunt coming back to profits and due to increasing profitability of JEL.

As a result of all this and also due to acquisition of Waterfront in UK, where there is a good potential for Mahr screens, the company has now decided to revive operations of MM. Marketing activities were restarted rebranding products as Mahr and within first 3 months of this decision being taken MM got total orders worth more than 2 million dollars reinforcing the strength of Mahr brand. The aim is to slowly start more activities at company level and once again make this company profitable and brand recognized internationally.

On the basis of the orders received till 31st July 2024 of approx. US$ 3.0 million (Rs. 2400 lacs / Rs. 240 million) and expected order inflow, we are conservatively looking to achieve total revenue / income of approx. US$ 2.0 million (Rs. 1600 lacs / Rs. 160 million)

### d) ENGINEERING & MANUFACTURING JASH LIMITED, HONGKONG:

No major business activities are carried out at this company and we aim to operate it in same manner as being done currently.

## 4. FUTURE OUTLOOK & PLANS

### A. JASH ENGINEERING LTD., INDIA

Jash Engineering will remain the largest manufacturing set up of the whole consolidated operation of all companies. To enhance its manufacturing capabilities and capacity various machinery in Unit-1, Unit-2, Unit-3 & Unit-4 will be installed between Oct 2024 and March 2025. The total cost on this is expected to be about Rs 1000 lakhs.

An extension in canteen at SEZ is being done at a total cost of Rs 50 lakhs and once this is done it will be able to cater to food of all the employees at Unit 3 & 4 in SEZ. A Guesthouse is planned at Unit-2 for stay of company guests for which the company todays spends in excess of Rs 20 lacs on hotel accommodation. Construction work on Guesthouse has started and this will be commissioned by August 2025. The total cost on this is expected to be about Rs 300 lakhs.

Shivpad operations will be merged with Jash in 2024-25. A Production facility of approx. 60,000 sq feet for manufacturing process equipment at Chennai is being set up at a tentative cost of Rs 2000 lakhs. This facility is under construction and is expected to be commissioned by Feb 2025. Once commissioned this facility can contribute close to Rs 7500 lakhs to company revenue / income.

To meet the increasing export business a new extension of SEZ Unit 4 of approx. 64,000 sq feet is planned to manufacture gates and screens for US/UK/European markets. The land is already acquired and the construction activities are expected to start in Oct 2024 and the plant will be commissioned by Dec 2025. Once commissioned this facility can contribute close to Rs 7500 lakhs to company revenue / income.

## B. RODNEY HUNT , USA

The North American market for Water control products is in excess of USD 175 million and we expect Rodney Hunt to grow to over USD 45 million in revenue / income by 2027-28. This will enable it to reclaim the 1st position in US market which it had held for over 50 years till 2015.

New office building of approx. 13,000 sq feet in Houston is proposed to be built up in 2025. This facility will be built at an approximate cost of Rs. 2000 lakhs and once this office is built the annual rental cost of about Rs 12000 lakhs for existing office shall cease. This office will allow accommodating the team till we reach revenue of USD 100 million in Rodney Hunt.

Depending upon inflow of orders it is also contemplated to carry out expansion in Orange manufacturing facility by occupying unused facility. We currently use about 75,000 sq feet of the old Rodney Hunt facility but if Orange business grows beyond USD 15 million then we will be required to add more area from old Rodney Hunt facility and in that case we will have to upgrade the old sheds to make it suitable for production area. This will call for investment of Rs. 1500 lakhs.

Finally based on development of the company and increased inflow of orders we plan to put up new manufacturing facility adjoining to the new office in Houston. This facility will be used for manufacturing Gates and Screens for markets in South of USA. This work may be taken up in 2027 and completed in 2028 and this facility is expected to cost about Rs. 3300 lakhs.

By year 2029-30 we expect to cross USD 50 million in revenue / income and the team in US is expected to grow to about 70 people with about 35 people in non manufacturing activities and rest in manufacturing activities.

## C. WATERFRONT FLUID CONTROLS LTD., UK

Post acquisition of Waterfront we have already increased its manufacturing capabilities. A new production facility of approx 8000 sq feet has been added at Glasgow facility in May 2024 and this will help in local production of gates for UK market from end of 2024. We are in process of increasing and strengthening its marketing team and network. We have set aggressive targets for growth and are quite confident to increase its revenue to over 12 million pounds by 2028.

In addition to its current product line of standard Water Control Gates, we will utilize Waterfront to push the product line of Screens, Knife gate valves and Heavy Fabricated gates. We have already received breakthrough orders for large sized Heavy fabricated gates and successful completion of this project will open up doors for many such projects in UK and surrounding countries.

# 5. CAPITAL INVESTMENT

The company tentatively plans to stage wise invest approx. Rs. 12000-12500 lakhs in new infrastructure between April 2024 to March 2027 in all its manufacturing facilities as well as subsidiaries with a view to have manufacturing capacity in place to achieve revenue in excess of Rs. 100000 lakhs by March 2028. For this the company is planning to carryout investments as under:

» In the year 2024-25 the company plans to invest around Rs. 3000 lakhs on following :

- Various machinery in Unit-1, Unit-2, Unit-3 & Unit-4 to enhance its manufacturing capabilities to meet the growing demand. Most of these machinery will be installed between Oct 2024 and March 2025.
- A Guesthouse at Unit-2 for stay of company guests. Construction work has started and this will be commissioned by August 2025.





- Production facility of approx. 60,000 sq feet for process equipment at Shivpad, Chennai. This is under construction and is expected to be commissioned by Feb 2025.
- New extension of SEZ Unit 4 of approx. 64,000 sq feet to manufacture gates and screens for US/UK/ European markets. The construction activities are expected to start in Oct 2024 and the plant will be commissioned by Dec 2025.

» In the year 2025-26 the company plans to invest around Rs. 4500 lakhs on following :

- Furnishing of Guesthouse and various related activities.
- Completion and commissioning of new extension of SEZ Unit 4.
- New office building in Houston on which work is expected to be started in early 2025 and completed by Dec 2025.
- Expansion in Orange manufacturing facility by occupying unused facility.

» In the year 2026-27 the company plans to invest around Rs. 4500 lakhs on following :

- New manufacturing facility adjoining to the new office in Houston for manufacturing Gates and Screens. This work may be taken up in 2027 and completed in 2028 and this facility is expected to cost about Rs. 3300 lakhs.
- Misc investments in all manufacturing units to enhance their capabilities.

# 6. NEW PRODUCT ADDITION / DEVELOPMENT

The company has a policy of adding new products every year with a view to improve its product portfolio and maintain its leadership position in India.

## A. DISC FILTERS – NEW DESIGN :

The disc filter as per new design is being developed in India by Invent. The new sealed version machine designed by Invent helps in reducing the head loss from 850-1000 mm to 450 mm and also increasing the throughput of the machine by 40-75%. We made the first machine and have shown it to Invent engineers who visited Indore in third week Feb 2024. Some minor changes are required to be done in this machine and thereafter this machine will be installed at a clients site in September 2024 so that we can get the feedback on its performance by end of year.

We have manufactured over 98% of machine indigenously thereby reducing the cost substantially. Attractive pricing alongwith positive feedback on performance of new design in line with expectation will enable us to push these machines aggressively in Indian market in future. The market for these machines is in excess of Rs. 5000 lakhs every year and we expect to cater to over 25% of the requirement in India in time to come.

## B. BLADDER TYPE AIR VESSELS:

The company had decided to develop Bladder type air vessel to enhance its portfolio of water hammer control products.

This product was successfully developed and manufactured in October 2023. The First order for 6 Nos. bladder vessels received for the city of Varanasi was executed in end of 2023 and is expected to be commissioned in 2024. The company has already received another order for 5 Nos. bladder vessels for the state of MP and this is expected to be manufactured and supplied before March 2025. Successful commissioning of both these projects will strengthen the company position in the market.

This product can lead to business of about Rs. 500 lakhs plus every year in future and with this development the company would be able to offer 3 different solutions for water hammer control comprising of Zero Velocity & Air Cushion valves, Air vessels and Bladder type vessels.

## C. HIGH PRESSURE KNIFE GATE VALVES FOR CANADIAN OIL SANDS

We have tied up with a Canadian supplier who is quite established in oil sands business. Along with him we are developing KGV of DN 200 size for this application which is highly abrasive in nature. He has placed an order for one valve and the first off valve developed for this supplier will be ready by end of Sept 2024 and will be offered for his inspection subsequently. He will take this valve for testing and if this valve is found to be performing to their expectation then it can lead to development of other sizes of valves and can overall develop into significant business in future. Successful development of this product can lead to export business of about Rs. 1000 lakhs plus every year in future.

## D. CONVEYORS & INTAKE STATION FOR SOLID WASTES COMING FROM CITIES

We have supplied about 20 conveyors now for solid waste station of SFC and these are working as per their expectations. These were earlier imported by them. Based on this development SFC wants us to now develop an intake station for the incoming solid waste coming from cities. This will comprise of stainless steel chamber where trucks can tipple and dump solid wastes collected from cities. The material will be mixed using 3 or 4 screw conveyor and then conveyed up to segregating station. Drawings for this have been submitted and we expect to get a trial order by December 2024. We would then make the equipment and if this is found to meet their expectations then we can look forward to about Rs 1000 lakhs business every year in future.

## E. AGITATORS AND MIXERS

Jash Invent India Pvt. Ltd., India have been incorporated in September 2023. The products will be made by Jash Engineering Ltd. and marketed and sold by the JV company. A new team to help in manufacturing and marketing of these products have been formed. Indigenous production of these products is expected to be commenced by early 2025. In discussion with Invent this team will be further expanded to enable estimation, offer preparation, drawing submission and subsequently part manufacturing in India within 2025. Once manufacturing is done in India then only we will be able to move forward on Jash Invent product line. Marketing of other products from Invent portfolio like Decanters and Turbo Blowers etc will be taken up under the JV company.

All these products are required in secondary treatment process of waste water. Demand for these products will pick up as implementation of new sewage disposal policy mandated by National Green Tribunal (NGT) & Ministry of Environment (MOE) starts becoming effective. These new products can contribute Rs.7500 lakhs to company turnover by 2029-30.

## 7. OCCUPATION HEALTH & SAFETY (OH&S):

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

## 8. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE OF THE COMPANY:

As on 31st March, 2024 your Company having following companies as wholly owned subsidiaries and Joint Venture. Further, your company is not a subsidiary, associate or joint venture of any other company during the period under review: -





| S. No. | Name of the Company | Status as on 1st April, 2023 | Any change in status | Status as on 31st March, 2024 |
|---|---|---|---|---|
| 1 | Shivpad Engineers Pvt. Ltd. | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |
| 2 | Jash USA Inc. USA Rodney Hunt Inc. USA (SDS of Jash USA Inc. USA) | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |
| 3 | Mahr Maschinenbau Ges. mbH | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |
| 4 | Engineering and Manufacturing Jash Limited | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |
| 5 | Jash Invent India Private Limited* | - | Investment 50% shares of Jash Invent India Private Limited | Joint Venture |

*During the year under review your Company with INVENT Umwelt und Verfahrenstechnik AG, Germany has started a new Joint Venture named M/s. Jash Invent India Private Limited.

Your Company has also acquired 80% stake of Waterfront Fluid Controls Limited, Glasgow, Scotland, UK w.e.f. 30/04/2024.

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

In accordance with Section 129(3) of the Act and Indian Accounting Standard (IND As)-110 on Consolidated Financial Reporting, the Company has prepared its Consolidated Financial Statement along with all its subsidiaries, in the same form and manner, as that of the Company, which shall be laid before its ensuing AGM along with its Standalone Financial Statement. The Consolidated Financial Statements of the Company along with its subsidiaries, for the year ended 31st March, 2024, forms part of this Annual Report.

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

## 9. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

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

## 10. DIVIDEND:

Board of Directors of the Company, on its meeting held on 09.05.2024 recommended, subject to approval of shareholders, a final dividend of 72% on Face Value of fully paid up Shares i.e. Rs. 7.20 per fully paid-up equity share of Rs. 10/- each, aggregating to Rs. 9,00,90,324/- (Rs. Nine Crore Ninety Thousand Three Hundred Twenty-Four Only) as final dividend for the financial year 2023-24.

## 11. SHARE CAPITAL:

During the year under review, there were changes in the Paid-up share capital of the Company due to allotment of 3,46,447 Equity shares were allotted as preferential issue. The brief details of paid up Equity Share Capital of the Company on year end are as follows:

| Particulars | As at 31st March 2023 | | Increase in Paid up Share Capital | | As at 31st March 2024 | |
|---|---|---|---|---|---|---|
| | Number of Shares | (Rs.) | Number of Shares | (Rs.) | Number of Shares | (Rs.) |
| Paid up Equity Share Capital of Rs. 10 each | 1,20,29,958 | 12,02,99,580/- | 3,46,447 | 34,64,470/- | 1,23,76,405 | 12,37,64,050/- |

Your Company on 22/04/2024 has allotted 1,36,140 Equity shares of the Company to the eligible employee of Company, under Jash Engineering Employee Stock Option Scheme 2019" (JASH ESOP Scheme 2019 I & II)

## 12. TRANSFER TO RESERVES:

For the Financial year ended 31st March, 2024, Your Company has not transferred any amount to General Reserve out of profit available for appropriation.

## 13. BOARD OF DIRECTORS

### A. COMPOSITION OF BOARD OF DIRECTOR AND KEY MANAGERIAL PERSONNEL

In compliance with the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) and SEBI (LODR) Regulation 2015, the composition of Board of Directors and Key Managerial Personnel are as follows: -

| Sr. No. | Name of the Director | DIN | Designation |
|---|---|---|---|
| 1. | Mr. Pratik Patel | 00780920 | Chairman & Managing Director |
| 2. | Mr. Suresh Patel | 00012072 | Executive Director |
| 3. | Mr. Axel Schutte | 02591276 | Non-Executive Director |
| 4. | Mr. Brij Mohan Maheshwari | 00022080 | Independent Director |
| 5. | Mr. Rahul Patel | 09201061 | Non-Executive Director |
| 6. | Ms. Sunita Kishnani | 06924681 | Independent Director |
| 7. | Mr. Durgalal Tuljaram Manwani | 07114081 | Independent Director |
| 8. | Mr. Vishwapati Trivedi | 00158435 | Independent Director |

### B. BOARD INDEPENDENCE

Our definition of 'Independence' of Directors or Regulation is derived from Regulation 16 of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. The Company comprised total 8 directors as on 31st March 2024 in the Board out of them the following directors are independent directors;

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





### C. DECLARATION AND RE-APPOINTMENT OF 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 2023-24. Further, as per provisions of the Companies Act, 2013, Independent Directors were appointed for a term of 5 (five) consecutive years and shall be eligible for re-appointment on ending of respective term by passing of a special resolution by the Company and shall not be liable to retire by rotation.

### D. DIRECTORS LIABLE TO RETIRE BY ROTATAION SEEKING RE-APPOINTMENT

Mr. Rahul Patel (DIN: 09201061) Directors of the company are liable to retire by rotation at the ensuing annual general meeting and being eligible offers themselves for re-appointment. Your directors recommend passing necessary resolution as proposed in the Item No. 3 of the Notice.

The Company also consists of the following Key Managerial Personnel:

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

### E. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

## 14. 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. Seven meetings of the Board were held during the year under review. For details of meetings of the Board, please refer to the Corporate Governance Report, which is a part of this report.

## 15. COMMITTEES OF THE BOARD

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

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

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

The details of Board Committees are prescribed in Corporate Governance Report is annexed as Annexure-C of Board Report.

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

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

## 17. BOARD EVALUATION

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

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

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

The outcome of the Board Evaluation for the financial year 2023-24 was discussed by the Board and on the basis of such discussion Board analysis the result of actions taken by Board for improving Board effectiveness based on feedback received in the previous year. Further, the Board also noted areas on which Board requires more focus for the future Board efficiency.

## 18. CODE OF CONDUCT:

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

## 19. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

**a)** In the preparation of the annual accounts for the year ended March 31st, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;





**b)** The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2024 and of the profit of the Company for the year ended on that date;

**c)** The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

**d)** The Directors have prepared the annual accounts on a 'going concern' basis;

**e)** The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

**f)** The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## 20. 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 2023-24 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.

## 21. CORPORATE GOVERNANCE REPORT:

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

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

## 22. AUDITOR AND AUDITOR'S REPORT:

### STATUTORY AUDITOR:

M/s Deloitte Haskins & Sells LLP, Chartered Accountants (FRN: 117366W/W-100018) as Statutory Auditors of the Company, having in compliance with the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, been appointed as the Statutory Auditors of the Company by the Shareholders of the Company at their Annual General Meeting held on 23rd September 2022, for a period of 5 consecutive years, so as to hold office as statutory auditor till the conclusion of the 53rd Annual General Meeting, continue as the Auditors of the Company.

The report of the M/s Deloitte Haskins & Sells LLP, Chartered Accountants (FRN: 117366W/W-100018) as Statutory Auditors on Standalone & Consolidated Financial Statements for the FY 2023-24 forms part of the Annual Report which are self-explanatory and do not call for any further comment and the said report does not contain any qualification, reservation, disclaimer or adverse remark and they has not reported any incident of fraud pursuant to the provision of Section 143(12) of the Act, accordingly, no such details are required to be reported under Section 134(3)(ca) of the Act.

### SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Ankit Joshi, Practicing Company Secretary, (ACS 50124 and COP NO. 18660) Indore to conduct Secretarial Audit of the Company. The Report of the Secretarial Audit in Form MR-3 for the financial year ended March 31st, 2024 is enclosed as Annexure-E to Board Report.

### COST AUDITOR:

Pursuant to the provision of Section 148 of the Companies Act, 2013 pertaining to audit of cost records is applicable to the Company. The Board has appointed M/s M.P. Turakhia & Associates, Cost Accountant to audit the cost records of you company for the financial year 2023-24.

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act. The Board of Directors, based on the recommendation of the Audit Committee, has appointed M/s M.P. Turakhia & Associates, Cost Accountant as Cost Auditors for the FY 2024–25, on a remuneration as, mentioned in the notice of 50th AGM. A Certificate from M/s M.P. Turakhia & Associates, Cost Accountant has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder. The Cost Audit Report for FY 2023-24, does not contain any qualification, reservation, disclaimer or adverse remark. A resolution seeking Member's ratification for the remuneration payable to the Cost Auditor forms part of the Notice of 50th AGM and the same is recommended for your consideration and ratification.

### 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, M/s. Mahesh C. Solanki & Co. (FRN 006228C), Chartered Accountants, Indore was appointed as Internal Auditors of the Company to conduct the Internal Audit for the FY 2023-24. The Internal Auditors reports directly to the Audit Committee and makes comprehensive presentations at the Audit Committee meeting(s) on the Internal Audit Report covering the business areas required by the Audit Committee, from time to time.

Your Board has appointed M/s. Mahesh C. Solanki & Co. (FRN 006228C), Chartered Accountants, Indore as Internal Auditor of the Company for the FY 2024-25. None of the Auditors of the Company have reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Act, including rules made thereunder





## 23. DISCLOSURE REQUIREMENTS:

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

Details of the familiarization program of the independent directors are available on the website of the Company www.jashindia.com

## 24. FINANCE:

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

## 25. 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, 2024. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made there under.

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

Further, your company has filed form DPT-3 for the Annual compliance as at 31st March, 2024 for the amount received by the company which is not under the purview of section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) rules, 2014 as amended from time to time.

## 26. HUMAN RESOURCE DEVELOPMENT:

The value of human assets has impact on all critical business decisions and its utilization directly affects the ability of the organizational assets to realize their optimum value. The Company's human resource strategy is formulated considering people as its most valuable asset. Your Company puts best efforts in talent acquisition, talent retention, performance management and learning and training initiatives to ensure that your Company consistently develops inspiring, strong and credible human resource. Your Company nurtures a culture of trust and mutual respect in all its employees and seeks to ensure that company's values and principles are understood by all and are the reference point in all people matters. The Company maintained healthy, cordial and harmonious industrial relations at all levels. Company remained at the forefront in the industry due to enthusiasm and continuous efforts of employees. Various measures have been introduced throughout the organization to improve productivity at all levels.

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

## 27. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Full particulars of the loans given, guarantees extended or securities provided and the investments made by the Company, in terms of the provisions of Section 186 of the Companies Act, 2013 and the rules framed thereunder have been adequately described in the notes to Financial Statements. The same are in consonance the provisions of the aforesaid section. The Company has complied in respect of loan and guarantees and investment pursuant to Section 186 of the Companies Act, 2013.

## 28. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year under review all the related party transactions entered into by the Company were with made the prior approval of the Audit Committee. All such transactions were at an arms length basis and in the ordinary course of business of the Company and detail of such transactions have been adequately described in the Note No. 47 to the financial statements of the Company for the FY 2023-24, which form a part of the Annual Report. The transactions entered into by the company are audited. The details of the transactions with the related parties are provided in the accompanying financial statements and all transaction entered into by the Company with related party were at arm's length price in terms of the provision of Section 188 of the Companies Act, 2013 during the period under review. Form AOC-2 annexed as an Annexure-F as per the Section 134(3)(h) read with Section 188(2) of the Companies Act, 2013. Further 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.

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

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

## 30. CORPORATE SOCIAL RESPOSIBILITY:

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 2023-24 under the provisions of section 135 of the Companies Act, 2013 and the rules made their under. As part of its initiatives under "Corporate Social Responsibility (CSR)", the Company has undertaken activities, which are in accordance with CSR Policy of the Company and Schedule VII of the Companies Act, 2013.The Annual Report on CSR activities is annexed herewith as Annexure-H.

## 31. EXTRACT OF ANNUAL RETURN

The Annual Return of the Company as on March 31st, 2024 is available on the Company's website and can be accessed at https://www.jashindia.com/.





## 32. 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 Risk Management 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. The Risk Management Policy is hosted on the Company's website www.jashindia.com.

## 33. 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 victimization 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.

## 34. PARTICULARS OF INTERNAL COMMITTEE AND COMPLAINTS RECEIVED UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (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. 2023-24 | No. of complaints filed during the F.Y. 2023-24 | No. of complaints pending as at the end of F.Y. 2023-24 |
|---|---|---|---|
| **Sexual Harassment** | **NIL** | | |

## 35. 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.

## 36. 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, 2024 till the date of the Board Reports, there are no material changes which may affect the financial position of the Company.

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

Pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, disclosures with respect to the remuneration of Directors, KMP and employees, are enclosed as Annexure-I to the Board's Report.

The information required under Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members excluding the information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereof), any Member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.

## 38. EMPLOYEE STOCK OPTION SCHEME:

In the present competitive economic environment in the country and in the long-term interests of the Company and its shareholders, it is necessary that the Company adopts suitable measures for attracting and retaining qualified, talented and competent personnel. An employee stock option scheme, designed to foster a sense of ownership and belonging amongst personnel, is a well-accepted approach to this end. It is, therefore, appropriate to consider an Employee Stock Option Scheme for the employees of the Company and/or subsidiary company(ies) whether working in India or abroad. The Nomination and Remuneration Committee, inter alia administers and monitors the Company's employees' stock option scheme (ESOP Scheme) in accordance with the applicable SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB). The details on Options granted, exercised and lapsed during the financial year 2023-24 and other particulars as required under the Act, read with its rules and SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Employees' Stock Options are enclosed herewith as Annexure - J to the Board Report. Details of ESOP Scheme are also available on the Company's website. www.jashindia.com

Your Company has on 22.04.2024 allotted 1,36,140 Equity shares of the Company to the eligible employee of Company, under Jash Engineering Employee Stock Option Scheme 2019" (JASH ESOP Scheme 2019), out of which 1,16,420 Equity shares were allotted under ESOP 2019 Stage I and 19,720 Equity shares were allotted under ESOP 2019 Stage II.

## 39. INDUSTRIAL RELATIONS:

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

## 40. PREVENTION OF INSIDER TRADING:

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





The Company periodically circulates informative emails on Prohibition of Insider Trading, Do's and Don'ts, etc. to the Directors and Designated Persons to familiarize them with the provisions of the Insider Trading Code and to create awareness on various aspects of Insider Trading and the SEBI Insider Trading Regulations and also ensure that the internal controls are adequate and effective to ensure compliance.

## 41. DISCLOSURE FOR FRAUDS AGAINST THE COMPANY:

In terms of the provisions of Section 134(3)(C)(a) of the Companies Act, 2013, there were no frauds committed against the Company and persons who are reportable under section 141 (12) by the Auditors to the Central Government. Also, there were no non-reportable frauds during the Financial Year 2023-24.

## 42. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") notified by the Ministry of Corporate Affairs. All unpaid or unclaimed dividend are required to be transferred by the company to the IEPF established by the Government of India, after the completion of seven years. During the year under review company has transferred of Rs. 12,700/- relates unclaimed and unpaid dividends of FY 2015-16 to the IEPF Authority in the year 2023-24 as per the requirement of the said IEPF rules.

## 43. CHANGE IN THE NATURE OF BUSINESS:

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

## 44. SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA:

The company complies with all applicable mandatory Secretarial Standards as issued by the Institute of Company Secretaries of India.

## 45. DIRECTORS & OFFICERS INSURANCE POLICY:

The company has in place the insurance policy for its Directors and officers with a quantum and coverage as approved by the board. The policy complies with the requirement of Regulation 25(10) of SEBI (LODR) Regulations, 2015. The same are also available on the Company's website. www.jashindia.com

## 46. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORTING

The SEBI vide its circular dated May 10, 2021, had introduced a new reporting requirement on Environmental, Social and Governance (ESG) parameters called the "Business Responsibility and Sustainability Report" (BRSR), which is intended towards having quantitative and standardised disclosures on ESG parameters to enable comparability across companies, sectors and time which will be helpful for investors to make better investment decision for the listed companies which is being mandatory for the top 1000 listed companies as per market capitalisation. Hence being counted in the top 1000 listed companies as per market capitalisation for FY 2023-24, your Company has adopted the BRSR mechanism as part of its business and the said BRSR are enclosed herewith as Annexure - K.

## 47. OTHER DISCLOSURES:

» Your Company has complied with the applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings' during the year.

- There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.
- The Company has not issued equity shares with differential rights as to dividend, voting or otherwise

## 48. LISTING ON MAIN BOARD OF BSE LIMITED (BSE)

The board approved proposal for Direct Listing of Equity Shares of the Company on the Main Board of BSE Limited ("BSE") subject to requisite approvals.

## 49. SUB-DIVISION/SPLIT OF EQUITY SHARES

To enhance the liquidity in the capital market, to widen shareholder base and to make the shares more affordable to small investors the board approved Sub-division/Split of Equity Shares of 1 equity share of the Company having face value of ₹10/- each into 5 equity shares having face value of ₹2/- each, subject to regulatory/ statutory approvals as may be required and the approval of the shareholders of the Company.

## 50. 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.

## 51. ACKNOWLEDGEMENTS:

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, Axis Bank Limited, Kotak Mahindra Bank Limited and various government agencies, customers, suppliers throughout the year for their support and confidence shown in the management of the company. The Directors also gratefully acknowledge support of the NSE, Share Transfer Agent and other intermediaries of the Public Issue of the Company and also to all stakeholders of the Company viz. customers, members, dealers, vendors and other business partners for the excellent support received from them during the year.

**For & on behalf of the board of directors of**
**Jash Engineering Limited**

**Date: 8th August, 2024**
**Place: Indore**

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

**Sd/**
**Suresh Patel**
**Executive Director**
**DIN: 00012072**





Annexure A

## Form No. AOC-1

**(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures**

**Part "A": Subsidiaries**

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

| S. n. | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1 | Name of the subsidiary | Shivpad Engineers Pvt Ltd. | Jash USA Inc. DBA Rodney Hunt Inc. USA | Mahr Maschinenbau Ges. mbh | Engineering and Manufacturing Jash Limited |
| 2 | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | No | No | No | No |
| 3 | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | INR Not Applicable | USD 83.374 | EURO 90.218 | HKD 10.654 |
| 4 | Share capital | 1350300 | 618022114.35 | 3278198.24 | 10.654 |
| 5 | Reserve & surplus | 154238190 | (24689876.12) | 48231860.88 | 3121323.69 |
| 6 | Total assets | 210059020 | 1502812181.30 | 52119713.57 | 5203690.60 |
| 7 | Total liabilities | 210059020 | 1502812181.30 | 52119713.57 | 5203690.60 |
| 8 | Investments | - | - | - | - |
| 9 | Turnover (Total Revenue) | 184468890 | 2217465345.27 | - | 3443798.96 |
| 10 | Profit before taxation | 26728310 | 233428023.98 | (10164944.16) | 2483692.44 |
| 11 | Provision for taxation | - | - | - | - |
| 12 | Profit after taxation | 19083650 | 175575889.24 | (10164944.16) | 2278304.63 |
| 13 | Proposed Dividend | 1500 % | - | - | - |
| 14 | % of shareholding | 100 | 100 | 100 | 100 |

Name of subsidiaries yet to commence operations: Not Applicable

**Part "B": Associate and Joint Venture**

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

| S. No | Particulars | |
|---|---|---|
| 1. | Name of Joint Venture | Jash Invent India Private Limited |
| 2. | Latest audited balance sheet date | 31/03/2024 |
| 3. | Date on which the Joint Venture was acquired | 25/09/2023 |
| 4. | No. of shares held by the Company in Joint Venture on the year end | 500000 equity shares |

| | | |
|---|---|---|
| 5. | Amount of Investment in Joint Venture | INR 50,00,000 |
| 6. | Extend of Holding (%) | 50% |
| 7. | Description of how there is significant influence | Note 1 |
| 8. | Reason why the joint venture is not consolidated | Not Applicable |
| 9. | Net worth attributable to shareholding as per latest audited Balance Sheet | 3773140.50 |
| 10. | Total Comprehensive Income for the year | (1226859.50) |
| | Considered in Consolidation | (1226859.50) |
| | Not Considered in Consolidation | - |

Note:

1. During the financial year 2023-24, a new company was incorporated in India in the name of M\s. Jash Invent India Private Limited, as a joint venture with 50%:50% contribution of equity capital by JASH Engineering Limited, India and M/s Invent Umwelt Und Verfahrenstechnik AG, Germany. JASH Engineering Limited holds 50% equity capital of Joint venture.

**For & on behalf of the board of directors of**
**Jash Engineering Limited**

**Date: 8th August 2024**
**Place: Indore**

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

**Sd/-**
**Suresh Patel**
Executive Director
DIN: 00012072

**Sd/-**
**Dharmendra Jain**
**CFO**

**Sd/-**
**Tushar Kharpade**
**Company Secretary**





**Annexure B**

# MANAGEMENT DISCUSSION & ANALYSIS REPORT

## ECONOMIC REVIEW
### GLOBAL ECONOMY

In the face of persistent challenges and emerging opportunities in 2024, te global economy has remained buoyant. As nations navigate the complexities of post-pandemic recovery, geopolitical tensions, and climate change, the world has seen a dynamic interplay of economic forces. This year has been characterized by significant technological advancements, shifts in trade patterns, and evolving consumer behaviours, all contributing to a more interconnected and interdependent global market. Despite varying growth trajectories across regions, the overarching theme of 2024 has been the relentless pursuit of sustainable development and inclusive growth, setting the stage for a transformative decade ahead.

Global growth, estimated at 3.2% in 2023, is projected to continue at the same pace in 2024 and 2025. This steady, albeit modest pace of expansion is influenced by near-term factors such as still-high borrowing costs and the withdrawal of fiscal support, alongside longer-term impacts from the COVID-19 pandemic and Russia's invasion of Ukraine. Additional challenges include weak productivity growth, increasing geoeconomic fragmentation, and evolving conflicts in the Middle East. Despite these hurdles, the global economy's continued emphasis on innovation and sustainability offers a promising outlook for the years to come.

#### East Asia and Pacific

Growth in the East Asia and Pacific (EAP) region is projected to slow from 5.1% in 2023 to 4.8% in 2024, primarily due to a deceleration in China. Excluding China, regional growth is expected to rise to 4.6%, driven by a recovery in global trade. Manufacturing investment in China remains strong, supported by demand for electric vehicles and batteries, and government backing for key sectors like semiconductors. However, real estate investment continues to decline amid ongoing sector downturns. Elsewhere in the region, early 2024 saw growth strengthening due to recovering exports and improved manufacturing activity. Despite a more balanced outlook, risks remain tilted to the downside, including geopolitical tensions, trade policy fragmentation, and potential climate-related disasters, while faster-than-expected U.S. growth could positively impact the region.

#### Europe & Central Asia

Growth in Europe and Central Asia (ECA) is expected to slow to 3.0% in 2024 and 2.9% in 2025, driven by decelerations in Russia and Türkiye. Excluding these economies and Ukraine, growth should strengthen as inflation eases, monetary policy rates are cut, and exports to the euro area increase. Geopolitical risks, especially related to Russia's invasion of Ukraine, and policy uncertainty remain significant downside risks to the outlook.

#### Latin America and Caribbean

Growth in Latin America and the Caribbean (LAC) is forecast to decelerate from 2.2% in 2023 to 1.8% in 2024, before picking up to 2.7% in 2025. The 2024 forecast has been revised downward due to a significant downgrade for Argentina. Downside risks include tighter global financial conditions, high local debt levels, and potential slowdowns in China impacting exports. Conversely, stronger-than-expected U.S. growth could boost regional growth, especially in Central America and the Caribbean.

#### Middle East and North Africa

After slowing to 1.5% in 2023, growth in the Middle East and North Africa (MNA) region is expected to rise to 2.8% in 2024 and 4.2% in 2025, driven by a gradual resumption of oil production. The 2024 outlook has weakened due to extended oil production cuts and ongoing conflict in Gaza. Downside risks include escalating conflicts, local violence, tighter global financial conditions, and natural disasters, while stronger-than-expected U.S. activity could present an upside risk.

#### South Asia

Growth in the South Asia (SAR) region is projected to slow from 6.6% in 2023 to 6.2% in 2024, primarily due to moderation in India. India's growth is estimated to have reached 8.2% in FY 2023/24, driven by strong industrial and services activity, despite a slowdown in agriculture. Regional growth is expected to maintain at 6.2% through 2025-26,

with robust performance in Bangladesh and improvements in Pakistan and Sri Lanka. Downside risks include commodity market disruptions, financial instability, extreme weather events, and slower growth in China and Europe, while stronger U.S. activity and faster global disinflation present upside risks.

### Sub-Saharan Africa

Sub-Saharan Africa's growth is expected to accelerate to 3.5% in 2024, averaging around 4% in 2025-26, driven by declining inflation and improvements in private consumption and investment. However, this recovery is tempered by recent political instability and conflict, which have delayed progress in parts of the region. Challenges include limited gains in per capita income and heightened fiscal constraints due to rising debt-service costs, with risks tilted to the downside from global geopolitical tensions, economic slowdowns in key markets like China, and increased climate-related risks.

## INFLATION & MONETARY POLICIES

Global inflation has continued its downward trend but remains above target in most advanced economies and in about one-fourth of inflation-targeting emerging market and developing economies (EMDEs). The initial phase of post-pandemic disinflation was driven by falling energy prices and easing supply chain pressures. However, the recent pace of consumer price disinflation has slowed due to a partial rebound in energy prices and a notable deceleration in the decline of core inflation rates. Global headline inflation is projected to decrease from an annual average of 6.8 % in 2023 to 5.9 % in 2024 and 4.5 % in 2025, with advanced economies expected to reach their inflation targets sooner than EMDEs.

Faster-than-expected declines in inflation could occur if labour force participation continues to improve, allowing central banks to advance their plans for easing monetary policies. As the global economy approaches a soft landing, the near-term priority for central banks is to ensure inflation stabilizes smoothly. This involves carefully balancing the timing of policy adjustments to avoid both premature easing and delays that could result in inflation undershooting targets.

## GLOBAL TRADE & SUPPLY CHAIN

Global trade growth is projected to rise to 2.5% this year, showing improvement from last year but still falling short of pre-pandemic averages. This growth is expected to strengthen to 3.4% in 2025, driven by expansions in the euro area and emerging market and developing economies (EMDEs) excluding China, and remain steady in 2026. World merchandise trade volume is forecasted to grow by 2.6% in 2024 and 3.3% in 2025, as the demand for traded goods rebounds following a contraction in 2023. Last year, trade volume decreased by 1.2%, following a 3.0% expansion in 2022 despite the outbreak of war in Ukraine. The lingering effects of high energy prices and inflation have particularly impacted demand for trade-intensive manufactured goods. However, a gradual recovery is anticipated over the next two years as inflationary pressures ease and real household incomes improve.

The Red Sea remains a critical maritime route for international trade, with around 15% of global trade passing through it. The Suez Canal at its northern end handles approximately 12% of world trade, connecting Asian ports with Mediterranean ports in Europe and North Africa. Recent attacks on commercial ships in the Red Sea and the Gulf of Aden, which began on November 19, 2023, have significantly disrupted trade. There are concerns that a prolonged crisis could severely impact the global economy and reignite global inflationary pressures.

Overall, the global economy in 2024 is navigating a complex landscape marked by moderate growth, easing inflation, and persistent geopolitical tensions. While advanced economies may experience slower growth, emerging markets present significant opportunities. Policymakers face the dual challenge of curbing inflation while fostering sustainable economic expansion. The focus on fiscal consolidation and structural reforms will be essential to rebuild budgetary capacity and enhance productivity. Additionally, labour shortages and high debt levels remain significant challenges. Furthermore, the global trade growth is expected to be subdued, reflecting ongoing restrictive credit conditions and anaemic global trade and investment. Effective structural reforms and international cooperation will be crucial in steering the global economy towards stability and resilience amidst these uncertainties.





Source: World Economic Outlook 2024 - IMF, Global Economic Prospects -World Bank Reports

## INDIAN ECONOMY

India's economy has remained in a bright spot with sustained growth, underpinned by several positive indicators. These include a narrowing current account deficit, near-record foreign exchange reserves, and a healthy fiscal position. The government's commitment to fiscal consolidation, coupled with the central bank's disciplined monetary policy, has established a strong foundation for continued economic expansion. Strategic reforms such as hefty investments in infrastructure—both physical and digital—and initiatives such as 'Make in India' and the Production-Linked Incentive (PLI) scheme have been pivotal in enhancing the country’s growth and self-reliance. Furthermore, healthy balance sheets across the central government, banking sector, and financial institutions, along with targeted government incentives, are anticipated to set a fresh capex cycle in motion.

A significant aspect of the Interim Budget FY24-25 is the allocation of capital expenditure, witnessing an 11.1 % increase to Rs. 11,11,111 crores, constituting 3.4 % of the GDP. Real GDP rose by 7.6 % in 2023-24 compared to 7.0 % growth in 2022-23, according to the second advance estimates (SAE) of the National Statistical Office (NSO). This acceleration was powered by solid expansion in investment demand, which more than offset the slowdown in private consumption demand and the drag from external demand. Improving world trade prospects could support external demand. However, headwinds from geopolitical tensions, volatility in international commodity prices, and geoeconomic fragmentation pose risks to the outlook. Taking all these factors into consideration, real GDP growth for 2024-25 is projected at 7.2 %.

India’s economic growth is driven by a combination of factors including a large and young workforce, robust domestic consumption, significant investments in infrastructure, and advancements in technology and innovation. The service sector, particularly IT and finance, is rapidly expanding, contributing substantially to the economy. Additionally, government policies aimed at improving the ease of doing business and boosting manufacturing are playing a crucial role. These elements collectively position India for strong and sustained economic growth in the coming years.

India's economy outpaced other economies during the first half of FY24, propelled by robust demand and increased investment. As of May 2024, the annual retail price inflation in India eased to 4.75%, a drop from the previous month, staying within the tolerance band set by the Reserve Bank of India (RBI). India’s merchandise exports in FY25 began on a positive note, recording a growth of 1.08 % year-on-year in April 2024. This comes amid marginally improved economic activity and consumer sentiment in Europe and a steady US economy. The main drivers of export growth were electronic goods, organic and inorganic chemicals, petroleum products, and pharmaceuticals. Imports increased by 10.3 % year-on-year, leading to an increase in the merchandise trade deficit by 32.3 % year-on-year in April 2024. EXIM Bank of India has forecasted that merchandise exports will grow by 12.3 % year-on-year in Q1 of FY25. This is due to sustained momentum in the services and manufacturing industries and an expected easing of monetary tightening that spurs global demand.

The crux of the foregoing discussion is that the industrial and service sectors of the Indian economy are performing well, backed by brisk domestic demand and partially by tentative external demand. Domestic manufacturing will likely receive stronger external support in the upcoming months. Modestly improved economic activity and consumer sentiment in Europe and a steady US economy have aided India’s exports in April. Many organizations in the US and Europe focusing on reindustrialization have increased their efforts. The majority of these organizations are focusing on enhancing supply chain resilience, which can benefit India's manufacturing firms as part of the China Plus One strategy.

The Indian economy shows promising signs with the RBI forecasting a 7% real GDP growth for FY25,

supported by the prospects of robust rabi harvesting, manufacturing profitability, and resilient services. While risks such as geopolitical tensions and supply chain disruptions persist, lower input prices and moderated food inflation are expected to positively impact output growth and export prospects. With efforts to enhance export competitiveness and stable inflation rates, the outlook for India's economic growth remains favourable.

Source: RBI Press release & Annual report FY24, Economic Reports by Department of Economic affairs, IBEF

## WATER AND WASTEWATER TREATMENT INDUSTRY STRUCTURE AND DEVELOPMENTS

### GLOBAL INDUSTRY DEVELOPMENTS

Water is a vital national resource and is indispensable for human civilization, living organisms, and natural habitats. It is intricately linked to every aspect of development, driving economic growth, supporting healthy ecosystems, and being fundamental to life itself. Water is essential for drinking, cleaning, agriculture, industrial processes, recreation, animal husbandry, and electricity generation, among many other uses. Despite its importance, less than 3 % of the water on Earth is fresh water. Of this, about 75.2 % is frozen in polar regions, and another 22.6 % is present as groundwater. The remaining fresh water is found in lakes, rivers, the atmosphere, soil moisture, and vegetation. Consequently, only a very small proportion of fresh water is readily available for human use.

Water is a recyclable resource, but the availability is limited and the gap between the supply and demand is widening over time. The water and wastewater treatment industry globally, is undergoing significant transformations, driven by increasing demand for clean water, stringent environmental regulations, and rapid technological advancements. As global populations grow and urbanize, the pressure on water resources intensifies, necessitating innovative solutions for water management. This industry is at the forefront of addressing some of the most pressing environmental challenges of our time, including water scarcity, pollution, and climate change. Major developments in the sector are shaping the future of water treatment, with significant investments in advanced technologies, infrastructure projects, and sustainable practices. These developments are not only enhancing the efficiency and effectiveness of water treatment processes but also contributing to the sustainability and resilience of water systems across the globe.

According to the Fortune Business Insights report, global water and wastewater treatment market size was valued at USD 323.32 billion in 2023 and is projected to grow from USD 346.41 billion in 2024 to USD 617.81 billion by 2032, exhibiting a CAGR of 7.5%. North America dominated the water and wastewater treatment market with a market share of 38.67% in 2023. Water and wastewater treatment is necessary to meet the growing demand for clean water resources, serving municipal, agricultural, and critical industrial processes. Currently, over 40% of the global population resides in regions experiencing acute water stress. With only about 1% of the Earth’s water being freshwater, countries grappling with severe water scarcity are compelled to carry out treatment to convert seawater into freshwater via the desalination process.

Governments across the globe are implementing stringent regulations to mitigate water pollution and promote sustainable water stewardship. Concurrently, rapid urbanization and demographic expansion are exerting pressure on extant water resources and wastewater management systems. Urban locales are responsible for generating substantial quantities of wastewater from household activities, placing a burden on municipal treatment facilities. Furthermore, insufficient sanitation in burgeoning regions aggravates water pollution challenges, necessitating substantial investments in wastewater treatment infrastructure. Governments and local authorities are progressively channelling funds into the expansion and modernization of wastewater treatment plants to cater to expanding populations and enhance water quality standards. This scenario presents a plethora of opportunities for water treatment equipment manufacturers to leverage.

One of the principal impediments to the adoption of wastewater treatment is the considerable initial capital investment required for the establishment of treatment plants and associated infrastructure. Cutting-edge treatment technologies, such as membrane filtration, reverse osmosis, and ultraviolet disinfection systems, entail hefty initial outlays for equipment acquisition, installation, and the construction of facilities. This capital-intensive aspect of wastewater treatment projects represents a financial challenge for industries and municipalities, especially in areas with constrained fiscal resources.

Beyond capital expenditures, wastewater treatment operations incur continuous operational and maintenance costs. Factors such as energy consumption, chemical use, labour, and regular equipment upkeep contribute to the total operational costs of treatment facilities. Additionally, the intricacy of advanced treatment technologies often necessitates trained personnel for their operation and supervision, thereby increasing operational expenses. Striking a balance between the imperative for effective treatment and the associated operational costs remains a significant challenge for stakeholders in the water and wastewater treatment industry.

### INDIAN INDUSTRY DEVELOPMENTS

As we step into the year 2024, India stands at a crucial juncture in its journey towards sustainable development. The nation's water and wastewater treatment industry is witnessing a transformative phase, driven by the increasing urbanization, industrialization, and the pressing need for sustainable water management solutions. India had abundant supply of water resources. However, from being a water abundant country, India is experiencing a growing threat of water scarcity due to the combined impact of population pressure and urbanization. At present, it is sustaining 18 % of world population with only 4 % of global water resources. Therefore management of water resources has assumed great importance. Today availability of water resources is a major issue and is a big challenge facing our country.

Increasing concerns regarding public health have prompted governments globally, including the Government of India, to prioritize the enhancement of safe drinking water accessibility and the mitigation of pollution stemming from the discharge of untreated or inadequately treated wastewater by diverse industries, such as power generation facilities and refineries. This increased emphasis on improving the standard of living in urban regions is projected to catalyse substantial investments in the refurbishment of existing waste management systems and the establishment of new infrastructures. These initiatives are expected to provide multiple avenues for revenue expansion for entities engaged in the Indian Water and Wastewater Treatment Market.

According to Mordor Intelligence research, The Indian Water and Wastewater Treatment Technology Market is projected to escalate from a valuation of USD 1.02 billion in 2024 to USD 1.71 billion by 2029, registering a Compound Annual Growth Rate (CAGR) of 10.78%. The market is categorized by application into Municipal and Industrial segments, with the Municipal segment commanding a dominant market position. Wastewater treatment is a critical component for numerous urban centres across India, employing a variety of treatment technologies tailored for specific objectives, including initial treatment, primary and secondary treatment, tertiary treatment, Biological Nutrient Removal (BNR), resource recovery, and energy production. This has led to an escalating demand for advanced treatment technologies within the country.

The burgeoning requirement for water treatment is anticipated to drive the demand for essential equipment that is pivotal in controlling, managing, and processing water. The filtration equipment market has witnessed substantial application across both private and residential sectors, while the demand for disinfection equipment is expected to surge due to its utilization in urban and industrial wastewater treatment, as noted by industry leaders. In the context of technological advancements, tertiary water treatment is poised to present intriguing growth prospects, as evidenced by its increasing application in the treatment of municipal wastewater.

Government-led initiatives such as the Atal Mission for Rejuvenation and Urban Transformation (AMRUT), National Mission for Clean Ganga (NMCG), Jal Jeevan Mission, and Community Drinking Water Schemes are instrumental in propelling the growth trajectory of the Indian water and wastewater treatment market. These programs underscore the commitment to ensuring sustainable water management and sanitation practices, thereby fostering a conducive environment for market expansion and technological innovation in the sector.

## SCOPE OF WATER & WASTEWATER TREATMENT INDUSTRY

Water, the lifeblood of our planet, is a finite resource that requires careful management. With the increasing

global population and rapid urbanization, the demand for clean and safe water has never been higher. This has led to the growth of the water treatment industry, which plays a crucial role in ensuring the availability of water that is safe for consumption and other uses. The industry employs various technologies to remove harmful substances from water and improve its quality.

As we move forward into FY 2024-2025, the impact of technological progress on production processes has led to a significant increase in wastewater generation. Industries involved in the processing of chemicals, pesticides, rare metals, and other potentially harmful substances are producing effluents that pose a serious environmental risk. The availability of clean, fresh water is constrained not only by quantity but also by quality, posing threats to human health, food security, and socioeconomic development. It is worth noting that severe water scarcity affects at least 40% of the global population annually. This underscores the critical need for effective water treatment solutions.

Several countries are making significant strides in reusing wastewater to address water scarcity and promote sustainability.

- **Israel:** Israel is a global leader in wastewater reuse, treating and reusing about 90% of its wastewater for agricultural purposes.
- **Singapore:** Singapore has developed an advanced water management system called NEWater, which treats and reuses wastewater to meet up to 40% of its water needs.
- **Australia:** Various regions in Australia, such as Perth, have implemented extensive wastewater recycling programs to combat drought and water shortages.
- **Spain:** Spain reuses a significant portion of its treated wastewater, particularly in agriculture and landscape irrigation.
- **Indonesia:** Jakarta capital of Indonesia is congested, polluted, prone to earthquakes and rapidly sinking, with over a third of the city set to be under the Java Sea by 2050. Now the government is in the process of leaving, moving Indonesia's capital to the island of Borneo.
- **United States**: States like California and Florida have set ambitious targets for wastewater reuse to address water scarcity issues.
- **India:** Rapid urbanization and increased focus on infrastructural development leading to increased demand for municipal water treatment and industrial wastewater management. Various initiatives are undertaken by the government such as Jal Jeevan Mission, Jal Kranti Abhiyan, Jal Shakti Abhiyan, National rural drinking water programme etc.

These successful models are inspiring other regions to invest in similar technologies and practices, expanding the market for water treatment equipment. In regions facing severe water scarcity, such as the Middle East, large-scale desalination projects are driving the demand for sophisticated water treatment technologies.

As the global community continues to prioritize sustainable development and environmental protection, the water treatment equipment industry stands at the forefront of these efforts. With a strong focus on innovation, compliance, and efficiency, the industry is well-positioned to capitalize on the growing demand for advanced water treatment solutions. The future of water treatment equipment is bright, promising substantial growth and significant contributions to global water security and public health.

## OPPORTUNITIES

### Expanding Access to Clean Water in Rural India

In the last decade, the World Bank has financed projects worth USD 1.2 billion to help the Indian government deliver clean drinking water to rural communities, benefiting over 20 million people. In states like Uttarakhand, the steep Himalayan terrain has made it challenging to build and maintain water infrastructure, forcing villagers, particularly women, to walk over 1.6 km for fresh water. This scenario creates a significant opportunity for water treatment equipment manufacturers to develop and provide solutions that address these unique challenges.

### Rising Sea level

The rising sea levels worldwide are exacerbating the challenge of maintaining clean and accessible freshwater sources, as saltwater intrusion contaminates supplies. This has led to a heightened demand for advanced water treatment solutions, driving significant growth in the water treatment equipment market. Technologies such as reverse osmosis, UV purification, and advanced filtration are becoming essential in both coastal and inland regions to ensure a sustainable water supply.

One stark example of the consequences of rising sea levels is the ongoing crisis in Jakarta, Indonesia's current capital. The city faces severe congestion and pollution issues and is the fastest sinking city in the world, with over a third of it predicted to be underwater by 2050. This critical situation underscores the urgent need for effective water treatment solutions to mitigate the impacts of saltwater intrusion and ensure a reliable water supply.

### Ensuring Consistent Water Supply in Urban Areas

India's fast-growing cities face significant challenges in providing continuous water supply, with many urban households receiving water for only a few hours each day, if at all. This issue severely impacts the poor, women, and children. As urbanization continues, the demand for reliable and safe drinking water will increase, presenting a substantial market for advanced water treatment solutions.

### Meeting the Rising Demand for Clean Water

With the global population on the rise, the need for clean and safe drinking water is escalating. This trend offers considerable opportunities for companies that produce innovative water treatment equipment designed to effectively treat and purify water. Increased awareness of waterborne diseases and pollution further drives the demand for advanced water treatment solutions, allowing companies to expand their market share by offering dependable and effective equipment.

### Revitalizing River Water Management

Since 2011, the World Bank has supported efforts to rejuvenate India's rivers through projects valued at USD 1 billion. These initiatives aim to establish river management institutions and construct infrastructure to maintain clean rivers. The Jal Jeevan Mission, initiated by the Jal Shakti Ministry, aims to provide piped drinking water to 146 million households in 700,000 villages by 2024, backed by a USD 51 billion budget. This mission significantly increases the demand for water treatment equipment.

### Enhancing Irrigation and Flood Management for Agriculture

India has invested heavily in infrastructure to support irrigated agriculture nationwide, increasing the demand for rainwater treatment equipment. This investment presents a wide range of market growth opportunities for water treatment solutions tailored to agricultural needs.

### Complying with Environmental Regulations

Globally, governments are increasingly focusing on environmental concerns, including water pollution. New regulations require industries to treat their wastewater before discharge, creating a substantial market for water treatment equipment that meets these stringent requirements.

### Leveraging Technological Innovations

Advancements in technology are enabling manufacturers to produce more efficient and cost-effective water treatment equipment. Innovations in membrane filtration, ultraviolet disinfection, and advanced oxidation processes are significantly improving the effectiveness of water treatment solutions. These technological improvements help companies address complex water treatment challenges and enhance the quality of treated water, thereby boosting market share and competitiveness.

### Desalination Technologies

With rising water scarcity, advancements in desalination technologies are making freshwater production more cost-effective and energy-efficient, especially in arid regions. This provides a reliable source of fresh water and presents a growth opportunity for water treatment equipment manufacturers.

### Public-Private Partnerships

Collaborations between governments and private companies can lead to significant investments in water infrastructure. These partnerships improve access to clean water and drive industry growth, creating new opportunities for companies in the water treatment sector.

## Threats

### Intense Market Competition

The water treatment equipment manufacturing industry is highly competitive, with a mix of established players and new entrants. Globally, there are approximately 350 companies in this sector, ranging from large multinational corporations to regional and country-specific firms. Around 15% of these competitors are large global players, while 50% are focused on specific countries. To withstand global competition, key players are employing various strategies such as product launches, agreements, acquisitions, collaborations, joint ventures, and mergers. This intense competition can lead to pricing pressures and reduced profitability.

### Impact of Economic Conditions

The water and wastewater treatment industry faces several economic challenges in the short and medium term. These include shifting consumer preferences in a potential economic downturn, changes in industrial policies to address growing environmental concerns, and significant fluctuations in raw material costs due to ongoing geopolitical tensions and anticipated economic turbulence. These factors can lead to decreased revenue and profitability for companies in the industry.

### Supply Chain Vulnerabilities

Manufacturers of water treatment equipment depend on a complex supply chain that involves raw materials, components, and transportation. Disruptions in the supply chain, whether due to natural disasters, political instability, or global pandemics, can significantly impact the availability and cost of these resources, posing a threat to production and profitability.

### Environmental Compliance Challenges

While environmental regulations can create opportunities for water treatment equipment manufacturers, non-compliance with these regulations poses significant risks. Failure to adhere to environmental standards can result in hefty fines and damage to the company's reputation, affecting its market position and profitability.

### Climate Change

Extreme weather events such as droughts and floods are impacting water availability and quality, posing challenges for water treatment systems to adapt and remain effective.

### Aging Infrastructure

Many existing water treatment facilities are operating with outdated equipment, which requires significant investment to upgrade and maintain.

## SEGEMENTWISE PERFORMANCE

The business activities of the Group predominantly fall within a single primary business segment viz "Manufacturing and trading of varied engineering products for general engineering industry, water and wastewater 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 31st March 2024 | Previous Year Ended 31st March 2023 |
|---|---|---|
| **Amt in Lakhs** | **Audited** | **Audited** |
| **Segment revenue from external customers** | | |
| Within India | 20576.81 | 19306.04 |
| Outside India | 30990.17 | 20892.58 |
| **Revenue from Operations** | **51566.98** | **40198.62** |
| **Segment Assets** | | |
| Within India | 44876.16 | 32004.01 |
| Outside India | 15549.39 | 12847.85 |
| **Total Assets** | **60425.55** | **44851.86** |
| **Capital Expenditure** | | |
| Within India | 1973.81 | 996.92 |
| Outside India | 462.28 | 614.93 |
| **Total Capital Expenditure** | **2436.09** | **1611.85** |

## FUTURE & FORWARD OUTLOOK

As we anticipate the future, the demand for clean and safe water is poised to grow substantially. This scenario presents a lucrative growth opportunity for manufacturers of water treatment equipment. With rising concerns about water quality and scarcity, the necessity for innovative and efficient water treatment solutions is expected to increase, revealing a significant market potential in both developed and developing countries.

The evolution of the water treatment industry in the forthcoming years will be significantly influenced by technological advancements, with a focus on the creation of new, improved water treatment technologies that are more efficient and environment friendly. Companies that can stay abreast of these technological advancements and integrate them into their products will gain a competitive edge in the market. Another pivotal trend that will shape the water treatment industry is the escalating awareness about the importance of water conservation. Consequently, companies that manufacture water treatment equipment must concentrate on both supplying clean water and minimizing water waste. This can be accomplished by constructing intelligent water treatment systems capable of monitoring and regulating water usage. There will also be an increased demand for decentralized water treatment systems that can be installed in remote locations without access to a centralized water treatment facility. This represents an opportunity for companies that manufacture portable and scalable water treatment equipment.

In 2024, key trends in the water treatment industry include water quality monitoring, desalination, Industrial Internet of Things (IIoT), bio-based water remediation, carbon-based purification, and energy-efficient solutions. Startups are developing technologies such as membrane filtration, ultraviolet disinfection, advanced oxidation processes, and smart monitoring systems. These innovative methods not only enhance the efficiency and effectiveness of water treatment processes but also benefit municipal water supplies, manufacturing, agriculture, and more. Improved desalination techniques are providing fresh water in water-scarce regions, while modular water treatment systems offer flexibility and scalability.

By staying at the forefront of industry trends and continuing to innovate, Jash Engineering Limited is well-positioned to capitalize on the growing demand for advanced water treatment solutions. We manufacture a wide range of customized equipment for Water and Sea Water Intake Systems, Water and Wastewater Pumping Stations and Treatment Plants, Desalination Plants, Storm Water Pumping Stations, Water Transmission Lines, Hydropower Generation, and various industries including Power, Steel, Cement, Paper & Pulp, Petrochemicals, Chemical, Fertilizers, and other process plants. As market leaders, we have a vision to lead the industry and earn respect for ourselves and our stakeholders through growth, innovation, and a strong customer focus. Our aim is to:

- Strengthen our position as a leading manufacturer in the water and wastewater treatment equipment industry throughout our product range.
- Achieve sustainable growth by expanding our product range and geographical reach with new manufacturing units, such as the recent inauguration of a unit in Glasgow, UK.
- Focus on leveraging technological advancements and recent acquisitions to enhance our product offerings.
- Grow 30% in terms of Revenue in FY25 and reach ₹1,000 crore by FY28.

### Company will sustain strong growth rate and is likely to achieve revenue target given the

- Specialized skillset and product set of Jash
- Government bodies (in India as well in key market like US) spending on water infrastructure, and
- Environmental regulations and ESG norms for process industries due to which margins are likely to be volatile with some upward improvement.

The future is promising for businesses that produce water treatment technology and companies that can keep up with these trends and create cutting-edge, effective products will be well-positioned to succeed in the years to come.

## RISKS AND CONCERNS, INTERNAL CONTROLSYSTEMS AND THEIR ADEQUACY

### Risk Management Strategy

Our Company has crafted and executed a risk management policy that is proactive and anticipatory in nature, enabling us to sustain a moderate-to-low risk profile. This is achieved through a clearly defined risk appetite set by the Board of Directors, coupled with the systematic identification and evaluation of potential risks. Moving forward, we will continue to refine our risk management framework, leveraging technological advancements to align with the evolving landscape of our restructured business operations.

### Foreign Exchange Exposure

We acknowledge that fluctuations in foreign currency exchange rates can significantly influence our operational results and financial standing. To mitigate this risk, the Company adheres to a well-established Foreign Exchange Risk Mitigation Policy, which includes the implementation of strategic hedging practices. Nonetheless, global, and domestic economic and political developments, which are outside our control, could impact our projections and directly affect our business activities.

### Process Re-engineering and Compliance

The Company has embarked on a process re-engineering journey, integrating process elements designed to monitor and adhere to a multitude of internal and external business requirements. Our commitment to exceeding standard compliance will remain a fundamental principle guiding our business processes. We are dedicated to leading the industry by expanding the role of technology in monitoring and meeting compliance obligations.

### Internal Control Systems

The integrity of our internal control systems is paramount to the health and success of our Company across all sectors. An effective internal control framework is the cornerstone for fostering and enhancing shareholder trust and value, as well as for improving the quality of our business and enterprise as a whole.

### Adequacy and Review of Internal Controls

Our internal control system is robust and proportionate to the size and nature of our business. It facilitates the prompt compilation of accounts and the generation of Management Information Reports, while ensuring compliance with relevant laws and regulations. The efficacy of our internal controls is regularly assessed by an independent internal audit function and by our statutory auditors. The Audit Committee of the Board conducts periodic reviews of the internal audit function and oversees the implementation of recommendations to bolster the internal control mechanisms.





Overall our Company remains vigilant and proactive in managing risks, safeguarding against foreign exchange volatility, re-engineering processes for optimal compliance, and maintaining stringent internal controls to uphold the highest standards of corporate governance and operational excellence.

## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Financial performance of the Company for the year 2023-24 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

Our Company is adeptly steered by a cadre of highly experienced senior leaders, a skilled middle management, and a vigorous junior management team, all of whom bring their expertise to bear on the successful execution of large and complex projects. We are steadfast in our commitment to cultivating a constructive work environment, guided by our policies and the finest HR practices, which bolster transparency and ensure equitable opportunities for every member of our team.

We maintain an unwavering zero-tolerance stance against any form of harassment, whether it be racial, sexual, religious, gender-based, or any other category safeguarded by law. Our conviction is strong: our employees are the cornerstone of our business triumphs. Thus, we dedicate ourselves to attract and retain the most exceptional talent, seeking individuals whose unique skill sets, interests, and experiences will enrich our business.

The Company has undertaken numerous initiatives to enhance business operations by improving organizational efficiency, supporting process changes, and implementing a suite of employee engagement programs. These efforts have contributed to a significant increase in productivity. We have also invested considerable resources in developing leadership qualities and strengthening technical and functional expertise to meet our future talent needs.

Jash Engineering's growth is driven by our dedicated employees. To ensure they feel valued and committed to the company, we continuously improve our campus infrastructure. In line with this commitment, we have invested in a sports turf at Unit II, where we host a Turf League season and use the same turf for training for our Jash Premier League, now in its sixth season. Additionally, we are establishing a restaurant adjacent to the turf, which will be operated under lease. Employees can dine there at a discount, and the lease rent will fund various employee engagement activities.

By focusing on these initiatives, we aim to create a supportive and engaging environment that fosters employee loyalty and satisfaction, ultimately driving the Company's success. Our focused approach to human resource management encompassing training, incentivization, and equitable practices in promotion, transfer, and remuneration h as been instrumental in realizing our objectives and sustaining our competitive edge in product quality, pricing, brand value, and service offerings. The cultivation of talent and adherence to the finest HR practices will persist as distinguishing factors that fortify our Company's position.

As of March 31, 2024, our workforce has grown to include over 1,075 dedicated employees, both on our payroll and on contractual terms. The Company is resolute in its commitment to providing essential training and development programs to continually upskill and reskill our employees. The management enjoys a robust and amicable relationship with employees across all levels, and together, we are united in our pursuit to achieve the corporate goals and benchmarks we have established for the Company.

## Cautionary Statement

The information presented in the Board's Report and the Management Discussion and Analysis includes projections and anticipations about future events, which can be identified as forward-looking statements under the relevant securities laws and regulations. It is important to recognize that a multitude of factors could cause actual outcomes to differ materially from what has been forecasted. These factors encompass economic fluctuations, alterations in government regulations, tax laws, other statutes, market dynamics, and a range of related and incidental elements. Investors and stakeholders should be aware that forward-looking statements are not guarantees of future performance. They involve known and unknown risks, uncertainties, and assumptions that may cause the company's actual results, performance, or achievements to be significantly different from any future results, performance, or achievements expressed or implied by such statements. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by applicable law. Stakeholders are advised to exercise caution and not to place undue reliance on these forward-looking statements when making investment decisions.





## Annexure -C

# CORPORATE GOVERNANCE REPORT

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

## Jash's Philosophy on Corporate Governance:

Corporate Governance essentially involves balancing the interest of various stakeholders of the company such as shareholders, management, customers, suppliers, financiers, government and the community. It entails managing business with accountability and with responsibility towards the shareholders in making accurate, adequate and timely disclosures of relevant information. It includes the processes through which the organisation's objectives are set and pursued in the context of the social, regulatory and market environment.

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

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

## BOARD OF DIRECTORS:

The Board is the focal point and custodian of corporate governance for the Company. The Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, gender and other distinctions between directors. These differences will be considered in determining the optimum composition of the Board and, when possible, will be balanced appropriately.

## BOARD COMPOSITION:

Your Company have a judicious mix of Executive, Non-Executive and Independent Director on the Board. Composition of the Board is in Conformity with the Regulation 17 of the SEBI (LODR) Regulation, 2015. Out of the total strength of Eight Directors as on March 31, 2024, Four are Independent Directors (of which one is Women Director), two are Non-Executive Directors and two are Executive Director. The Board members come from diverse backgrounds and possess rich experience and expertise in various fields. As on March 31, 2024, the composition of the Board of Directors are detailed below:

| Sr. No. | Name of the Director | DIN | Category of Director |
|---|---|---|---|
| 1. | Mr. Pratik Patel | 00780920 | Chairman & Managing Director |
| 2. | Mr. Suresh Patel | 00012072 | Executive Director |
| 3. | Mr. Axel Schutte | 02591276 | Non-Executive Director |
| 4. | Mr. Brij Mohan Maheshwari | 00022080 | Independent Director |
| 5. | Mr. Rahul Patel | 09201061 | Non-Executive Director |
| 6. | Ms. Sunita Kishnani | 06924681 | Independent Director |
| 7. | Mr. Durgalal Tuljaram Manwani | 07114081 | Independent Director |
| 8. | Mr. Vishwapati Trivedi | 00158435 | Independent Director |

All the other conditions as prescribed under SEBI (LODR) Regulations, 2015, with respect to directorship, committee memberships & chairmanships, are complied with by the Director of the Company. Further they have made necessary disclosures regarding the same.

## DIRECTORSHIPS AND MEMBERSHIPS OF BOARD COMMITTEES:

| Sr. No. | Name of the Director | Directorships of Other Listed Companies | Designation of Other Listed Companies | Memberships of Board Committees | |
|---|---|---|---|---|---|
| | | | | Member | Chairperson |
| 1 | Mr. Pratik Patel | Nil | Nil | 3 | - |
| 2 | Mr. Suresh Patel | Nil | Nil | 1 | - |
| 3 | Mr. Axel Schutte | Nil | Nil | - | - |
| 4 | Mr. Brij Mohan Maheshwari | Nil | Nil | 5 | 3 |
| 5 | Mr. Rahul Patel | Nil | Nil | - | - |
| 6 | Ms. Sunita Kishnani | Nil | Nil | 4 | 1 |
| 7 | Mr. Durgalal Tuljaram Manwani | Nil | Nil | 4 | - |
| 8 | Mr. Vishwapati Trivedi | Nil | Nil | 1 | - |

## BOARD MEETING AND ATTENDANCE OF DIRECTORS:

| Name of Director | Date of the Board Meeting | | | | | | |
|---|---|---|---|---|---|---|---|
| | 23/05/2023 | 14/08/2023 | 03/11/2023 | 16/01/2024 | 02/02/2024 | 12/02/2024 | 07/03/2024 |
| Mr. Pratik Patel | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Mr. Suresh Patel | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Mr. Axel Schutte | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Mr. Brij Mohan Maheshwari | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Mr. Rahul Patel | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Ms. Sunita Kishnani | Yes | Yes | Yes | Yes | No | Yes | No |
| Mr. Durgalal Tuljaram Manwani | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Mr. Vishwapati Trivedi | Yes | Yes | Yes | Yes | Yes | Yes | Yes |





## GENERAL MEETING AND ATTENDANCE OF DIRECTORS:

| Name of Director | AGM | EGM | EGM |
|---|---|---|---|
| | 29/09/2023 | 05/12/2023 | 15/02/2024 |
| Mr. Pratik Patel | Yes | Yes | Yes |
| Mr. Suresh Patel | Yes | Yes | Yes |
| Mr. Axel Schutte | Yes | Yes | Yes |
| Mr. Brij Mohan Maheshwari | Yes | Yes | Yes |
| Mr. Rahul Patel | Yes | Yes | Yes |
| Ms. Sunita Kishnani | Yes | Yes | Yes |
| Mr. Durgalal Tuljaram Manwani | Yes | Yes | Yes |
| Mr. Vishwapati Trivedi | Yes | Yes | Yes |

## RELATIONSHIP WITH OTHER DIRECTORS:

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

## CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON NON-DISQUALIFICATION OF DIRECTOR:

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

## DIRECTORS & OFFICERS INSURANCE ("D&O")

In terms of Regulation 25(10) of the SEBI (LODR) Regulations, 2015, the Company has taken a D & O Insurance Policy with adequate quantum and coverage.

## FAMILIARIZATION PROGRAMME:

At the time of appointment, our Directors are provided with information about the Company and its organization structure, business model, vision and values, latest published results and internal policies to enable them to familiarize themselves with the Company' procedure and practices.

During the year, Board members were provided a deep and thorough insight of the Company through presentations. At every Board Meeting, a detailed presentation is made which includes information on projects, market shares, financial parameters, working capital management, fund flows, change in senior management, major litigations, compliances, etc. Efforts are also made to acquaint and train the Board members about risk assessment, mitigation plans and the emerging trends in the industry.

The details of such familiarization program are available on the website: www.jashindia.com

## SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS:

List of Core core skills / expertise / competencies identified by the Board of Directors:

1. Knowledge of Industry
2. Risk Management
3. Behavioral skills
4. Business Strategy
5. Sales & Marketing
6. Human Resources & Stakeholder Engagement
7. Forex Management
8. Administration
9. Legal/Finance/Accounting skills
10. Leadership/ Management skills
11. Professional/ Technical skills
12. Board Services & Governance
13. Environment, Social and Governance

The core skills / expertise / competencies identified by the Board of Directors as required in the context of the Company's business and as per Part C of Schedule V of Corporate Governance Report requirements of SEBI (LODR) Regulations, 2015 are available with the Board Members:

### Matrix Setting out Skills / Expertise / Competencies:

| Particulars | Mr. Pratik Patel | Mr. Suresh Patel | Mr. Axel Schutte | Mr. Brij Mohan Maheshwari | Mr. Rahul Patel | Ms. Sunita Kishnani | Mr. Durgalal Tuljaram Manwani | Mr. Vishwapati Trivedi |
|---|---|---|---|---|---|---|---|---|
| Knowledge of Industry | √ | √ | √ | √ | √ | √ | √ | √ |
| Risk Management | √ | √ | √ | √ | √ | √ | √ | √ |
| Behavioural skills | √ | √ | √ | √ | √ | √ | √ | √ |
| Business Strategy | √ | √ | √ | √ | √ | √ | √ | √ |
| Sales &Marketing | √ | √ | √ | | √ | √ | √ | √ |
| Human Resources & Stakeholder Engagement | √ | √ | √ | √ | √ | √ | √ | √ |
| Forex Management | √ | √ | √ | √ | √ | √ | √ | √ |
| Administration | √ | √ | √ | √ | √ | √ | √ | √ |
| Legal/Finance/ Accounting skills | √ | √ | √ | √ | √ | √ | √ | √ |
| Leadership/ Management skills | √ | √ | √ | √ | √ | √ | √ | √ |
| Professional/ Technical skills | √ | √ | √ | √ | √ | √ | √ | √ |
| Board Services & Governance | √ | √ | √ | √ | √ | √ | √ | √ |
| Environment, Social and Governance | √ | √ | √ | √ | √ | √ | √ | √ |

## CONFIRMATION WITH RESPECT TO INDEPENDENT DIRECTOR'S:

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

## INDEPENDENT DIRECTORS' MEETING

The Independent Directors of the Company met on 12th February, 2024, pursuant to Schedule IV of the Act and Regulation 25 of SEBI LODR, all the Independent Directors were present to inter alia discuss, Noting of the report of Performance Evaluation ; competition strategy, leadership, strengths and weakness, governance, compliance, human resource matters, review the performance of non-independent directors and the Board as a whole taking into account the views of executive directors and non-executive directors; Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## AUDIT COMMITTEE:

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

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

a) The audit committee shall have minimum three directors as members.

b) Two-thirds of the members of audit committee shall be independent directors and in case of a listed entity having outstanding equity shares, the audit committee shall only comprise of independent directors.

c) All members of audit committee shall be financially literate and at least one member shall have accounting or related financial management expertise.

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

The Committee met Six (6) times during the year under review on May 23, 2023, August 14, 2023, November 03, 2023, January 16, 2024, February 02, 2024 and March 07, 2024 in accordance with the circular issued by the MCA and SEBI. The time gap between two Meetings was well within the prescribed limits as per the circular issued by the MCA and SEBI. The necessary quorum was present in all the meetings of the Committee.

The Composition of Audit Committee is as follow:

| Sr. No. | Name | Nature of Directorship | Designation in Committee | No of Meeting held/ No of Meeting Attended |
|---|---|---|---|---|
| 1. | Mr. Brij Mohan Maheshwari | Independent & Non Executive Director | Chairman | 6/6 |
| 2. | Mr. Durgalal Tuljaram Manwani | Independent & Non Executive Director | Member | 6/6 |
| 3. | Ms. Sunita Kishnani | Independent & Non Executive Director | Member | 6/4 |
| 4. | Mr. Pratik Patel | Managing Director | Member | 6/6 |

### A. Powers of the Audit Committee:

The powers of the Audit Committee include the following:

a) To investigate any activity within its terms of reference;

b) To seek information from any employee of our Company;

c) To obtain outside legal or other professional advice; and

d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

### B. Role of the Audit Committee:

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

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approving payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approving initial or any subsequent modification of transactions of the company with related parties;
- Scrutinizing inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;





- Monitoring the end use of funds raised through public offers and related matters;
- Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to;

a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013;

b) changes, if any, in accounting policies and practices along with reasons for the same;

c) major accounting entries involving estimates based on the exercise of judgment by management;

d) significant adjustments made in the financial statements arising out of audit findings;

e) compliance with listing and other legal requirements relating to financial statements;

f) disclosure of any related party transactions; and

g) modified opinion in the draft audit report.

- Reviewing, with the management, the quarterly/ half yearly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussing with the internal auditors any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
- Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
- Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.
- Reviewing the utilization of loans and / or advances from / investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/ investments existing as on the date of coming into force of this provision.
- Consider and comment on rationale, cost benefits and impact of scheme involving merger, de-merger, amalgamation etc., on the listed entity and its shareholders;
- Evaluation of internal financial control and risk management system.
- Approval or any subsequent modification of transactions of the company with related party.

### C. Mandatory review by the Audit Committee

The Audit Committee shall mandatorily review the following:

a) management discussion and analysis of financial condition and results of operations;

b) management letters / letters of internal control weaknesses issued by the statutory auditors;

c) internal audit reports relating to internal control weaknesses;

d) the appointment, removal and terms of remuneration of the chief internal auditor; and

e) statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7). ‘

And such other roles & responsibilities pursuant to statutory requirements under the Act, and all rules, circulars and any notifications thereunder and amendments thereof; the SEBI (LODR) Regulation, 2015, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulation 2011 and such other Regulations, as may be notified by the Securities and Exchange Board of India and amendments thereof; and such other roles, powers and obligations as may be entrusted/delegated/authorized to it by the Board.

### NOMINATION AND REMUNERATION COMMITTEE:

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

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

a) the committee shall comprise of at least three directors;

b) all directors of the committee shall be non-executive directors; and

c) at least two - third of the directors shall be independent directors

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

The Committee met Two (2) times during the year under review on May 23, 2023 and August 7, 2023 in accordance with the circular issued by the MCA and SEBI. Necessary quorum was present in all the meetings of the Committee.

**The Composition of Nomination & Remuneration Committee are as follow:**





| Sr. No. | Name | Nature of Directorship | Designation in Committee | No of Meeting held/ No of Meeting Attended |
|---|---|---|---|---|
| 1. | Ms. Sunita Kishnani | Independent & Non Executive Director | Chairperson | 2/2 |
| 2. | Mr. Durgalal Tuljaram Manwani | Independent & Non Executive Director | Member | 2/2 |
| 3. | Mr. Brij Mohan Maheshwari | Independent & Non Executive Director | Member | 2/2 |
| 4. | Mr. Vishwapati Trivedi | Independent & Non Executive Director | Member | 2/2 |

Terms of Reference:

- Identify persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director’s performance.
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the board a policy relating to the remuneration for directors, KMPs and other employees.
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of and independent director, The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

  a) Use the services of an external agencies, if required

  b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and

  c) Consider the time commitments of the candidates.

- formulation of criteria for evaluation of performance of independent directors and our Board;
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Determine our Company’s policy on specific remuneration package for the Managing Director / Executive Director including pension rights.
- Devising a policy on diversity of Board of Directors.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.
- Decide the salary, allowances, perquisites, bonus, notice period, severance fees and increment of Executive Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the senior management.
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To formulate and administer the Employee Stock Option Scheme.

### Performance Evaluation:

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

## REMUNERATION OF DIRECTORS FOR 2023-24:

Remuneration paid to Directors are within the limit prescribed under the Act. The Nomination and Remuneration Committee determine and recommended the Company's Board and thereafter, The Board considers the same for approval. Provided that no other remuneration was paid to the Independent Director except sitting fees for the meetings attended by them. The details of remuneration paid are given hereunder:

| Sr. No. | Name | Designation | Salaries and Allowances | Commission | Sitting Fee | ESOP | Total |
|---|---|---|---|---|---|---|---|
| 1 | Mr. Pratik Patel | Managing Director | 1,23,31,713 | 27,00,647 | - | - | 1,50,32,360 |
| 2 | Mr. Suresh Patel | Executive Director | 55,03,658 | - | - | - | 55,03,658 |
| 3 | Mr. Axel Schutte | Director | - | - | - | - | - |
| 4 | Mr. Brij Mohan Maheshwari | Independent Director | - | - | 1,75,000 | - | 1,75,000 |
| 5 | Ms. Sunita Kishnani | Independent Director | - | - | 1,25,000 | - | 1,25,000 |
| 6 | Mr. Durgalal Tuljaram Manwani | Independent Director | - | - | 1,75,000 | - | 1,75,000 |
| 7 | Mr. Vishwapati Trivedi | Independent Director | - | - | 1,75,000 | - | 1,75,000 |
| 8 | Mr. Rahul Patel | Director | - | - | - | - | - |

During the year, there were no pecuniary relationships or transactions between the Company and any of its Independent Director apart from sitting as disclosed under the "Related Party Transaction" in the financial statement.

## REMUNERATION POLICY:

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

The Company pays remuneration by way of salary, benefits, perquisites and allowances and commission to the Directors. Annual increments are recommended by the Nomination and Remuneration Committee as per the applicable provisions of the Companies Act, 2013, approved by the Board and Members from time to time.





## CRITERIA OF MAKING PAYMENT TO NON-EXECUTIVE /INDEPENDENT DIRECTORS:

The Nomination and Remuneration Committee has laid down criteria for evaluation of the performance of Directors like level of participation of the Directors, understanding of their roles and responsibilities, understanding of the business and competitive environment in which the Company operates, understanding of the strategic issues and challenges for the Company, understanding the terms of reference, effectiveness of the discussions etc. As per Nomination, Evaluation & Remuneration Policy, Company pays sitting fees to Non-Executive Independent Directors on the basis of attendance of such director at the scheduled Board Meeting and Committee Meeting, subject to maximum limit as approved by board.

## SERVICE CONTRACTS, NOTICE PERIOD, SEVERANCE FEES

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. A Separate Service Contract is not entered into by the Company with Executive Directors. No notice period and no severance fee is payable to any Director.

**SHARES HELD BY NON-EXECUTIVE/INDEPENDENT DIRECTOR:**

| Sr. No. | Name | Designation | No. of Equity Share held |
|---|---|---|---|
| 1 | Mr. Axel Schutte | Non-Executive Director | 7,92,807 |
| 2 | Mr. Brij Mohan Maheshwari | Independent Director | - |
| 3 | Mr. Rahul Patel | Non-Executive Director | 71,417 |
| 4 | Ms. Sunita Kishnani | Independent Director | - |
| 5 | Mr. Durgalal Tuljaram Manwani | Independent Director | - |
| 6 | Mr. Vishwapati Trivedi | Independent Director | - |

## STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

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

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

The Committee met two (2) times during the year under review on May 23, 2023 and August 14, 2023 in accordance with the circular issued by the MCA and SEBI. Necessary quorum was present in all the meetings of the Committee.

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

| Sr. No. | Name | Nature of Directorship | Designation in Committee | No of Meeting held/ No of Meeting Attended |
|---|---|---|---|---|
| 1. | Ms. Sunita Kishnani | Independent Director | Member | 2/2 |
| 2. | Mr. Brij Mohan Maheshwari | Independent Director | Chairman | 2/2 |
| 3. | Mr. Pratik Patel | Managing Director | Member | 2/2 |

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

- Considering and resolving grievances of the security holders of the Company, including complaints related to the transfer/transmission of shares, non-receipt of annual report and non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent and review and take note of complaints directly received and resolved them.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual report/ statutory notices by the shareholders of the company.

### Details of Complaints:

As required under the SEBI (LODR) Regulations, 2015, the Company files with the stock exchanges within twenty-one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter and those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter and the said statement is placed before the Board on a quarterly basis. Details of the complaints from shareholders during FY 2023-24 are given below:

| Particulars | Year ended 31st March, 2024 |
|---|---|
| Number of Shareholder's Complaints Received | 0 |
| Number of Complaints solved | 0 |
| Number of Complaints pending | 0 |

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

**MR. TUSHAR KHARPADE**
**Company Secretary & Compliance officer:**
**Jash Engineering Ltd.**
**31, Sector-C, Sanwer Road,**
**Industrial Area,**
**Indore (M.P.)-452001**
**E-mail Id for Investor's Grievances:** info@jashindia.com

### RISK MANAGEMENT COMMITTEE:

The Company has an integrated approach to managing the risks inherent in the various aspects of its business. As a part of this approach, the Company's Board is responsible for monitoring risk levels according to various parameters and ensuring implementation of mitigation measures, if required. There is a mechanism in place to inform Board members about the risk assessment and minimization procedures to ensure that executive management controls risks through a properly defined framework.

According to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015:





**The board of directors shall constitute a Risk Management Committee:**

- The Risk Management Committee shall have minimum three members with majority of them being members of the board of directors, including at least one independent director (and in case of a listed entity having outstanding SR equity shares, at least two thirds of the Risk Management Committee shall comprise independent directors).
- The Chairperson of the Risk management committee shall be a member of the board of directors and senior executives of the listed entity may be members of the committee.

The Committee met Two (2) time during the year under review on August 14, 2023 and January 16, 2024 in accordance with the circular issued by the MCA and SEBI. Necessary quorum was present in all the meetings of the Committee.

The Composition of Risk Management Committee are as follow:

| Sr. No. | Name | Nature of Directorship | Designation in Committee | No of Meeting held/ No of Meeting Attended |
|---|---|---|---|---|
| 1. | Ms. Sunita Kishnani | Independent Director | Member | 2/2 |
| 2. | Mr. Brij Mohan Maheshwari | Independent Director | Chairman | 2/2 |
| 3. | Mr. Pratik Patel | Managing Director | Member | 2/2 |
| 4. | Mr. Durgalal Tuljaram Manwani | Independent Director | Member | 2/2 |

**The role of the committee are as follows:**

- TO FORMULATE A DETAILED RISK MANAGEMENT POLICY WHICH SHALL INCLUDE:

a) framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b) Measures for risk mitigation including systems and processes for internal control of identified risks.

c) Business continuity plan.

- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee coordinates its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

## CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

EVERY COMPANY HAVING:

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

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

To follow above mentioned provisions, our Company has constituted a CSR Committee in accordance with the provisions of section 135 of Companies Act, 2013. The constitution of the CSR Committee was approved by a meeting of the Board and reconstituted as per requirements. The CSR Committee comprises the following Directors as on 31st March 2024:

| Sr. No. | Name | Nature of Directorship | Designation in Committee | No of Meeting held/ No of Meeting Attended |
|---|---|---|---|---|
| 1. | Mr. Brij Mohan Maheshwari | Independent Director | Member | 2/2 |
| 2. | Mr. Durgalal Tuljaram Manwani | Independent Director | Member | 2/2 |
| 3. | Mr. Suresh Patel | Executive Director | Member | 2/2 |

The Committee met two (2) times during the year under review on May 23, 2023 and February 2, 2024 in accordance with the circular issued by the MCA and SEBI. Necessary quorum was present in all the meetings of the Committee.

### Role and objective of Committee:

- Formation and recommendation of CSR Policy to the Board;
- Formulate and recommend to the Board, an Annual Action Plan in pursuance of the CSR Policy.
- Identification of activities to be undertaken by the Company.
- Recommendation of amount of expenditure on CSR.
- Monitor the CSR Policy from time to time.

## EXECUTIVE & BORROWING COMMITTEE:

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

| Sr. No. | Name | Nature of Directorship | Designation in Committee |
|---|---|---|---|
| 1. | Mr. Pratik Patel | Managing Director | Chairman |
| 2. | Mr. Suresh Patel | Executive Director | Member |





## SENIOR MANAGEMENT PERSONNEL:

Particulars of Senior Management Personnel as per the SEBI (LODR), Regulations, 2015

| Sr. No. | Name | Designation |
|---|---|---|
| 1 | Mr. Dharmendra Jain | Chef Financial Officer |
| 2 | Mr. Tushar Kharpade | Company Secretary and Compliance Officer |
| 3 | Mr. Bhuvanesh Pandey | Chief Operating Officer |

## GENERAL BODY MEETINGS:

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

| Year | AGM/EGM | Date | Time | Venue | Special Resolution Passed |
|---|---|---|---|---|---|
| 2020-21 | AGM-47th | 16/09/2021 | 11:00 A.M. | Jash Engineering Ltd. 31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.)-452001 (Through Video Conferencing) | 2 |
| 2021-22 | AGM- 48th | 23/09/2022 | 11:00 A.M. | Jash Engineering Ltd. 31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.)-452001 (Through Video Conferencing) | 7 |
| 2022-23 | AGM- 49th | 29/09/2023 | 11:00 A.M. | Jash Engineering Ltd. 31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.)-452001 (Through Hybrid mode) | 6 |

### b) Extraordinary General Meetings:

There was no Extraordinary General Meeting (EGM) held during the preceding three (3) financial years. During the FY 2023-24, below mentioned EGM was held:

| FY | Location | Date and Time | Special Resolutions passed |
|---|---|---|---|
| 2023-24 | Through Video Conferencing (VC) | Tuesday 5th December, 2023 at 11:00 AM | » Offer, Issue and Allot Equity Shares on Preferential Basis to Non-Promoters for other than Cash. (Special Resolution)<br>» Reclassification of certain members of Promoter Group. (Ordinary Resolution)<br>» To approve capital raising by way of issuance of equity shares and/or equity linked securities by way of Qualified Institutions Placement (“QIP”). (Special Resolution) |

| | | | |
|---|---|---|---|
| 2023-24 | Through Video Conferencing (VC) | Thursday 15th February, 2024 at 11:00 AM | » Issue of convertible warrants on preferential basis to persons belonging to promoter category. (Special Resolution)<br>» Issue of convertible warrants on preferential basis to persons belonging to non-promoter category. (Special Resolution)<br>» Issue of equity shares on preferential basis to non-promoters. (Special Resolution) |

### c) Special Resolution passed through postal ballot: NA

During the FY 2023-24, no resolution was passed through the postal ballot.

### Means of Communication:

**a)** Quarterly Results: The Company's quarterly financial results are posted on the Company's website. During the financial year, the financial results were published in Financial Express, The Economic Times, Dainik Bhaskar and Choutha Sansar. Financial results and all material information are also regularly provided to the stock exchanges as per the requirements of the SEBI (LODR) Regulations, 2015 and are available on their websites.

**b)** News releases: The official news releases are intimated to the stock exchanges and are also uploaded on the Company's website.

**c)** Presentations to the institutional investors/analysts: The detailed investor updates/presentations are sent to the stock exchanges on the Company's quarterly, half yearly as well as annual financial results and same are made available to the investors and financial analysts. Further, the Company hosts earnings call with the Investors/Analysts after publishing its quarterly results and the details of the earnings call and transcripts of the earnings call are uploaded on the stock exchanges. The recording & transcripts of the earning call with the investors/analysts are also uploaded on the Company's website.

**d)** Company's Website: The Company' website www.jashindia.com contains a separate section on "Investor", where relevant information is available.

**e)** Designated e-mail ID: The Company has a designated e-mail ID, namely info@jashindia.com for the shareholders.

**f)** Stock Exchange Filings: NSE Electronic application processing system (NEAPS) is a web-based application designed by the National Stock Exchange of India Limited for corporate. All periodical and other Compliance filings are filed electronically on NEAPS.

**g)** SEBI Complaints Redress System (SCORES): Investor complaints are processed at the Securities and Exchange Board of India in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaints and their current status.

**h)** Reminders to Members: Company has sent individual letters to the Members for claiming unclaimed & unpaid dividend and unclaimed shares. Members were also remind on several instances to dematerialize their shares/update their PAN, Bank Account details, Nomination and other KYC details.





## GENERAL SHAREHOLDER INFORMATION:

| | |
|---|---|
| Financial Year | 2023-2024 |
| Date of Incorporation | 29/09/1973 |
| CIN Number: | L28910MP1973PLC001226 |
| Venue: | 31, Sector-C, Sanwer Road, Industrial Area, Indore (M.P.)-452015 |
| Stock Code: | JASH |
| ISIN: | INE039O01011 |
| Annual General Meeting For 2023-24: | 50TH Annual General Meeting |
| Date: | 26th September 2024 |
| Day: | Thursday |
| Time: | 11:00 A.M. |
| Dividend Payment Date: | Within the statutory time limit of 30 days, subject to the approval of members in Annual General Meeting. |

## LISTED ON STOCK EXCHANGE:

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

## PAYMENT OF LISTING FEES:

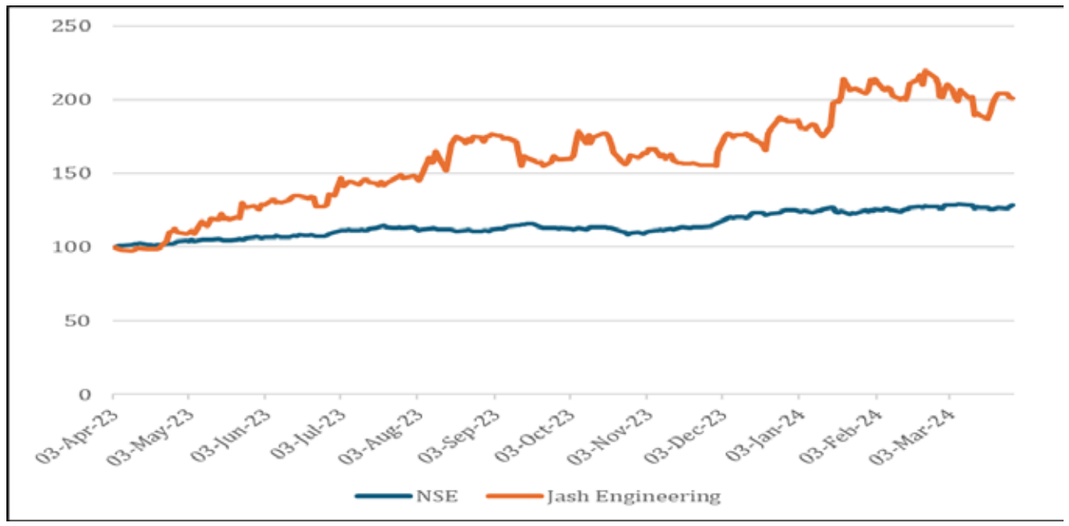
Annual listing fee for the year 2024-25 has been paid by the Company to NSE where the shares of the Company are listed.

## MARKET PRICE DATA:

Market Price Data: High/Low during each month during the Financial Year 2023-2024:

| Market Price Data: High/Low during each month during the Financial Year 2023-2024 | | | | | | |
|---|---|---|---|---|---|---|
| Month | NSE - Jash Engineering | | | NSE Nifty 50 | | |
| | High Price (Rs) | Low Price (Rs) | Close Price (Rs) | High Price (Rs) | Low Price (Rs) | Close Price (Rs) |
| April | 970 | 805 | 929 | 18,089 | 17,313 | 18,065 |
| May | 1,120 | 911 | 1,061 | 18,662 | 18,042 | 18,534 |
| June | 1,190 | 1,051 | 1,136 | 19,202 | 18,465 | 19,189 |
| July | 1,290 | 1,163 | 1,250 | 19,992 | 19,234 | 19,754 |
| August | 1,503 | 1,205 | 1,475 | 19,796 | 19,224 | 19,254 |
| September | 1,530 | 1,269 | 1,345 | 20,222 | 19,256 | 19,638 |
| October | 1,534 | 1,251 | 1,364 | 19,850 | 18,838 | 19,080 |
| November | 1,444 | 1,295 | 1,306 | 20,159 | 18,974 | 20,133 |
| December | 1,627 | 1,290 | 1,564 | 21,801 | 20,184 | 21,731 |
| January | 1,855 | 1,465 | 1,803 | 22,124 | 21,137 | 21,726 |
| February | 1,918 | 1,632 | 1,701 | 22,298 | 21,530 | 21,983 |
| March | 1,789 | 1,564 | 1,695 | 22,527 | 21,710 | 22,327 |

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




## CATEGORY OF SHAREHOLDERS AS ON MARCH 31, 2024:

| Sr. No. | Particular | % of Shareholding | Number of Shareholding |
|---|---|---|---|
| 1 | Promoter and Promoter Group Resident Individual | 41.89 | 5184569 |
| 2 | Promoter and Promoter Group Foreign Individual | 3.33 | 411595 |
| 3 | Promoter and Promoter Group Body Corporate | 4.22 | 522800 |
| 4 | Public Institutions | 4.77 | 590347 |
| 5 | Public Non-Institutions | 45.79 | 5667094 |

## DEMATERIALISATION OF SHARES AS ON MARCH 31, 2024:

| Sr. No. | Particular | % of Shareholding | Number of Shareholding |
|---|---|---|---|
| 1 | Physical | 1.59 | 196200 |
| 2 | CDSL | 41.09 | 5085573 |
| 3 | NSDL | 57.32 | 7094632 |

## RECONCILIATION OF SHARE CAPITAL:

As stipulated by Securities and Exchange Board of India ("SEBI"), a Practicing Company Secretary carries out the audit of Reconciliation of Share Capital and provides a report to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The reconciliation is carried out every quarter and the report thereon is submitted to Stock exchanges and is also placed before the Board. The audit, inter-alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.





## SHARE CAPITAL DETAILS: DISTRIBUTION OF EQUITY SHAREHOLDING AS ON MARCH 31, 2024:

| Sl. No | Range of shares | No. of Shareholders | % to Shareholders | Total no. of Shares | % to Equity |
|---|---|---|---|---|---|
| 1 | 1-500 | 8707 | 88.1097 | 514800 | 4.1595 |
| 2 | 501-1000 | 405 | 4.0984 | 313446 | 2.5326 |
| 3 | 1001-2000 | 346 | 3.5013 | 481832 | 3.8931 |
| 4 | 2001-3000 | 109 | 1.1030 | 273779 | 2.2121 |
| 5 | 3001-4000 | 50 | 0.5060 | 178476 | 1.4421 |
| 6 | 4001-5000 | 55 | 0.5566 | 257156 | 2.0778 |
| 7 | 5001-10000 | 92 | 0.9310 | 657751 | 5.3146 |
| 8 | 10001 & above | 118 | 1.1941 | 9699165 | 78.3682 |
| | Total | 9882 | 100 | 12376405 | 100 |

## REGISTRAR & SHARE TRANSFER AGENT:

M/s Link Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West) Mumbai, Maharashtra – 400083, Ph. 022 49186272 email : rnt.helpdesk@linkintime.co.in.

## SHARE TRANSFER SYSTEM:

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

## OUTSTANDING ADRS /GDRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS:

The Company had not issued any GDRs / ADRs/ Warrants or any Convertible instruments in the past and hence as on 31st March, 2024 the Company does not have any outstanding GDRs/ ADRs/ Warrants or convertible instruments.

## IN CASE THE SECURITIES ARE SUSPENDED FROM TRADING, THE DIRECTORS REPORT SHALL EXPLAIN THE REASONS THEREOF: NA

## COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES:

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

## CREDIT RATINGS:

The Company does not have any debt instrument, fixed deposit programme or any scheme or proposal for mobilization of funds. Hence, during the year, it had not obtained any credit rating for this purpose.

## PLANT LOCATIONS:

The Company has various offices in India and abroad. Details of these locations are available on our website www.jashindia.com.

## ADDRESS FOR CORRESPONDENCE:

**Jash Engineering Ltd.**

**CIN: L28910MP1973PLC001226**

**31, Sector-C, Sanwer Road, Industrial Area,**

**Indore (M.P.)-452015 INDIA**

**E-mail: info@jashindia.com**

## CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE:

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

## OTHER DISCLOSURE:

### » Employee Stock Option Scheme:

In the present competitive economic environment in the country and in the long-term interests of the Company and its shareholders, it is necessary that the Company adopts suitable measures for attracting and retaining qualified, talented and competent personnel. An employee stock option scheme, designed to foster a sense of ownership and belonging amongst personnel, is a well-accepted approach to this end. It is, therefore, appropriate to consider an Employee Stock Option Scheme for the employees of the Company and/or subsidiary company(ies) whether working in India or abroad. The Nomination and Remuneration Committee, inter alia administers and monitors the Company's employees' stock option scheme (ESOP Scheme) in accordance with the applicable SEBI (Share Based Employee Benefits) Regulations, 2014 (SEBI SBEB). The details on Options granted, exercised and lapsed during the financial year 2023-24 and other particulars as required under the Act, read with its rules and SEBI (Share Based Employee Benefits) Regulations, 2014 with regard to Employees' Stock Options are enclosed herewith as Annexure - J to the Board Report. Details of ESOP Scheme are also available on the Company's website. www.jashindia.com

Your Company has on 22/04/2024 allotted 1,36,140 Equity shares of the Company to the eligible employee of Company, under Jash Engineering Employee Stock Option Scheme 2019" (JASH ESOP Scheme 2019), out of which 1,16,420 Equity shares were allotted under ESOP 2019 Stage I and 19,720 Equity shares were allotted under ESOP 2019 Stage II.

### » Subsidiary Companies including Foreign Subsidiaries:

| Sr. No. | Name of the Company* | Status as on 1st April, 2023 | Any change in status | Status as on 31stMarch, 2024 |
|---|---|---|---|---|
| 1 | Shivpad Engineers Pvt. Ltd. | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |
| 2 | Jash USA Inc. USA | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |
| 3 | Mahr Maschinenbau Ges. mbH | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |
| 4 | Engineering and Manufacturing Jash Limited | Wholly Owned Subsidiary | - | Wholly Owned Subsidiary |

### » Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

| Sr. No. | Name of the Material Subsidiary | Date of Incorporation | Place of Incorporation | Statutory Auditor |
|---|---|---|---|---|
| 1 | Jash USA Inc. USA | 6th December, 2010 | Delaware, USA | Not Applicable as per Local Laws |

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





### » Related Party Transaction:

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

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

### » Vigil Mechanism/Whistle Blower Policy:

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

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

### » Compliance with Mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI (LODR) Regulation, 2015.

### » Disclosure of Compliance with Corporate Governance Requirements:

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

| Item | Compliance status (Yes/No/ NA) | Weblink |
|---|---|---|
| Details of business | Yes | www.jashindia.com |
| Terms and conditions of appointment of independent directors | Yes | https://jashindia.com/investors/ |
| Composition of various committees of board of directors | Yes | https://jashindia.com/wp-content/uploads/2023/04/Details-of-Commttees.pdf |
| Code of conduct of board of directors and senior management personnel | Yes | https://jashindia.com/wp-content/uploads/2021/06/CODE-OF-CONDUCT.pdf |
| Details of establishment of vigil mechanism/ Whistle Blower policy | Yes | https://jashindia.com/wp-content/uploads/2021/06/VIGIL-MECHANISM.pdf |
| Policy on dealing with related party transactions | Yes | https://jashindia.com/wp-content/uploads/2022/09/Policy-on-Related-Party-Transactions.pdf |

| | | |
|---|---|---|
| Policy for determining 'material' subsidiaries | Yes | https://jashindia.com/wp-content/uploads/2022/09/Policy-on-Material-Subsidiary.pdf |
| Details of familiarization programs imparted to independent directors | Yes | https://jashindia.com/wp-content/uploads/2021/06/FAMILIARIZATION-PROGRAMME-OF-INDEPENDENT-DIRECTOR.pdf |
| Email address for grievance redressal and other relevant details entity who are responsible for assisting and handling investor grievances | Yes | https://jashindia.com/wp-content/uploads/2022/08/INVESTOR-HELPDESK.pdf |
| Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances other relevant details | Yes | https://jashindia.com/wp-content/uploads/2022/08/INVESTOR-HELPDESK.pdf |
| Financial results | Yes | https://jashindia.com/wp-content/uploads/2024/05/Outcome-JASH |
| Notice of Board Meeting where Financial Results shall be discussed | | https://jashindia.com/wp-content/uploads/2023/05/Outcome-JASH |
| Shareholding pattern | Yes | https://jashindia.com/wp-content/uploads/2024/07/SHP-Report |
| Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange | Yes | https://jashindia.com/investors/OtherFilingsWithStockExchange |
| Advertisements as per regulation 47 (1) | Yes | https://jashindia.com/investors/OtherFilingsWithStockExchange |
| Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year | Yes | https://jashindia.com/investors/FINANCIALSUBSIDIARIES |
| Materiality Subsidiary Policy | Yes | https://jashindia.com/wp-content/uploads/2022/09/Policy-on-Material-Subsidiary.pdf |
| Dividend Distribution policy as per Regulation 43A (as applicable) | Yes | https://jashindia.com/wp-content/uploads/2023/04/Dividend-Distribution-Policy.pdf |
| Annual Report | Yes | https://jashindia.com/wp-content/uploads/2022/09/Jash-Engineering-ANNUAL-REPORT |
| Secretarial Compliance Report | Yes | https://jashindia.com/investors/SecretarialComplianceReport |
| Annual Return as provided under Companies Act, 2013 | Yes | https://jashindia.com/investors/AnnualReturn |
| Investor Presentations & Transcripts | Yes | https://jashindia.com/investors/INVESTORCALLS&PRESENTATION |





| | | |
|---|---|---|
| Disclosure of contact details of Key Managerial Personnel who are authorized for authorized for the purpose of determining materiality of an event or information and for the purpose of making disclosures to stock exchange. | Yes | https://jashindia.com/wp-content/uploads/2022/09/Policy-for-Determination-of-Materiality-of-Events-and-Information.pdf |
| Notice of board meeting where financial results shall be discussed | Yes | https://jashindia.com/investors/#shareholder-information/boardmeeting |

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

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

» **Disclosure of the Extent to which the Discretionary Requirements as specified in Part E of Schedule II have Been Adopted:**

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

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

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

**C.** Modified opinion(s) in audit report: The auditors have not qualified the financial statement of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements.

**D.** Separate posts of Chairperson and CEO: Presently, Mr. Pratik Patel is the Chairman & Managing Director of the Company.

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

» **Code of Conduct of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI):**

The Compliance Officer and Managerial personals deals with dissemination of information and disclosure of unpublished price sensitive information under the Policy and the said Policy is available on the website of the Company.

» **Role of Company Secretary:**

The functions of Company Secretary are discharged by Mr. Tushar Kharpade. He pays an important role in ensuring that the procedures are followed and regularly reviewed. He also ensure that all relevant information, details and documents are made available to the directors and senior management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist the board in conduct of affairs of the company, to ensure compliance with applicable statutory requirements.

» **Prohibition of Insider Trading:** With a view to regulate trading in securities by the directors and designated persons, the Company has adopted a Code for prohibition of insider trading known as the Code to Regulate, Monitor and Report Trading by Designated Persons in Securities of Jash Engineering Limited.

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

» No. of Complaints on Sexual Harassment received during year: N.A.

» No. of Complaints disposed off during the Year: N.A.

» No. of cases pending as on end of the Financial Year: N.A.

» **Any recommendations received from the committee and not accepted by the Board and reasons thereof – Nil**

» **Detailed reasons for the resignation of an Independent Director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided: Nil**

» **In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account: Nil.**

» **Unpaid / Unclaimed Dividends & Shares – Investor Education and Protection Fund (IEPF):**

| Sr. No. | Financial Year | Declaration Date* | Un-claimed Amount in INR |
|---|---|---|---|
| 1 | 2016-2017 | September 30, 2017 | 18,700 |
| 2 | 2017-2018 | September 21, 2018 | 1,59,469 |
| 3 | 2018-2019 | September 14, 2019 | 36,150 |
| 4 | 2019-2020 - Interim | March 7, 2020 | 33,304.50 |
| 5 | 2019-2020 | September 29, 2020 | 15,238 |
| 6 | 2020-2021 | September 16, 2021 | 1,02,515.20 |
| 7 | 2021-2022 | September 23, 2022 | 51,429.80 |
| 8 | 2022-2023 | September 29, 2023 | 85,944 |

*Pursuant to the provisions of Sections 124, 125 and other applicable provisions of the Companies Act, 2013 (**"the Act"**) read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (**"IEPF Rules"**), the dividend which remains unpaid/ unclaimed for a period of 7 (seven) consecutive years from the date of transfer to the unpaid dividend account along with the shares on which dividend has not been encashed by the Members for 7 (seven) consecutive years has to be transferred to Investor Education and Protection Fund (**"IEPF"**) within the prescribed time.

During the year under review, unclaimed dividend for the FY 2015-16 amounting to INR 12,700/- pertaining to Three Members has been transferred to IEPF Authority.

The Company sends communication and reminder letters, from time to time, to the respective Members whose dividends are unpaid/unclaimed and/ or due for transfer to IEPF and provides facilitation/ support to Members as and when required, to enable them to claim their dividend entitlements before it is transferred to IEPF Authority in accordance with IEPF Rules.

The details of Members and their unclaimed dividend/ equity shares entitlements / transferred / liable to be transferred to IEPF Authority are uploaded on the Company's website www.jashindia.com. The Members are requested to approach the Company and/or RTA for any support to claim their entitlements, if any.

Contact Information of the Company Secretary as the Nodal Officer for the purpose of Co-ordination with the IEPF Authority is available on the website of the Company at www.jashindia.com.

» **Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A):**

During the year under review, Company raised funds through preferential allotment of 3,46,447 Equity shares and 30000 convertible warrants. Details of Allotment and utilization of funds are as under:





| Sr. No. | Number of Equity Shares allotted | Date of allotment | Utilization of funds |
|---|---|---|---|
| 1 | 1,04,232 Equity Shares | 16/01/2024 | 1,04,232 Equity Shares were allotted through preferential allotment, for consideration other than cash to discharge part of the total Purchase Consideration payable for acquisition of the Waterfront Company by acquiring 80% stake of the Waterfront Company from the Allottees for consideration other than cash settled by allotment of Equity Shares of the Company. |
| 2 | 2,42,215 Equity Shares | 07/03/2024 | 2,42,215 Equity Shares were allotted to Non-Promoters, at a price of Rs. 1527.50/- (Rupees One Thousand Five Hundred Twenty-Seven and Paisa Fifty only) per Equity Share (including a premium of Rs. 1517.50/- (Rupees One Thousand Five Hundred Seventeen and Paisa Fifty only). The proceeds of the Preferential Issue of Rs. 36,99,83,412.50/- which were raised shall be utilized for working capital requirements of subsidiaries, towards funding capital expenditure of subsidiaries and other general corporate purposes of the Company and out of issue proceeds Rs. 38,80,000/- was paid as an issue expenses and unutilized amount is Rs. 36,61,03,412.50/-. |
| 3 | 29999 Convertible Warrants | 07/03/2024 | The company has allotted of 29999 Convertible Warrants to persons belonging to Promoter and Non-Promoter category, each convertible into, or exchangeable for, 1 (one) fully paid-up Equity Share each at a price of Rs. 1527.50 /- (Rupees One Thousand Five Hundred Twenty-Seven and Paisa Fifty Only) per Warrant each payable in cash and an amount equivalent to 25% of the Warrant Issue Price was paid at the time of subscription aggregating up to Rs. 11,456,073/- which is unutilized. |

» **Total Fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

(all amount in INR Lakhs unless stated otherwise)

| Payment to the Statutory Auditor | For the year ended 31 March, 2024 | For the year ended 31 March, 2023 |
|---|---|---|
| For statutory audit | 39.00 | 29.00 |
| Certifications Services | 2.10 | 0.35 |
| Other Services – fees for the review purpose of subsidiary | 20.00 | 15.00 |
| Reimbursement of expenses | 1.42 | 1.18 |
| Total | 62.52 | 45.53 |

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

- **Certificate pursuant to Regulation 34(3) and Schedule V para D of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, attached as "Annexure-3" of Corporate Governance Report, from Managing Director stating that the Board of Directors and Senior management personnel have affirmed with the code of conduct of board of directors and senior management.**
- **Certificate from Managing Director / Chief Executive Officer & Chief Financial Officer, pursuant to Regulation 17(8) of the SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015, attached as "Annexure-4" of Corporate Governance Report.**
- **During the year under review Company and its subsidiaries has not taken any Loans and advances in the nature of loans to firms/companies in which directors are interested.**
- **Policy for Determination of Materiality of Event or Information:** The Company has in place for Determination of Materiality of Events or information which are required to be disclosed to the Stock Exchanges. This Policy is available on the website of the Company.
- **Non-compliance of any requirement of corporate governance report: NA**
- **Business Responsibility and Sustainability Report:** Pursuant to the Regulation34 of the SEBI (LODR) Regulations, 2015, the company has prepared Business Responsibility and Sustainability Report and the same forms a part of this Annual Report under Annexure K.
- **Agreement binding listed entities:** No agreement has been entered or executed by the shareholders, promoter group entities, Related Parties, Directors, Key Managerial Personnel and Employees of the Company during the Financial Year.
- **Disclosures on materially significant related party transaction that may have potential conflict with the interests of listed entity at large:** During the year under review there was no material related party transaction which might have had a potential conflict of interest of the listed entity at large.
- **Disclosure of Accounting Treatment:** The Company has adopted the prescribed accounting standards i.e. Indian Accounting Standards ("Ind AS"), for preparation of financial statements during the year.
- **Disclosure with respect to demat suspense account/unclaimed suspense account (unclaimed shares):** During the year under review there are no unclaimed shares are required to transfer in suspense account/ unclaimed suspense account.
- **Code of Conduct:**

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





## Annexure-1 to Corporate Governance Report:

## Certificate of Non-Disqualification of Directors

### [Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA) or any such other Statutory Authority.

**Details of Directors:**

| Sl. No. | Name of Director | Designation | DIN | Original Date of Appointment | Date of Cessation |
|---|---|---|---|---|---|
| 1. | Mr. Pratik Patel | Chairman & Managing Director | 00780920 | 01/10/2000 | - |
| 2. | Mr. Suresh Patel | Executive Director | 00012072 | 14/02/2020 | - |
| 3. | Mr. Axel Schutte | Non-Executive Director | 02591276 | 29/09/2001 | - |
| 4. | Mr. Brij Mohan Maheshwari | Independent Director | 00022080 | 25/08/2017 | - |
| 5. | Mr. Rahul Patel | Non-Executive Director | 09201061 | 14/11/2022 | - |
| 6. | Ms. Sunita Kishnani | Independent Director | 06924681 | 25/08/2017 | - |
| 7. | Mr. Durgalal Tuljaram Manwani | Independent Director | 07114081 | 25/08/2017 | - |
| 8. | Mr. Vishwapati Trivedi | Independent Director | 00158435 | 13/08/2018 | - |

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

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

This certificate has been issued at the request of the company to make disclosure in its Corporate Governance Report for the Financial Year ended 31st March, 2024.

**DATE: 08/08/2024**
**PLACE: INDORE**
**UDIN: F013203F000931296**

**CS ANKIT JOSHI**
**PRACTICING COMPANY SECRETARY**
**M. No.: F13203**
**C.P No.: 18660**
**PR No: 1453/2021**





## Annexure-2 to Corporate Governance Report:

# Corporate Governance Compliance Certificate

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

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

I have examined all the relevant records of Jash Engineering Ltd. ("the Company") for the year ended on March 31, 2024, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["Listing Regulations"]. I have also obtained all the information and explanations which, to the best of my knowledge and belief were necessary for the purposes of certification.

In my opinion and to the best of my information and according to the explanations and information furnished to me and representations made by the management, I certify that the Company, to the extent applicable, has complied with all the mandatory requirements of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations.

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

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

**DATE: 08/08/2024**
**PLACE: INDORE**
**UDIN: F013203F000931362**

**CS ANKIT JOSHI**
**PRACTICING COMPANY SECRETARY**
**M. NO.: F13203**
**C.P NO.: 18660**
**PR/No: 1453/2021**

## Annexure-3 to Corporate Governance Report:

### Declaration by the Managing Director under SEBI (LODR) Regulation, 2015 Regarding Compliance with Code of Conduct and Ethics

In accordance with Schedule V, Para D of the SEBI (LODR) Regulation, 2015 as amended from time to time, I Pratik Patel, Managing Director of the Company hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended March 31, 2024

**Date: 09th May 2024**
**Place: Indore**

For and on behalf of Board of Director of
**JASH Engineering Limited**

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





## ANNEXURE-4 TO CORPORATE GOVERNANCE REPORT:

### MD/CEO & CFO CERTIFICATION PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

**To,**
**The Board of Directors**
**JASH Engineering Limited**

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

A. We have reviewed the financial statements (standalone and consolidated) and the cash flow statement ( standalone and consolidated ) for the financial year 2023-24 and that to the best of our knowledge and belief:

1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the Auditors and the Audit Committee:

1. significant changes in internal control over financial reporting during the year; if any

2. significant changes in accounting policies during the year if any and that the same have been disclosed in the notes to the financial statements; and

3. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For JASH Engineering Limited**

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

**Sd/-**
**Dharmendra Jain**
**CFO**

**Date: 09th May 2024**
**Place: Indore**

Annexure-D

# NOMINATION AND REMUNERATION POLICY

The philosophy for remuneration of directors, Key Managerial Personnel ('KMP') and all other employees of Jash Engineering Limited ('company') is based on the commitment of fostering a culture of leadership with trust. A transparent, Fair and reasonable process for determining the appropriate remuneration at all levels of the Company is required to ensure that the members remain informed and confident in the management of the company. The remuneration policy is aligned to this philosophy.

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

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

## Definitions

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

**"Board"** means Board of Directors of Jash Engineering Limited

**"Company"** means Jash Engineering Limited

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

"**Directo**r" means a director appointed to the Board of the Company.

**"Independent Director"** means a director referred to in Section 149(6) of the Companies Act, 2013, read with Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015.

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

**"Non Executive Director"** includes Independent Directors.

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

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

Unless the Context otherwise requires, words and expressions used in the Policy and not defined herein but defined in the Act and the SEBI (LODR) Regulation, 2015, as may be amended from time to time.

## APPLICABILITY

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





## CONSTITUTION OF THE NOMINATION & REMUNERATION COMMITTEE

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

## OBJECTIVE

**The objective of the policy is to ensure that.**

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; 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.
- While determining the remuneration of the Directors (including Non-Executive Directors) and KMP and the Senior Management Personnel, regard should be made to prevailing market conditions business performance and practices in comparable companies as also to financial and commercial health of the Company as well as prevailing laws and government /other guidelines, to ensure that pay structures are appropriately aligned and the level of remuneration remains appropriate.

  The committee shall observe the set of principals and objectives as envisaged under the Act, (including Section 178 thereof), rules framed there under and the SEBI (LODR) Regulations, 2015, including, inter-alia, principals pertaining to determining qualifications, positive attributes, integrity, and independence.

## ROLE OF THE COMMITTEE

Nomination and Remuneration Committee shall govern the following.

3. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

   - For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

     a) use the services of an external agencies, if required;

     b) consider candidates from a wide range of backgrounds, having due regard to diversity; and

     c) consider the time commitments of the candidates.

4. formulation of criteria for evaluation of performance of independent directors and the board of directors;

5. devising a policy on diversity of board of directors;

6. identifying persons who are qualified to become directors and who may be appointed in senior managment in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

7. whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

8. recommend to the board, all remuneration, in whatever form, payable to senior management.

9. Succession planning for replacing Key executive and overseeing.

10. Noting of delegation of administrative power to ESOP Trust

11. Approval for grant and allotment of stock options under ESOP Scheme of the Company

12. To carry out any other function as in mandated by the Board from time to time and/or enforced by any statutory.

## APPOINTMENT OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

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

### » 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.

### » 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 and shall also be governed by the provisions of the Act and compliance of the SEBI (LODR) Regulation, 2015.

### » SENIOR MANAGEMENT

The appointment of the Senior Management shall made in accordance with the Human Resource guidelines of the Company, Subject to necessary recommendation from the committee.

### » OTHER EMPLOYEES

Other employees will be appointed as per the Human Resource guidelines of the Company from time to time.

## POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

1. Remuneration to Managing Director / Whole-time Directors

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2. Remuneration to Non- Executive / Independent Directors

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

e) The Services are rendered by such Director in his capacity as the professional; and

f) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

g) Board of Directors of Company shall of administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

3. Remuneration to Key Managerial Personnel and Senior Management

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Nomination and Remuneration Committee of the Company administering the Employee Stock Option/ Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.

c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.

d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

## EVALUATION

The Committee shall carry out evaluation of performance of Director, Key Managerial Personnel and Senior Management Personnel yearly or at such intervals as may be considered necessary. The Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. 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.

**IMPLEMENTATION**

a) The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.

b) 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. This Policy shall also be placed on the website of the Company www.jashindia.com. Further, as per the provisions of the Act and the SEBI (LODR) Regulations, 2015, as amended from time to time.

**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.

**Policy review:**

a) This Policy is framed based on the provisions of the Applicable Laws.

b) In case of any subsequent changes in the provisions of the Applicable Laws which makes any of the provisions in the Policy inconsistent with such provision of the Applicable Laws, then such provisions of the Applicable Law would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with Applicable Laws.

c) This Policy shall be reviewed by the Committee, as required from time to time. Any changes or modification to the Policy as recommended by the Committee would be placed before the Board for their approval.

For & on behalf of the board of directors of
**Jash Engineering Limited**

**DATE: 8th August 2024**
**Place: Indore**

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

**Sd/**
**Suresh Patel**
**Executive Director**
**DIN: 00012072**





## Annexure-E MR-3

### SECRETARIAL AUDIT REPORT
### FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2024** 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, 2024 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, 2018);

c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

ii) Provisions of the following regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) ***were not applicable to the company during the Financial Year under report:***

a) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing Of Non-Convertible Securities) Regulations, 2021;

b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

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

i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by ICSI under the provisions of the Companies Act, 2013;

ii) SEBI (LODR) Regulations, 2015 and the Listing Agreements entered into by the Company with National Stock Exchange of India Limited;

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

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 have 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, the Company have undergone:





» Swap of shares on February 12, 2024, and had allotted 1,04,232 equity shares as per the fair value mentioned in the Valuation Report

» Allotment of 2,42,215 equity shares to Non-Promoter Group was made on March 7, 2024

» Allotment of Convertible Warrants of 15,000 and 14,999 Respectively to Promoter as well as Non-Promoter on March 7, 2024.

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

**CS ANKIT JOSHI**
**PRACTICING COMPANY SECRETARY**
**M.NO. F13203**
**C.P. NO. 18660**
**PR NO. 1453/2021**

**PLACE: INDORE**
**DATE: 08/08/2024**
**UDIN: F013203F000931175**

## '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.** Occupational Safety, Health and Working Conditions Code, 2020;

**J.** Trade Marks Act, 1999;

**K.** The Legal Metrology Act, 2009;

**L.** Acts as prescribed under Shop and Establishment Act of various local authorities.

**M.** All General Laws related to Direct and indirect Taxation, GST, Labour Law and other incidental Law of respective states.

**N.** 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;

**CS ANKIT JOSHI**
**PRACTICING COMPANY SECRETARY**
**M.NO. A50124**
**C.P. NO. 18660**
**PR NO. 1453/2021**

**PLACE: INDORE**
**DATE: 08/08/2024**
**UDIN: F013203F000931175**





## 'ANNEXURE II'

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the effica cy or effectiveness with which the management has conducted the affairs of the company.

**CS ANKIT JOSHI**
**PRACTICING COMPANY SECRETARY**
**M.NO. A50124**
**C.P. NO. 18660**
**PR NO. 1453/2021**

**PLACE: INDORE**
**DATE: 08/08/2024**
**UDIN: F013203F000931175**

## Annexure-F

### Form No. AOC-2

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

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

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

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrange ments 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 contracts or arrangement or transactions at arm's length basis:**

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements/ transactions | Nature of Relation | Duration of the contracts/ arrangements/ transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any | Amount paid as advances, if any |
|---|---|---|---|---|---|---|---|
| 1 | Shivpad Engineers Private Limited | **Sale to** | Wholly Owned Subsidiary | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 10,00,00,000/- | 23rd May, 2023 | - |
| 2 | Jash USA INC. DBA Rodney Hunt | **Sale to** | Wholly Owned Subsidiary | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 75,00,00,000/- | 23rd May, 2023 | - |
| 3 | Micro-flat Datums Pvt. Ltd. | **Sale to** | a private company in which a director or his relative is a member or director | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 1,00,00,000/- | 23rd May, 2023 | - |
| 4 | Shivpad Engineers Private Limited | **Purchase from** | Wholly Owned Subsidiary | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 2,00,00,000/- | 23rd May, 2023 | - |
| 5 | Jash USA INC. DBA Rodney Hunt | **Purchase from** | Wholly Owned Subsidiary | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 1,00,00,000/- | 23rd May, 2023 | - |
| 6 | Jash USA INC. DBA Rodney Hunt. | **Job work** | Wholly Owned Subsidiary | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 2,00,00,000/- | 23rd May, 2023 | - |
| 7 | JASH Flowcon Engineers | **Job work** | a firm in which a director or his relative is a partner | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 1,50,00,000/- | 23rd May, 2023 | - |
| 8 | Patamin Investments Private Limited | **Lease** | a private company in which a director or his relative is a member or director | Ongoing Transactions | As per agreed terms & on Arms' Length basis value of Rs. 75,00,000/- | 23rd May, 2023 | - |
| 9. | Mahr Maschinenbau Ges.m.b.h | **Services** | a private company in which a director or his relative is a member or director | Ongoing Transactions | As per agreed terms & on Arms' Length and in ordinary course of business value of Rs. 1,00,00,000/- | 23rd May, 2023 | - |

For & on behalf of the board of directors of
**Jash Engineering Limited**

| | | |
|---|---|---|
| | **Sd/** | **Sd/** |
| **DATE: 8th August 2024** | **Pratik Patel** | **Suresh Patel** |
| **PLACE: Indore** | **Chairman & Managing Director** | **Executive Director** |
| | **DIN: 00780920** | **DIN: 00012072** |





## Annexure G

### INFORMATION ON 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 pays attention at all levels to reduce energy consumption, by continuous monitoring, maintenances and Improvements. Company lays great emphasis on savings in the cost of energy consumption. Therefore, achieving reduction in per unit consumption of energy is an ongoing exercise in the Company. The effective measures like education, training, have been taken to minimize the loss of energy as far as possible. | |
| (II) | The steps taken by the company for utilizing alternate sources of energy; | The Company has commissioned 450 kw Solar power generation on roof of Machine Shop of Unit I and Unit II and it generates close to 2050 units power per day and the DG Set as a standby power arrangement for alternate source of energy and replacement of old conventional lights with LED's and we are in planning also to invest on about 100-125 kW additional solar generation at our plants | |
| (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 | The efforts taken by your Company towards technology development and absorption help deliver competitive advantage and market leadership through the launch of customer centric products and variants, introduction of new features and improvement of product performance. | |
| (iii) | In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) | The company had tied up with Invent Germany for manufacture of Disc Filters in India. The first 2 machines for Indian market were manufactured in end of financial year 2021-22. These first 2 machines had import content of upto 50% and the company has reduce the import content on these machines to less than 5% as on March 2024. Work on indigenous development of Filter panels is at an advanced stage. | |
| | (a) The details of technology imported | | |
| | (b) The year of import | | |
| | (c) Whether the technology been fully absorbed | | |
| | (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and | | |
| (iv) | The expenditure incurred on Research and Development | 2023-24 | 2022-23 |
| | | NIL | NIL |
| **(C) FOREIGN EXCHANGE EARNINGS & OUTGO** | | (Amount in INR Lacs) | |
| | | 2023-24 | 2022-23 |
| (i) | Earnings in Foreign Currency; | Rs. 14946.23 | Rs. 10087.58 |
| (ii) | Expenditure in Foreign Currency | Rs. 1477.87 | Rs. 1297.44 |

For & on behalf of the board of directors of
**Jash Engineering Limited**

| | | |
|---|---|---|
| | **Sd/** | **Sd/** |
| **DATE: 8th August 2024** | **Pratik Patel** | **Suresh Patel** |
| **PLACE: Indore** | **Chairman & Managing Director** | **Executive Director** |
| | **DIN: 00780920** | **DIN: 00012072** |





**Annexure-H**

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

**(Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of The Companies (Corporate Social Responsibility Policy) Rules, 2014)**

At Jash Engineering Limited ('Company'), the Corporate Social Responsibility (CSR) has been an integral part of the way the Company had been doing our business since inception. Company's CSR initiatives have played a pivotal role in improving the lives of the communities and society, environment & giving preference to the local areas around the areas where Company operates. This has been done with the objective of energizing, involving, and enabling these communities to realize their potential. This has also enabled us to fulfill our commitment to be a socially responsible corporate citizen.

1. Brief outline on CSR Policy of the Company:

The core areas of the company for Investment as per the CSR Policy are Education, Health & Medical Care, Community at large and Environment. Your company is involved in various CSR activities for sustainable Social, Economic and Environmental Development in local and national level. Jash annually contributes in various CSR related activities to meet its obligation towards the society. Company is actively contributing in various organization of local level who are involve in upliftment of rural and tribal people and health services in the state of Madhya Pradesh.

Brief of the Project under CSR Policy of the Company

a) For ensuring environmental sustainability, ecological balance Company received a proposal from Association of Industries Madhya Pradesh Maintenance Committee, Indore for conservation of rain water, planting of trees and development of dense forest on a land situated in front of our Unit 1, under scheme of development of dense forest and planting of trees of District Industries Corporation (DIC), Indore, which is also covered under CSR activities of Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee:

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

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

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

5. **a. Average net profit of the Company as per Section 135(5): INR Rs. 3,554.67 Lakhs**

   **b. Two percent of average net profit of the Company as per Section 135(5): INR 71.09 Lakhs**

   **c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil**

   **d. Amount required to be set off for the financial year, if any: INR 0.52 Lakhs**

   **e. Total CSR obligation for the financial year (b+[c]-[d]): INR 71.09 Lakhs**

6. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): INR 71.61 Lakhs

   **a. Amount spent in Administrative Overheads: Nil**

   **b. Amount spent on Impact Assessment, if applicable: NA**

   **c. Total amount spent for the Financial Year [(a)+(b)+(c)]: INR 71.61 Lakhs**

   **d. CSR amount spent or unspent for the financial year:**

**(Amount in Lakhs)**

| Total Amount spent for the Financial Year. | Amount Unspent (in Rs.) | | | | |
|---|---|---|---|---|---|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5). | | |
| | Amount | Date of Transfer | Name of the Fund | Amount | Date of transfer |
| 71.61* | - | - | - | - | - |

**Amount spent in Financial Year 2023-24.*

**e. Excess amount for set off, if any: INR 0.52 Lakhs**

**(Amount in INR Lakhs)**

| Sr. No. | Particular | Amount |
|---|---|---|
| (i) | Two percent of average net profit of the company as per section 135(5) | 71.09 |
| (ii) | Total amount spent for the Financial Year | 71.61 |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | 0.52 |
| (iv) | Surplus arising out of the CSR projects or programs or activities financial years, if any | - |
| (v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 0.52 |





7. Details of Unspent CSR amount for the preceding three financial years:

**(Amount in INR Lakhs)**

| Sr. No. | Preceding Financial Year(s) | Amount Transferred to Unspent CSR Account under Section 135 (6) | Balance Amount in Unspent CSR Account under Section 135(6) | Amount spent in the reporting Financial Year | Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any. | | Amount remaining to be spent in succeeding financial years | Deficiency, if any |
|---|---|---|---|---|---|---|---|---|
| | | | | | Amount (in Rs.) | Date of transfer | | |
| 1 | 2020-21 | 0.72 | 0 | 0.72* | - | - | - | - |
| 2 | 2021-22 | 15 | 15 | 0 | 13.18** | 27/09/2022 | 15*** | - |
| 3 | 2022-23 | 0 | 15*** | 15 | 0 | - | 0 | - |

* The amount was spent during the FY 2021-22.

** Amount was transferred to PM CARES Fund during Financial Year 2022-23.

*** The amount is to be utilized in CSR On-going Project of the Company for a duration of 3 years starts from Financial Year 2022-23 till 2024-25 in addition to the mandatory CSR expenditure of the respective financial years.

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:** No

   If Yes, enter the number of Capital assets created/ acquired – NA

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

For & on behalf of the board of directors of
**Jash Engineering Limited**

| | | | |
|---|---|---|---|
| | **Sd/** | **Sd/** | **Sd/** |
| **DATE: 08th August 2024** | **Pratik Patel** | **Suresh Patel** | **Dharmendra Jain** |
| **PLACE: Indore** | **Chairman & Managing Director** | **Executive Director** | **Chief Financial Officer** |
| | **DIN: 00780920** | **DIN:00012072** | |

## Annexure I

### Particulars of Employees

*[Information as per Section 197(12) of the Act read with rule 5(1) & 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

| Sr. No. | Particulars | Disclosure | Designation | Disclosure |
|---|---|---|---|---|
| 1 | Ratio of the remuneration of each director to the median remuneration of the employees for the Financial Year | Pratik Patel | Managing Director | 20.19 |
| | | Suresh Patel | Executive Director | 9.00 |
| | | Axel Schutte | Director | - |
| | | Rahul Patel | Director | - |
| | | Brij Mohan Maheshwari | Independent Director | 4.27 |
| | | Vishwapati Trivedi | Independent Director | 4.27 |
| | | Sunita Kishnani | Independent Director | 3.05 |
| | | Durgalal Tuljaram Manwani | Independent Director | 4.27 |
| | | Dharmendra Jain | Chief Financial Officer | 9.19 |
| | | Tushar Kharpade | Company Secretary | 3.03 |
| 2 | % Increase in remuneration of each Director, CFO, CS or Manager, if any, in Financial Year | Pratik Patel | Managing Director | 30.73% |
| | | Suresh Patel | Executive Director | 5.16% |
| | | Axel Schutte | Director | - |
| | | Rahul Patel | Director | - |
| | | Brij Mohan Maheshwari | Independent Director | 0 |
| | | Vishwapati Trivedi | Independent Director | 0 |
| | | Sunita Kishnani | Independent Director | 0 |
| | | Durgalal Tuljaram Manwani | Independent Director | 0 |
| | | Dharmendra Jain | Chief Financial Officer | 16% |
| | | Tushar Kharpade | Company Secretary | 27.43% |
| 3 | The % increase in the median remuneration of Employee in financial year | 28.64% | | |
| 4 | Number of permanent employees on the rolls of company | As on 31st March, 2024 the total number of employees over 602 | | |
| 5 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration; | Average percentage increase in salaries of employees other than Managerial Personnel is 15.85%<br><br>Average approx. increase in the remuneration of Directors and other Key Managerial Personnel is 21% | | |
| 6 | Affirmation that the remuneration is as per the remuneration policy of the company | Remuneration paid during the FY 2023-24 was as per the Nomination and Remuneration Policy of the Company. | | |
| 7 | A statement showing the name of top ten (10) employees of the Company in terms of remuneration drawn:<br><br>A statement showing the name of every employee of the Company, who<br><br>(a) if employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than Rupees One Crore and two lakh.<br><br>(b) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rupees eight lakh and fifty thousand per month | Pursuant to Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, disclosures with respect to the remuneration of Directors, KMP and employees, are enclosed as Annexure - I to the Board's Report.<br><br>The information required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including amendments thereof), is provided in the Annexure forming part of this Report. In terms of<br><br>the first proviso to Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. | | |

Notes:

1. Median remuneration of the employees is calculated on the basis of remuneration details of employees including the Managing Director and Whole-time Director.
2. Director's remuneration includes commission and sitting fees for the FY 2023-24. Sitting fees are paid based on the number of meetings of Board and Committee attended by them respectively. Therefore, variation in the remuneration of the Directors could be attributed to the committee positions held and the number of meetings attended by them during the year.
3. The increase in the figures and percentages is higher as compared to FY 2022-23 primarily on account of increase in perquisite value of ESOP exercised during the year. The increase in perquisite value of ESOP exercised during the year also includes the impact of increase in share price

For & on behalf of the board of directors of
**Jash Engineering Limited**

**DATE: 8th August 2024**
**PLACE: Indore**

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

**Sd/**
**Suresh Patel**
**Executive Director**
**DIN: 00012072**

## Annexure J

# EMPLOYEE STOCK OPTION PLANS

**Disclosure pursuant to Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on 31st March, 2024**

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

**A.** Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time:

The disclosure is provided in Note 50 to the Standalone Financial Statements of the Company for the financial year ended March 31, 2024.

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

Diluted EPS on issue of Shares: 40.95

**C.** Details related to JASH ESOP Scheme 2019:

**(i)** Description of each ESOS that existed at any time during the year, including the general terms and conditions of each ESOS, including: -

| Sr. No. | Particulars | ESOP 2019 I | ESOP 2019 II |
|---|---|---|---|
| a | Date of shareholders' approval | Jash Engineering Employee Stock Option Scheme 2019 (JASH ESOP Scheme 2019) was approved by the Shareholders of the Company by a Special Resolution passed on 10th August, 2019. | |
| b | Total number of options approved | Company issue maximum 5,75,000 Equity Shares under JASH ESOP Scheme 2019. | |
| c | Total number of options granted | 4,81,400 | 2,45,600* |
| | | *Includes options lapsed/forfeited of ESOP 2019 I till the 31st March, 2024 | |
| d | Vesting requirements | Set forth below is the vesting schedule, subject to there being a gap of at least one year between the date of grant of options and the vesting of such options. | |
| | | Number of options vested | Vesting schedule |
| | | 10% of the options granted | One year from the date of grant |
| | | 20% of the options granted | Two years from the date of grant |
| | | 30% of the options granted | Three years from the date of grant |
| | | 40% of the options granted | Four years from the date of grant |
| e | Maximum terms of options granted | Four(4) years from the date of each vesting. | |
| f | Exercise Price | Rs. 118.64/- | Rs. 688.24/- |
| g | Source of shares | Primary issuance and/or Secondary Acquisition | |
| h | Variation in terms of options | NIL | |





**(ii)** Method used to account for ESOS – Intrinsic or Fair Value:

Calculation is based on Fair Value Method.

**(iii)** Where the company opts for expensing of the options using the intrinsic value of the options:

| | | |
|---|---|---|
| a. | The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed | The Company has equity-settled share-based remuneration plans for its employees. None of the Company's plans are cash-settled. Where employees are rewarded using share-based payments, the fair value of employees' services is determined indirectly by reference to the fair value of the equity instruments granted. This fair value is appraised at the grant date and excludes the impact of non-market vesting conditions. |
| b | The impact of this difference on profits and on EPS of the Company | |

**(iv)** Option movement during the year (For each ESOS):

| | | | |
|---|---|---|---|
| a | Number of options outstanding at the beginning of the year | 119640 | 245600 |
| b | Number of options granted during the year | - | - |
| c | Number of options forfeited/ lapsed during the year | - | - |
| d | Number of options vested during the year | - | - |
| e | Number of options exercised during the year | - | - |
| f | Number of shares arising as a result of exercise of options | - | - |
| g | Money realised by exercise of options (INR), if scheme is implemented directly by the company | The Scheme is being managed by the JASH Group Employee ESOP Trust and the amount of consideration for the 1,16,420 equity shares @ 118.64/- each of Rs. 1,38,12,068.80/- was deposited by the Employee to the JASH ESOP Trust on exercise till 31/03/2024. | The Scheme is being managed by the JASH Group Employee ESOP Trust and the amount of consideration for the 19,720 equity shares @ 688.24/- each of Rs. 1,35,72,092.80/- was deposited by the Employee to the JASH ESOP Trust on exercise till 31/03/2024. |
| h | Loan repaid by the Trust during the year from exercise price received | - | - |
| i | Number of options outstanding at the end of the year | 119640 | 245600 |
| j | Number of options exercisable at the end of the year | 116420 | 19720 |

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

| | | | |
|---|---|---|---|
| a | Weighted-average exercise prices: | Rs. 118.64 | Rs. 688.24 |
| b | Weighted-average fair values of options granted during the year: | - | - |

**(vi)** Employee-wise details of options granted during the FY 2024:

| | | | |
|---|---|---|---|
| a. | Senior managerial personnel & KMPs during the year. | Nil | Nil |
| b. | Employees who were granted, during the year, options amounting to 5% or more of the options granted during the year | Nil | Nil |
| c. | Identified employees who were granted options, during the year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant. | Nil | Nil |

**(vii)** A description of method and significant assumptions used during the year to estimate the fair value of options including the following information:

| | | | |
|---|---|---|---|
| a. | the weighted-average values of share price (in Rs) exercise price: (In Rs) expected volatility<br><br>expected option life Expected dividend the risk-free interest rate and any other inputs to the model | exercise price (in Rs): 118.64<br><br>expected volatility: 72.44%<br><br>expected option life:<br>**Life of the options granted (years)**<br>**1st Vesting** – **1st Year**<br>**2nd Vesting** – **2nd Year**<br>**3rd Vesting** – **3rd Year**<br>**4th Vesting** – **4th Year**<br><br>xpected dividend: 1.36%<br><br>the risk-free interest rate: 6.10% for all tranches | exercise price (in Rs): 688.24<br><br>expected volatility: 52.85%<br><br>expected option life:<br>**Life of the options granted (years)**<br>**1st Vesting** – **1st Year**<br>**2nd Vesting** – **2nd Year**<br>**3rd Vesting** – **3rd Year**<br>**4th Vesting** – **4th Year**<br><br>expected dividend: 0.90%<br><br>the risk-free interest rate: 7.09% for all tranches |
| b. | the method used and the assumptions made to incorporate the effects of expected early exercise | The fair value has been measured using Black Scholes Method which presumes the option will be exercised at the end of the term. | |
| c. | how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility | The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility based on publicly available information. | |
| d. | whether and how any other features of the options granted were incorporated into the measurement of fair value, such as a market condition | The fair value is calculated using Black Scholes (Option pricing) Model. | |

**D.** Details related to Trust:

Details in connection with transactions made by the Trust meant for the purpose of administering the scheme under the regulations are as follows:

**(i) General Information:**

| | |
|---|---|
| Name of the Trust | **"Jash Group Employee ESOP Trust"** |
| Name of trustees | » Indrajit Singh Pawar<br>» Hiren Shah<br>» Neeraj Desai |
| Amount of loan disbursed by Company/ any company in the group, during the year. | - |
| Amount of loan outstanding (Repayable to Company/ any company in the group) as at the end of the year. | - |
| Amount of loan, if any, taken from any other source for which Company/any company in the group has provided any security or guarantee. | - |
| Any other contribution made to the Trust during the year. | Rs. 2,73,84,161.60/- received from eligible employees who intended to vest the option during the financial year 2023-24 in accordance ESOP 2019 I & II |

**(ii) Brief details of transactions in shares by the Trust:**

| Sr. No. | Particulars | No. of Equity Shares |
|---|---|---|
| 1. | Number of shares held at the beginning of the year | - |
| 2. | Number of shares acquired during the year and percentage of paid up equity capital as at the end of the Financial Year 2023-24 | - |
| 3. | Number of shares transferred to the employees/ sold along with the purpose thereof: | - |
| 4. | Number of shares held at the end of the year | - |

iii) **In case of secondary acquisition of shares by the Trust:**

| Sr. No. | Particulars | As a percentage of paid-up equity capital as at the end the year immediately preceding the year in which shareholders' approval was obtained |
|---|---|---|
| 1. | Held at the beginning of the year | - |
| 2. | Acquired during the year | - |
| 3. | Sold during the year | - |
| 4. | Transferred to the employees during the year | - |
| 5. | Held at the end of the year | - |

For & on behalf of the board of directors of
**Jash Engineering Limited**

**DATE: 8th August 2024**
**PLACE: Indore**

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

**Sd/**
**Suresh Patel**
**Executive Director**
**DIN: 00012072**





Annexure K

# BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING 2023-2024

**[Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR)]**

Jash Engineering Limited always puts sustainability at the heart of its business approach. Sustainability is an integral part of Jash's business. Sustainable management of water, energy and waste have always been a priority at Jash's business proposals, which the Company believes, shall also enhance Stakeholders' value in the long term. Sustainability and the spirit of giving back to society is our core philosophy and corporate citizenship is strongly embedded in the DNA of Jash. We have balanced success as a business with unwavering focus on exemplary governance and responsiveness to the needs of the ecology and society. This Business Responsibility and Sustainability Report (BRSR) conforms to the requirement of Regulation 34(2)(f) of SEBI LODR .

## SECTION A: GENERAL DISCLOSURES

### I. Details of the listed Entity

| S.no | Company Details | |
|---|---|---|
| 1. | Corporate Identity Number (CIN) of the company | L28910MP1973PLC001226 |
| 2. | Name of the company | Jash Engineering Limited |
| 3. | Year of incorporation | September 29, 1973 |
| 4. | Registered office address | 31, Sector-C, Sanwer Road, Industrial Area, Indore, MP 452015 |
| 5. | Corporate address | 31, Sector-C, Sanwer Road, Industrial Area, Indore, MP 452001 |
| 6. | E-mail id | info@jashindia.com |
| 7. | Telephone | +91-731- 2720143 |
| 8. | Website | www.jashindia.com |

| | | |
|---|---|---|
| 9. | Financial year for which reporting is being done | April 2023-March 2024 |
| 10. | Name of the Stock Exchange(s) where shares are listed | Company is listed on the National Stock Exchange of India Limited (NSE) |
| 11. | Paid-up Capital | 1237.64 Lakhs |
| 12. | Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report | Mr. Tushar Kharpade<br>Company Secretary<br>Tel: 910731-6732700<br>Email: csjash@jashindia.com |
| 13. | Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | The disclosures under this report are made on a consolidated basis unless otherwise specified. |
| 14. | Name of Assurance Provider | Not Applicable |
| 15. | Type of Assurance obtained | Not Applicable |

## II. Product/Services

**16. Details of business activities (accounting for >90% of the turnover)(Consolidated)**

| S.no | Description of main activity | Description of business activity | % of turnover of the entity (FY 2023-24) |
|---|---|---|---|
| 1. | Manufacturer of wide range of equipment for Water & Sea Water Intake Systems, Water and WasteWater Pumping Stations and Treatment Plants, Desalination plants, Storm Water Pumping Stations, Water Transmission Lines, Hydropower generation and also for Power, Steel, Cement, Paper & Pulp, Petrochemicals, Chemical, Fertilizers and other process plants. | Manufacturer | 98.79% |





**17. Products / services sold by the entity (accounting for >90% of the entity's turnover)- (Standalone)**

| S. No. | Product / service | NIC code | % of total turnover contributed (Revenue from Operations) |
|---|---|---|---|
| 1 | C.I. Sliuce Gates | 24319 /25999 /28999 /32909 | 22.18% |
| 2 | C.I. Castings | | 1.34% |
| 3 | Fine Bar Screen | | 22.58% |
| 4 | Industrial Valve/KGV | | 17.93% |
| 5 | Hydro Power Screw Generator | | 0.48% |
| 6 | Fabricated gates/Logs | | 23.59% |
| 7 | Disc Filter | | 0.32% |
| 8 | Process Equipment | | 2.63% |
| 9 | Scrap | | 2.06% |
| 10 | SPV | | 4.33% |
| Total | | | 97.44% |

## III. Operations

**18. Number of locations where plants and/or operations/offices of the entity are situated website**

| Location | Number of Plants | Number of Offices | Total |
|---|---|---|---|
| National | 4 | 7 | 11 |
| International | 1 | 4 | 5 |

**19. Markets served by the Company**

**a. Number of Locations**

| Locations | Number (FY 2023-24) |
|---|---|
| National (No. of States) | 24 |
| International (No. of Countries) | 29 |

**b. What is the contribution of exports as a percentage of the total turnover of the entity? (Consolidated)**

59.98% - FY 2023-24

**c. Types of customers and beneficiaries –**

Business to business and Business to Customers



## IV. Employees

**20. Details as at the end of Financial Year:**

**Employees and Workers (including differently abled)**

**(Standalone, FY 2023-24)**

| S. No | Particulars | Total (A) | Male | | Female | |
|---|---|---|---|---|---|---|
| | | | No. (B) | % (B/A) | No. (C) | % (C/A) |
| **Employees** | | | | | | |
| 1 | Permanent (D) | 300 | 287 | 95.67% | 13 | 4.33% |
| 2 | Other than permanent (Contract employees) ( E ) | 43 | 43 | 100% | - | - |
| 3 | Total Employees (D+E) | 343 | 330 | 96.21% | 13 | 3.79% |
| **Workers** | | | | | | |
| 1 | Permanent (D) | 264 | 264 | 100% | - | - |
| 2 | Other than Permanent ( E ) | 383 | 383 | 100% | - | - |
| Total Workers (D+E) | | 647 | 647 | 100% | - | - |
| **Differently Abled Employees** | | | | | | |
| 1 | Permanent (D) | 1 | 1 | 100% | - | - |
| 2 | Other than Permanent ( E ) | 0 | 0 | 100% | - | - |
| Total Employees (D+E) | | 1 | 1 | 100% | - | - |
| **Differently Abled Workers** | | | | | | |
| 1 | Permanent (F) | - | - | - | | |
| 2 | Other than Permanent (G) | - | - | - | | |
| Total Workers (F+G) | | | | | | |

**21. Participation/Inclusion/Representation of women (including differently-abled)**

**(Standalone, FY 2023-24)**

| | Total (A) | No. and Percentage of females | |
|---|---|---|---|
| | | No. (B) | %(B/A) |
| Board of Directors | 8 | 1 | 12.50% |
| Key Management Personnel | 2 | - | - |

**22. Turnover rate for permanent employees and workers**

*(Disclose trends for the past 3 years)**

**(Standalone)**

| | Turnover rate in fiscal 2024 | | | Turnover rate in fiscal 2023 | | | Turnover rate in fiscal 2022 | | |
|---|---|---|---|---|---|---|---|---|---|
| | Male | Female | Total | Male | Female | Total | Male | Female | Total |
| Permanent Employees and workers | 5.19 | - | 5.19 | 6.53 | - | 6.53 | 6.98 | - | 6.98 |





## V. Holding, subsidiary and associate companies (including joint ventures)

**23. a) Names of holding/subsidiary/associate companies/joint ventures**

| Sr. No. | Name of the holding/ subsidiary/ associate company/ joint venture (A) | Indicate whether holding/ subsidiary/ associate company/ joint venture | % of shares held by listed company | Does the company indicated at Column A, participate in the business Responsibility initiatives of the company (Yes/No) |
|---|---|---|---|---|
| 1 | Jash USA Inc. USA -Rodney Hunt Inc, Orange, MA, USA (Step down Subsidiary (SDS) of Jash USA Inc. USA) | Subsidiary | 100% | Yes |
| 2 | Mahr Maschinenbau Gesellschaft m.b.H, Austria | Subsidiary | 100% | Yes |
| 3 | Shivpad Engineers Private Limited Chennai, India | Subsidiary | 100% | Yes |
| 4 | Engineering and Manufacturing Jash Limited, Hong Kong | Subsidiary | 100% | Yes |
| 5 | Jash Invent India Private Limited, Indore | Joint Venture | 50% | Yes |

## VI. CSR Details

**24. (Standalone, FY 2023-24)**

| | | |
|---|---|---|
| (i) | Whether CSR is applicable in terms of section 135 of the Companies Act, 2013 | Yes, refer to Annexure H to the Annual Report |
| If yes, provide the details of Turnover and Net Worth | | |
| i) | Turnover (in Lakhs) | 35,258.04 Lakhs |
| ii) | Net Worth (in Lakhs) | 33,158.61 Lakhs |

## VII. Transparency and disclosures compliances

**25. Complaints / grievances on any of the principles under the National Guidelines on Responsible Business Conduct**

| Stakeholder group from whom complaint is received | Grievance Redressal Mechanism in place (Yes/No) (If yes, then provide web-link for Grievance redress policy | Current Financial Year 2023-24 | | | Previous Financial Year 2022-23 | | |
|---|---|---|---|---|---|---|---|
| | | No of complaints filed during the year | No of complaints pending resolution at close of the year | Remark | No of complaints filed during the year | No of complaints pending resolution at close of the year | Remark |

| | |
|---|---|
| Investors (Other than shareholders | Jash' stakeholders include our investors, clients, employees, vendors / partners, government, and the community. A strong whistleblower policy and non-retaliation clause is available to all our stakeholders. Our whistleblower policy is available at https://jashindia.com/investors/#policy-code-of-conduct/vigil-mechanism.pdf.<br><br>Refer 'Details of Complaints' available in the Corporate governance report of this Annual Report.<br><br>For details on employee grievances and resolution, refer to question 6 of principle 5.<br><br>For Communities, refer https://jashindia.com/esg-csr-initiatives/ |
| Shareholders | |
| Employees and workers | |
| Customers | |
| Value chain Partners | |
| Other (Please specify) | |
| Communities | |

**26. Overview of the entity's material responsible business conduct issues.**

**Please indicate material responsible business conduct and sustainability issues pertaining to environmental, social and governance matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format -**

| S. No | Material issue Identified | Indicate whether risk or opportunity (R / O) | Rationale for identifying the risk / opportunity | In case of risk, approach to adapt or mitigate | Financial implications of the risk (Indicate positive or negative implications) |
|---|---|---|---|---|---|
| | | | **Environment** | | |
| 1 | **Air Emissions & Climate Change** | Risk | Processes followed for the production for our products are inherently emission intensive | We have made conscious efforts to design our plants and facilities in a way that they are environmentally safe and comply with all guidelines and laws pertaining to the environment. | Negative- increased operating cost in meeting the environmental status. |
| 2 | **Water Consumption and Effluent Discharge** | Risk and opportunity | Jash Engineering utilizes water in its production processes. | We have designed our plants to be suitable for "Zero Water Discharge" and so we treat all our waste water and after treatment use the treated water.<br><br>We have implemented a Rain water harvesting system, an area of which is 65000 sq feet and depth is 6 feet and also planted 2,000 sapling plants for the communities through our CSR Project to conserve and reuse the Rain water.<br><br>An opportunity lies for the Company to generate Revenue by selling Water Disk Filter/ Screen. | Negative- increased operating cost in meeting the environmental status.<br><br>Positive : The Company can generate Revenue by selling these Water Disk Filter / Screen. |
| | | | **Operations** | | |
| 3 | **Occupational Health and Safety Each safety incident also has a negative impact on the health, well-being and morale of employees along with a negative reputational impact on the Company. They may also result in operational and financial loss to the Company, including potential partial closure of the plant.** | Risk | Jash has a large workforce working across all plants. Therefore, ensuring their safety especially considering process related hazards in plants. | Jash's safety and health responsibilities are driven by our commitment to zero harm to the people we work with, and the community at large. We care for our employees and are amongst the best paymasters in our city and industry. All of our employees are covered under PF and ESIC plan as per the government policy. In addition to this we provide all of our staff with Mediclaim policy as well as Personal Accident Insurance. Maternity benefits are also given to women employees. | Negative- Increased operating cost. |
| 4 | **Governance: Data privacy and information management** | Risk | Cyber-attacks that breach our information network and / or failure to protect sensitive and confidential information of our stakeholders in accordance with applicable laws and contractual obligations may impact our operations and client satisfaction or result in significant regulatory penalties. | -Robust cyber security and data privacy frameworks and controls<br><br>-Multi-layered governance process with oversight by the executive and<br><br>-the Board Continued investment in technology<br><br>-Readiness to respond to incidents<br><br>-Awareness programs and trainings<br><br>-Privacy by design<br><br>-Region-specific data protection controls and awareness campaigns | Negative: Increased operational cost for technological investments and hiring and training talent. |



Corporate Overview | Statutory Reports | Financial Statements

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

| Disclosure Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| **Policy and management processes** | | | | | | | | | |
| 1 (a). Whether your entity's policy / policies cover each principle and its core elements of the NGRBCs. (Yes/No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 1 (b). Has the policy been approved by the Board? (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 1 (c). Web link of the policies, if available | Refer to the Whistle Blower Policy & Vigil Mechanism and Anti-Bribery and Anti-Corruption (ABAC) policy | Refer to the Supplier Code of Conduct, Sustainable Supply Chain Management (SSCM) Policy and Information Technology Policy | Refer to the Human Rights Policy | Refer to the CSR Policy and Sustainability Policy | Refer to our Human rights policy, Sustainable Supply Chain Management (SSCM) Policy | Refer to our HSE Policy | Refer to the Sustainability Policy | Refer to our CSR Policy and Sustainability Policy | Refer to the Whistle Blower Policy & Vigil Mechanism and Anti-Bribery and Anti-Corruption (ABAC) and Information Technology policy |
| 2. Whether the entity has translated the policy into procedures. (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 3. Do the enlisted policies extend to your value chain partners? (Yes / No) | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| 4. Name of the national and international codes / certifications /labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | National Guidelines for Responsible Business Conduct,. 2018 (NGRBC)<br>ISO 45001:2018 standard for Occupational Health and Safety Administration (OHSA) | | | | | | | | |
| 5.Specific commitments, goals and targets set by the entity with defined timelines, if any. | We plan to achieve our ESG vision and ambitions and to be one of the Best Corporates in India by 2030. We also plan to get certified by ISO 50001:2018 in FY 2024- 2025 to provide framework for Quality, Environmental, Occupational Health & Safety and Energy objectives | | | | | | | | |
| 6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met. | We plan to do Performance Impact Analytics in future. | | | | | | | | |





### Governance, Leadership and oversight

**7. Statement by director responsible for the Business Responsibility Report, highlighting ESG related challenges, targets and achievements.**

"Jash is committed to make the business truly sustainable and socially responsible. We shall leave no stone unturned to achieve the same"

**Mr. Suresh Patel**

**Executive Director**

| | |
|---|---|
| **8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).** | Mr Suresh Patel, Director of the Board oversees the Business Responsibility and progress on our ESG ambitions. |
| **9. Does the entity have a specified Committee of the Board / Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide detail.** | Yes |

**10. Details of Review of NGRBCs by the company:**

| Subject for review | Indicate whether review was undertaken by Director / Committee of the Board / Any other committee | | | | | | | | | Frequency (Annually / Half yearly / Quarterly / Any other -Please specify | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
| Performance against above policies and follow up action | Yes | | | | | | | | | Annually | | | | | | | | |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliance | Yes | | | | | | | | | Quarterly | | | | | | | | |
| | We comply with all applicable laws of the land we operate in, both in letter and in spirit | | | | | | | | | | | | | | | | | |

| **11. Has the entity carried out independent assessment / evaluation of the working of its policies by an external agency? (Yes / No). If yes, provide the name of the agency.** | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| | Yes Bureau Veritas Certification (BVC) | | | | | | | | |

**12. If answer to question (1) above is no i.e. not all principles are covered by a policy, reasons to be stated**

| Questions | P 1 | P 2 | P 3 | P 4 | P 5 | P 6 | P 7 | P 8 | P 9 |
|---|---|---|---|---|---|---|---|---|---|
| The entity does not consider the principles material to its business (Yes / No) | **NOT APPLICABLE** | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes / No) | | | | | | | | | |
| The entity does not have the financial or human and technical resources available for the task (Yes / No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes / No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |

## SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section aims to demonstrate our performance in integrating the principles and core elements with key processes and decisions. The information sought is categorized as " Essential" and "Leadership". While the essential indicators are mandatorily required to be disclosed , the leadership indicators are voluntarily disclosed by our company which aspires us to progress to a higher level in our quest to be socially, environmentally and ethically responsible.

### PRINCIPLE 1 BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE.

### Essential indicators

**1. Percentage coverage by training and awareness programs on any the principles during the financial year**

| Segment | Total number of training and awareness programs held | Topics / principles covered under the training and its impact | % of persons in respective category covered by the awareness programmes |
|---|---|---|---|
| **Board of Directors** | 1 | All principles | 100% |
| **Key Managerial Personnel** | 4 | All principles | 100% |
| **Employees other than BoD and KMPs** | 1 | All principles | 3.61% |
| **Workers** | Ongoing trainings throughout the year | Safety, Anti-bribery and Anti-Corruption Policies, Cybersecurity, Sustainability etc. | 100% |

**2. Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings with regulators / law enforcement agencies / judicial institutions, in the financial year**

**Monetary**

| | NGRBC Principal | Name of the Regulatory/ enforcement agencies/ judicial Institution | Amount (in INR) | Brief of Case | Has an appeal been preferred? (Yes/No) |
|---|---|---|---|---|---|
| Penalty/Fine | **Nil** | | | | |
| Settlement | | | | | |
| Compounding Fee | | | | | |

**Non-Monetary**

| | NGRBC Principal | Name of the Regulatory/ enforcement agencies/ judicial Institution | Brief of Case | Has an appeal been preferred? (Yes/No) |
|---|---|---|---|---|
| Imprisonment | **Nil** | | | |
| Punishment | | | | |





**3. Of the instances disclosed in question 2, details of the Appeal / Revision preferred in cases where monetary or non-monetary action has been impugned.**

| Case Details | Name of the regulatory/enforcement agencies/ judicial institutions |
|---|---|
| **Nil** | |

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes. Our Code of Conduct and Ethics complies with the legal requirements of applicable laws and regulations, including anti-bribery, anti-corruption and ethical handling of conflicts of interest. Additionally, we also have an ABAC policy, which provides the requirements around ABAC in detail. Refer Policy & Code of Conduct in this weblink https://jashindia.com/investors/

**5. Number of Directors / KMPs / employees / workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery / corruption:**

| | Current Financial Year 2023-24 | Previous Financial Year 2022-2023 |
|---|---|---|
| Directors | Nil | Nil |
| Key Managerial Personnel | | |
| Employees | | |
| Workers | | |

**6. Details of complaints with regard to conflict of interest:**

| | Current Financial Year 2023-2024 | | Previous Financial Year 2022-2023 | |
|---|---|---|---|---|
| | Number | Remark | Number | Remark |
| Number of complaints received in relation to issues of Conflict of interest of the Directors | Nil | - | Nil | - |
| Number of complaints received in relation to issues of Conflict of interest of the KMP's | | | | |

**7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators / law enforcement agencies / judicial institutions, on cases of corruption and conflicts of interest:**

Not Applicable

**8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format (Standalone) :**

| | FY (Current Financial Year) | FY (Previous Financial Year) |
|---|---|---|
| **Number of days of accounts payables** | **45.57** | **56.36** |

**9. Open-ness of business Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format;**

| Parameter | Metrics | FY 23-24 | FY 22-23 |
|---|---|---|---|
| Concentration of Purchases | a. Purchases from trading houses as % of total purchases | 27.2% | 30.50% |
| | b. Number of trading houses where purchases are made from | 54 | 54 |
| | c. Purchases from top 10 trading houses as % of total purchases from trading houses | 21.0% | 19.70% |
| Concentration of Sales | a. Sales to dealers / distributors as % of total sales | Nil | Nil |
| | b. Number of dealers / distributors to whom sales are made | Nil | Nil |
| | c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors | Nil | Nil |
| Share of RPTs in | a. Purchases (Purchases with related parties / Total Purchases) | 0.58% | 0.56% |
| | b. Sales (Sales to related parties / Total Sales) | 19.02% | 19.75% |
| | c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | - | - |
| | d. Investments ( Investments in related parties / Total Investments made) | - | - |

## Leadership Indicators

**1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

| Total number of awareness programmes held | Topics / principles covered under the training | % age of value chain partners covered (by value of business done with such partners ) under the awareness programmes |
|---|---|---|
| - | - | - |

**Note:** The Organization in its Terms & Conditions of Purchase Order specifies that Suppliers should have processes in place to ensure its operations conform to all national and other applicable environmental legislation related to sustainability and ensure Health and safety at workplace in any other location other than the workplace where production or work is undertaken.

**2. Does the entity have processes in place to avoid/ manage conflict of interest involving members of the board ? (Yes/No) If yes, provide details of the same.**

Yes. The Company receives an annual declaration (changes from time to time) from its Board members and KMP on the entities they are interested in and ensures requisite approvals as required under the statute as well as the Company's policies are in place before transacting with such entities / individuals.





## PRINCIPLE 2 BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

## Essential indicators

**1. Percentage of R&D and capital expenditure investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capital expenditure investments made by the company, respectively.**

The Company on a continuous basis strives to improve the environment and social impact of its production and processes. However in the FY 23-24 Percentage of R&D - Nil and Capital expenditure- Nil.

| | Current Financial Year 2023-24 | Previous Financial Year 2022-23 | Details of improvements in environmental and social impacts |
|---|---|---|---|
| R & D | Nil | | NA |
| Capex | | | |

**2. (a) Does the company have procedures in place for sustainable sourcing? (Yes /No)?**

Yes.

**(b) If yes, what percentage of inputs were sourced sustainably?**

As a holistic approach, our endeavor is to procure our inputs from sustainable sources. We are in process to implement as a part of the onboarding process for supplier acceptance of Supplier Code of Conduct and filing of ESG commitment questionnaires based on the UNGC principles.

**3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging), (b) E-Waste, (c ) Hazardous Waste, (d) Other Waste.**

All businesses are optimized to minimize waste generation through evaluation of various options of resources, technologies and processes. These processes are also continuously reviewed and improvement initiatives are suitably undertaken and monitored for effectiveness. The major waste for the entity is the Spent oil and oil soaked cotton waste generated from manufacturing processes which is redirected to government approved vendors for recycling process and obtained certificate. Other waste such as buckets are used as plants in gardens or in domestic use.

**4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

No, EPR Plans are submitted to the Pollution Control Board. However, Manifest is regularly submitted to the Pollution control Board for compliance of law.

## Leadership Indicators

**1. Has the entity conducted Life Cycle Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

| NIC Code | Name of product/Service | % of total Turnover contributed | Boundary for which the life Cycle Perspective/ Assessment was conducted | Whether conducted by independent external agency (Yes/No) | Results communicated in public domain (Yes/ No) If yes, provide the web-link |
|---|---|---|---|---|---|
| Nil | Nil | Nil | Nil | Nil | Nil |

**2. If there are any significant social or environmental concerns and / or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

| Name of the product/Service | Description of the risk concern | Action Taken |
|---|---|---|
| Nil | Nil | Nil |

**3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

| Indicate input material | Recycled or reused input material to total material | |
|---|---|---|
| | Current Financial Year 2023-24 | Previous Financial Year 2022-23 |
| Iron Scrap | 100% | 100% |

**4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.**

| | Current Financial Year 2023-24 | | | Previous Financial Year 2022-23 | | |
|---|---|---|---|---|---|---|
| | Re-used | Recycled | Safely Disposed | Re-used | Recycled | Safely Disposed |
| Plastic (included packaging) | Not Applicable | | | Not Applicable | | |
| E-Waste | | | | | | |
| Hazardous waste | - | - | 0.278 MT | - | - | 0.356 MT |
| Other waste | - | - | Not Ascertainable | - | - | Not Ascertainable |

**5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Not Applicable as the Company manufactures on mass production basis and customized products as per customer need.

| Indicate product category | Reclaimed products and their packaging materials as % of total products sold in respective category |
|---|---|
| Not Applicable | |

## PRINCIPLE 3 BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS.

### Essential indicators

**1 (a) Details of measures for the well-being of employees:**

**(Standalone, FY 2023-24)**

*% of employees covered*

| Category | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day care facilities | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (D) | % (D / A) | No. (E) | % (E / A) | No. (F) | % (F / A) |
| **Permanent employees** | | | | | | | | | | | |
| Male | 288 | 288 | 100% | 288 | 100% | - | - | - | - | - | - |
| Female | 13 | 13 | 100% | 13 | 100% | - | - | - | - | - | - |
| Total | 301 | 301 | 100% | 301 | 100% | - | - | - | - | - | - |
| **Other than permanent employees** | | | | | | | | | | | |
| Male | 8 | 8 | 100% | 8 | 100% | - | - | - | - | - | - |
| Female | - | - | - | - | - | - | - | - | - | - | - |
| Total | 8 | 8 | 100% | 8 | 100% | - | - | - | - | - | - |





**1 (b) Details of measures for the well-being of workers**

**(Standalone, FY 2023-24)**

*% of workers covered*

| Category | Total (A) | Health insurance | | Accident insurance | | Maternity benefits | | Paternity benefits | | Day care facilities | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | | No. (B) | % (B / A) | No. (C) | % (C / A) | No. (D) | % (D / A) | No. (E) | % (E / A) | No. (F) | % (F / A) |
| **Permanent workers** | | | | | | | | | | | |
| **Male** | 264 | 206 | 78.03% | 264 | 100% | - | - | - | - | - | - |
| **Female** | 0 | 0 | - | - | - | - | - | - | - | - | - |
| **Total** | 264 | 206 | 78.03% | 264 | 100% | - | - | - | - | - | - |
| **Other than permanent workers** | | | | | | | | | | | |
| **Male** | 383 | - | - | - | - | - | - | - | - | - | - |
| **Female** | 0 | - | - | - | - | - | - | - | - | - | - |
| **Total** | 383 | - | - | - | - | - | - | - | - | - | - |

**1 C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format (Standalone)–**

| | FY 23-24 | FY 22-23 |
|---|---|---|
| Cost incurred on well- being measures as a % of total revenue of the company | 2.00% | 1.49% |

**2. Details of retirement benefits, for current and previous financial years**

| Benefits | Current Financial Year 2023-24 | | | Previous Financial Year 2022-23 | | |
|---|---|---|---|---|---|---|
| | No Of employees covered as % of total employees | No of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/ NA) | No Of employees covered as % of total employees | No of workers covered as a % of total workers | Deducted and deposited with the authority (Y/N/ NA) |
| **PF** | 100% | 100% | Y | 100% | 100% | Y |
| **Gratuity** | 100% | 100% | Born by Company and deposited. | 100% | 100% | Born by company and deposited |
| **ESIC** | 11.08% | 21.97% | Y | 2.17% | 39.16% | Y |
| **Others please specify** | - | - | - | - | - | - |

**3. Accessibility of workplaces**

**Are the premises / offices of the entity accessible to differently-abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes. The premises / offices of the entity are accessible to differently-abled employees and workers. At present, only one differently-abled employee is working in our organization and accessible infrastructure, Practice guidelines, career facilitations are in place for employees and workers with differently abled capacity.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

**Yes, Refer to our Human Rights Policy available at the website. Refer Policy & Code of Conduct in the weblink https://jashindia.com/investors/**

**5. Return to work and retention rates of employees that took parental leave.**

| Gender | Permanent employees- fiscal 2024 | | Permanent workers – fiscal 2023 | |
|---|---|---|---|---|
| | Return to work rate | Retention rate | Return to work rate | Retention rate |
| Male | - | - | - | - |
| Female | | | | |

**6. Is there a mechanism available to receive and redress grievances for following categories of employees and workers? If yes, give details of the mechanism in brief.**

| | |
|---|---|
| Permanent Workers<br>Other than Permanent Workers<br>Permanent Employees<br>Other than Permanent Employees | Jash Engineering Limited is committed to providing a safe and positive work environment. Although we do not have a grievance mechanism yet, we have a vigil mechanism policy Our vigil mechanism is available at https://jashindia.com/investors/#policy-code-of conduct/vigil-mechanism.pdf<br>We have an open door policy whereby any employee and worker can approach the Management as when required. Additionally, there is a Formal mechanism in place where meetings are conducted by management on a monthly basis wherein the employee and workers can raise their concerns with the management. |

**7. Membership of employees and workers in association(s) or unions recognized by the listed entity:**

| Category | Current Financial Year 2023-24 | | | Previous Financial Year 2022-23 | | |
|---|---|---|---|---|---|---|
| | Total employees / workers in respective category | No of Employee / workers in respective category, who are part of association (s) union (b) | %(B/A) | Total employees / workers in respective category | No of Employee / workers in respective category, who are part of association (s) union (b) | %(D/C) |
| Total Permanent Employees | None, (however a worker committee exists which has representation of all departments and all the employees of department have given their consent to the representative). | | | | | |
| Male | | | | | | |
| Female | | | | | | |
| Total Permanent Workers | | | | | | |
| Male | | | | | | |
| Female | | | | | | |





**8. Details of training given to employees and worker (% to total no. of employees / workers in the category):**

| Category | Fiscal 2024 | | | | | | | Fiscal 2023 | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | On health and safety measures (firefighter) | | On health and safety measures (first aid) | | On skill up gradation* | | Total (D) | On health and safety measures (firefighter) | | On health and safety measures (first aid) | | On skill up gradation | |
| | | No. (B) | % (B /A) | No. (C) | % (C/A) | No. (D) | % (D / A) | | No.(E) | % (E / D) | No. (F) | % (F / D) | No. (G) | % (G / D) |
| **Employee** | | | | | | | | | | | | | | |
| **Male** | 330 | 330 | 100% | 13 | 3.93% | - | - | 269 | 17 | 6.32% | 8 | 2.97% | - | - |
| **Female** | 13 | 13 | 100% | 1 | 7.69% | - | - | 8 | 1 | 12.50% | 1 | 12.50% | - | - |
| **Total** | 343 | 343 | 100% | 14 | 4.08% | - | - | 277 | 18 | 6.50% | 9 | 3.25% | - | - |
| **Workers** | | | | | | | | | | | | | | |
| **Male** | 647 | 647 | 100% | 13 | 2.03% | - | - | 656 | 20 | 3.05% | 12 | 1.83% | - | - |
| **Female** | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **Total** | 647 | 647 | 100% | 13 | 2.03% | - | - | 656 | 20 | 3.05% | 12 | 1.83% | - | - |

*It is continuous and ongoing throughout the year.

**9. Details of performance and career development reviews of employees and workers:**

| Category | FY 2023-24 | | | FY 2022-23 | | |
|---|---|---|---|---|---|---|
| | Current Financial Year | | | Previous Financial Year | | |
| | Total (A) | No. (B) | % (B / A) | Total (C) | No. (D) | % (D / C) |
| **Permanent Employees** | | | | | | |
| **Male** | 288 | 288 | 100% | 269 | 269 | 100% |
| **Female** | 13 | 13 | 100% | 8 | 8 | 100% |
| **Total** | 301 | 301 | 100% | 277 | 277 | 100% |
| **Permanent Workers** | | | | | | |
| **Male** | 264 | 264 | 100% | 298 | 298 | 100% |
| **Female** | - | - | - | - | - | - |
| **Total** | 264 | 264 | 100% | 298 | 298 | 100% |

**10. Health and safety management system:**

**10 a. whether an occupational health and safety management system has been implemented by the entity? (Yes / No). If yes, the coverage of such a system?**

"Safety of person overrides all the targets" is the Health, Safety and Environment policy of Jash Engineering limited (Jash). Jash believes that all injuries, occupational illnesses as well as safety and environmental incidents are preventable. Jash shall strive to be a leader in the field of management of Health, Safety and Environment. For more details refer to Policy "Health, Safety and Environment Policy". Our Company is certified to ISO 45001:2018 standard for Occupational Health and Safety Administration (OHSA).

**10 b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?**

We identify occupational health and safety risks proactively, for all existing / new / modified activities, processes, products or services, and regulatory changes including routine and non-routine activities. Risk assessment also includes a monthly round of safety committee and evaluation of incidents that have occurred. Our Company is certified to ISO 45001:2018 standard for Occupational Health and Safety Administration (OHSA).

**10 c. whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y / N)**

Yes

**10 d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Y/N).**

Yes.

**11. Details of safety-related incidents during the current fiscal - None**

| Safety incident / number | Category | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | Employees | - | - |
| | Workers | - | - |
| Total recordable work-related injuries | Employees | - | - |
| | Workers | - | - |
| No. of fatalities | Employees | - | - |
| | Workers | - | - |
| High consequence work-related injury or ill-health (excluding fatalities) | Employees | - | - |
| | Workers | - | - |

**12. Describe the measures taken by the Company to ensure a safe and healthy workplace.**

Refer to our Health, Safety and Environment Policy uploaded on the website. Refer Policy & Code of Conduct in the weblink https://jashindia.com/investors/

**13. Number of complaints on the following made by employees and workers:**

| | Current Financial Year 2023-24 | | | Previous Financial Year 2022-23 | | |
|---|---|---|---|---|---|---|
| | Filed | Pending Resolution at end of year | Remark | Filed | Pending Resolution at end of year | Remark |
| Working Condition | NIL | | | | | |
| Health and safety | | | | | | |

**14. Assessments for the year for Health and Safety (2023-2024):**

Our HSEMS (Health Safety and Environmental Management System) is certified to ISO 45001:2018 standard. The scope of HSEMS is all activities, which are a part of our operations and employees working for and on behalf of the Company. Safety and well-being of our employees is accorded the highest priority. Our internal safety committee conducts periodic assessments across Jash premises and locations monthly.

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Health and safety practices | 100 |
| Working conditions | 100 |





**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.**

Stringent Operations controls such as maker and checker control points have been deployed across the operational areas. These are also monitored on a periodic basis. There have been no significant risks/ concerns arising from assessments of health and safety practices and working conditions.

## Leadership Indicators

**1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) employee (Y / N) (B) worker (Y / N?)**

Yes

**2. Provide the measures undertaken by the Company to ensure that statutory dues have been deducted and deposited by the value chain partners.**

The Company conducts on time assessment of value chain partners to ensure timely deduction and deposit of statutory dues.

**3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment.**

-None

| | Total no. of affected employees / workers | | No. of employees / workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | |
|---|---|---|---|---|
| | Fiscal 2024 | Fiscal 2023 | Fiscal 2024 | Fiscal 2023 |
| **Employees** | - | - | - | - |
| **Workers** | - | - | - | - |

**4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes / No)**

No

**5. Details on assessment of value chain partners on Working Conditions and Safety:**

| | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| **Health and safety practices** | There are more than 80% Value chain partners who were assessed for Health and Safety and working conditions prior to their vendor registration in the Jash portal. |
| **Working Conditions** | |

**6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not Applicable - As Vendors are assessed prior to the registration, in case vendor scores less than standards, it is not approved to initiate purchases.

## PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

### Essential indicators

**1. Describe the processes for identifying key stakeholder groups of the entity**

We are privileged to share a strong relationship with investors based on a deep understanding of their expectations and our commitment to consistently fulfill them. We have a strong commitment to our clients. Employees enable us to create value for our clients and for the organization and in turn, they enjoy fulfilling careers. Suppliers are our key stakeholders who enable us to deliver business value. Respecting the law of the land is an integral part of the Jash Code of Conduct, making governments and regulators important stakeholders. The list of key stakeholder groups of the entity is generated on every Friday as per Registrar and Transfer agents (RTA).

Our commitment to inclusive growth ensures that the community is at the center of our sustainable business practices. To fulfill this commitment we strive hard to work in the areas of education, healthcare, women empowerment, sustainability, Rural development , disaster relief and promotion of art and culture.

**2. List stakeholder groups identified as key for your company, and the frequency of engagement with each stakeholder group.**

| Stakeholder Group | Identified as Vulnerable or Marginalized Group (Yes/No) | Channels of Communication | Frequency of engagement | Purpose and scope of engagement including key topics and concerns raised during each engagement |
|---|---|---|---|---|
| Investors | No | Earning Calls, Analyst Meet, General Meeting and Newspaper Publication. | Need based, Quarterly and Annual | Transparent and effective communication of business performance, Addressing investor Queries and concern , sound corporate governance mechanism and Providing insights into the Company's corporate strategy and business environment. |
| Customers | No | Dedicated Customer Service Teams and Customer meets | Need Based/as per Team plan | Timely delivery, Quality and safety of the product/ and its service. Adequate information on products. |
| Suppliers | No | Vendors Meet and Contractors Meet and Responsible supply chain assessment | As and when team plans | 1. Routine ordering and payment related matters<br>2. Knowledge and infrastructure support<br>3. Regular communication and updates on business plans.<br>4. Inclusion of local medium and small scale enterprises in the vendor base.<br>5. Competency development of local vendors. |
| Employees and Workers | Yes | Performance reviews<br><br>Senior leadership communication meetings, etc | As per team plan | 1. Caring and empowering work environment<br>2. Personal development and growth<br>3. Health and safety<br>4. Grievance resolution<br>5.Competitive compensation |





### Leadership Indicators

**1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to The Board.**

Consultation and Discussions with stakeholders on E, S and G are conducted and feedback is taken from Stakeholders in Annual General Meeting. Also Investor's meet is organized with Stakeholders for the same.

**2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, we are obtaining inputs from our stakeholders to achieve our ESG Vision and Ambition by 2030 in Consultation and Discussions are conducted and feedbacks are taken from management in Annual General Meeting. Also Investors meet is organized after AGM.

**3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.**

Jash was set up with a vision to support underprivileged sections of society, create opportunities and strive towards a more equitable society. The Company engages with the community in a variety of areas that serve the vulnerable / marginalized stakeholder groups.

## PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS.

### Essential Indicators

**1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format: -**

| Category | Fiscal 2024 | | | Fiscal 2023 | | |
|---|---|---|---|---|---|---|
| | Total (A) | Number (B) | % (B / A) | Total (C) | Number (D) | % (D / C) |
| Employees | | | | | | |
| Permanent | Nil | | | | | |
| Other than permanent | | | | | | |
| Total employees | | | | | | |
| Workers | | | | | | |
| Permanent | Nil | | | | | |
| Other than permanent | | | | | | |
| Total Workers | | | | | | |

**2. Details of minimum wages paid to employees and workers, in the following format:**

| Category | Current Financial Year 2023-24 | | | | | Previous Financial Year 2022-23 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Total (A) | Equal to Minimum Wage | | More than Minimum | | Total (D) | Equal to Minimum Wage | | More than Minimum | |
| | | No (B) | % (B/A) | No (C) | % (C/A) | | No (E) | % (E/D) | No (F) | % (F/D) |
| **Employees** | | | | | | | | | | |
| **Permanent** | 301 | - | - | 301 | 100% | 277 | - | - | 277 | 100% |
| Male | 288 | - | - | 288 | 100% | 269 | - | - | 269 | 100% |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Female | 13 | - | - | 13 | 100% | 8 | - | - | 8 | 100% |
| **Other than Permanent** | | | | | | | | | | |
| Male | 43 | - | - | 43 | 100% | - | - | - | - | 100% |
| Female | - | - | - | - | - | - | - | - | - | - |
| **Workers** | | | | | | | | | | |
| **Permanent** | 264 | - | - | 264 | 100% | 298 | - | - | 298 | 100% |
| Male | 264 | - | - | 264 | 100% | 298 | - | - | 298 | 100% |
| Female | - | - | - | - | - | - | - | - | - | - |
| **Other than Permanent** | | | | | | | | | | |
| Male | 383 | - | - | 383 | 100% | 358 | - | - | 358 | 100% |
| Female | - | - | - | - | - | - | - | - | - | - |

*All employees and contractors have been paid more than or equal to minimum wage in accordance with the laws of the land in the countries we operate.*

**3. (a) Details of remuneration / salary / wages, in the following format-**

**(in lakhs)**

| | Male | | Female | |
|---|---|---|---|---|
| | No | Median remuneration /salary/wages of respective category(Rs. in Lakh/ per month) | No | Median remuneration / salary/wages of respective category (Rs. in Lakh/ per month) |
| **Board of Directors (BoD)** | 2 | 5.98 | - | - |
| **Key Managerial Personnel (in INR Mn)** | 2 | 2.50 | - | - |
| **Employees and workers (other than BoD and KMP)** | 585 | 0.33 | 13 | 0.33 |

**Note:**

*Remuneration of BOD does not include sitting fees paid to Independent directors.

*Non-Executive Directors received no remuneration, except sitting fee for attending Board/Committee meetings. Hence these details are not applicable to them.

**4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to/ by the business? (Yes / No)**

Yes

**5. Describe the internal mechanisms in place to redress grievances related to human rights issues.**

We believe that business can only flourish in societies where human rights are protected and respected. We recognise that business has the responsibility to respect human rights and the ability to contribute to positive human rights impacts. We recognise that we must take steps to identify and address any actual or potential adverse impacts with which we may be involved whether directly or indirectly through our own activities or our business relationships. We manage these risks by integrating the responses to our due diligence into our policies and internal systems, acting on the findings, tracking our actions, and communicating with our stakeholders about how we address impacts.





**6. Number of complaints on the following made by employees and workers:**

| | Fiscal 2024 | | | Fiscal 2023 | | |
|---|---|---|---|---|---|---|
| | Filed during the year | Pending resolution at the end of year | Remarks | Filed during the year | Pending resolution at the end of year | Remarks |
| **Sexual harassment** | - | - | - | - | - | - |
| **Discrimination at workplace** | - | - | - | - | - | - |
| **Child labor** | - | - | - | - | - | - |
| **Forced labor / Involuntary labor** | - | - | - | - | - | - |
| **Wages** | - | - | - | - | - | - |
| **Other human rights related issues** | - | - | - | - | - | - |

**7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

| | FY 23-24 | FY 22-23 |
|---|---|---|
| Total complaints reported under sexual harassment on of women at workplace (Prevention, Prohibition and Redressal)Act,2013(POSH) | - | - |
| Complaints on POSH as a % of female employees/ workers | - | - |
| Complaints on POSH upheld | - | - |

**8. Mechanism to prevent adverse consequences to the complainant in discrimination and harassment cases**

JASH treats all employees with respect and provides a work environment free from all forms of harassment, whether physical, verbal or psychological. This includes behaviour /action directed towards third parties during the course of conducting JASH's business. Employees have the right to freedom of opinion and expression.

**9. Do human rights requirements form part of your business agreements and contracts? (Yes / No)**

Yes

**10. Assessments for the year:**

| | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|---|---|
| Child labor | Yes, all work places are assessed by Companies in House HR and the Internal Auditor team. |
| Forced/involuntary labor | |
| Sexual harassment | |
| Discrimination at workplace | |
| Wages | |
| Others – please specify | |

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

Not Applicable

## Leadership Indicators

**1. Details of a business process being modified / introduced as a result of addressing human rights grievances / complaints**

For Details refer to our "Human Rights Policy".

**2. Details of the scope and coverage of any human rights due diligence conducted.**

The Company fosters the culture of caring and trust through its various corporate policies covering EHS Policy, Whistle blower Policy and code of conduct.

**3. Is the premise / office of the entity accessible to differently-abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

Yes. All our campuses have accessible workplaces and we provide necessary accommodations for all our employees and visitors. Refer to response to question 3 of principle 3 in this report.

**4. Details on assessment of value chain partners -** None

| | % of value chain partners (by value of business done with such partners) that were assessed |
|---|---|
| **Sexual harassment** | Value chain partners are assessed on other criterias like Health and Safety, working condition etc as specified in Principle 3, Leadership Indicator, question 5 |
| **Discrimination at workplace** | |
| **Child labor** | |
| **Forced labor / involuntary labor** | |
| **Wages** | |
| **Others – please specify** | |

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above**

Not applicable

# PRINCIPLE 6: BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

## Essential indicators

**1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format – (Standalone)**

| Parameter | Fiscal 2024 | Fiscal 2023 |
|---|---|---|
| **From Renewable sources** | | |
| Total electricity consumption (in units) (A) | 5,56,964 | 5,59,662 |
| Total fuel consumption (in litres) (B) | - | - |
| Energy consumption through other sources (C) | Nil | Nil |
| **Total energy consumption (A+B+C)** | **5,56,964 unit** | **5,59,662 unit** |
| **From Non Renewable sources** | | |
| Total electricity consumption (in units) (D) | 2,814,303 | 2,504,500 |
| Total fuel consumption (in litres) (E) | 9,314 | 14,139 |
| Energy consumption through other sources (F) | | |
| **Total energy consumption (D+E+F)** | **2,814,303 unit and 9,314 litre** | **2,504,500 unit and 14,139 Litre** |
| Energy intensity (electricity) per lakh of turnover (Total energy consumption / turnover in Lakhs) | 97.62 units per lakh of turnover | 112.76 units per lakh of turnover |
| Energy intensity (fuel) per lakh of turnover (Total energy consumption / turnover in Lakhs) | 0.27 litre per lakh of turnover | 0.52 litre per lakh of turnover |
| Energy intensity (optional) – the relevant metric may be selected by the entity | NA | NA |
| Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency | No, Evaluation has been carried out by the Maintenance committee internally.<br>We have replaced all conventional bay lighting with LED Lights for lower electricity consumption . | |

**2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y / N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

Not Applicable

**3. Provide details of the following disclosures related to water, in the following format (Consolidated):**

| Parameter | Fiscal 2024 (in kl) | Fiscal 2023 (in kl) |
|---|---|---|
| **Water withdrawal by source** | | |
| (i) Surface water | NA | NA |
| (ii) Groundwater | 43,366.48 | 38,090.6 |
| (iii) Third-party water | NA | NA |
| (iv) Seawater / desalinated water | NA | NA |
| (v) Others (rainwater) | NA | NA |
| **Total volume of water withdrawal (i + ii + iii + iv + v)** | **43,366.48** | **38,090.6** |
| Total volume of water consumption | 43,366.48 | 38,090.6 |
| Water intensity per rupee of turnover (Water consumed / turnover) | 0.84 kl/ Lakhs | 0.95 kl / Lakhs |
| Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency | No, Evaluation has been carried out by Maintenance committee internally | |

**4. Provide the following details related to water discharged:**

| Parameter | Fiscal 2024 | Fiscal 2023 |
|---|---|---|
| **Water discharge by destination and level of treatment (in kilolitres)** | | |
| (i) To Surface water | Waste water generated is treated in sewage treatment plants and reused for purposes like gardening and domestic purposes. There is no discharge in any of these categories in all plants<br>Rain water recharge facility is implementedacross all plants | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (ii) To Groundwater | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (iii) To Seawater | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (iv) Sent to third-parties | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| (v) Others | | |
| No treatment | | |
| With treatment – please specify level of treatment | | |
| **Total water discharged (in kiloliters)** | | |
| Note: Indicate if any independent assessment / evaluation /assurance has been carried out by an external agency?(Y / N) If yes, name of the external agency | Yes. Independent assurance has been carried out by CSE Analytical and Research Services (I) Pvt Ltd | |

**5. Has the entity implemented Zero Liquid Discharge policy? If yes, provide details of its coverage and implementation.**

Yes. All sewage generated on JASH campuses is treated in the in-house sewage treatment plants and the recycled water is used for gardening and domestic purposes.

**6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format**

| Parameter | Please specify unit | Fiscal 2024 | | | | Fiscal 2023 | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Last quarter (Unit 1) | | | | Last quarter (Unit 1) | | | |
| | | Near Main Gate | Behind Foundry Shop | Near STP | Stack (Cupola Furnace) | Near Main Gate | Behind Foundry Shop | Near STP | Stack (Cupola Furnace) |
| **NOx** | µg/m³ | 25.20 | 31.40 | 22.90 | 32.00 mg/nm³ | 21.64 | 23 | 20.5 | 42.8 mg/ nm³ |
| **$SO_2$** | µg/m³ | 16.50 | 20.70 | 15.80 | 74.50 mg/nm³ | 15.9 | 18.7 | 16 | 83 mg/ nm³ |
| **Particulate matter- 10 (PM)** | µg/m³ | 79.20 | 81.60 | 73.50 | 47.20 mg/nm³ | 77.45 | 82.05 | 76.26 | 47.5 mg/ nm³ |
| **Particulate matter- 2.5 (PM)** | µg/m³ | 42.50 | 45.22 | 38.00 | | 32.86 | 40.49 | 31.71 | |
| **Persistent organic pollutants (POP)** | Not Applicable | | | | | | | | |
| **Volatile organic compounds (VOC)** | | | | | | | | | |
| **Hazardous air pollutants (HAP)** | | | | | | | | | |
| **Others – please specify** | | | | | | | | | |
| **CO** | mg/m³ | <1 | <1 | <1 | - | <1 | <1 | <1 | - |
| Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency | Yes, CES Analytical and Research Services (I) Pvt Limited | | | | | | | | |

**Data belongs to the last quarter of unit 1 of Jash Engineering Ltd. only*

**7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format: - None**

| Parameter | Please specify unit | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6,NF3, if available | - | - | - |
| Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | - | - | - |
| Total Scope 1 and Scope 2 emissions per rupee of turnover (Total scope 1 and scope 2 GHG emission/ revenue from operations) | - | - | - |
| Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity | - | - | - |
| Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency. | | | |

**8. Does the entity have any project related to reducing greenhouse gas emission? If yes, provide details.**

None

**9. Provide details related to waste management by the entity, in the following format:**

| Parameter | Fiscal 2024 | Fiscal 2023 |
|---|---|---|
| **Total waste generated** | | |
| Plastic waste **(A)** | - | - |
| E-waste **(B)** | - | - |
| Biomedical waste **(C)** | - | - |
| Construction and demolition waste **(D)** | - | - |
| Battery waste **(E)** | - | - |
| Radioactive waste **(F)** | - | - |
| Other hazardous waste (Oil-soaked cotton waste, DG filters, paint cans, chemical cans, paint residue, oil sludge, DG chimney soot, coolant oil and used oil) **(G)** | Spent oil = 22 Litre Oil-soaked Cotton Waste = 45 Kg | Spent oil = 55 Litre Oil-soaked Cotton Waste = 60 Kg |
| Other non-hazardous waste generated (Metal, wood, paper / cardboard, textile waste, kitchen oil, mixed waste, garden waste, glass waste, thermocol, rubber, STP sludge) **(H)** | - | - |
| **Total (A + B + C + D + E + F + G + H)** | Spent oil = 22 Litre Oil-soaked Cotton Waste = 45 Kg | Spent oil = 55 Litre Oil-soaked Cotton Waste = 60 Kg |

**For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)**

| Category of waste | Fiscal 2024 | Fiscal 2023 |
|---|---|---|
| (i) Recycled | All Waste generated from manufacturing processes is redirected to government approved vendors for recycling process. | |
| (ii) Reused | | |
| (iii) Other recovery operations | | |
| **Total** | | |

**For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

| Category of waste | Fiscal 2024 | Fiscal 2023 |
|---|---|---|
| (i) Incineration | All Waste generated from manufacturing processes is redirected to government approved vendors for recycling process. | |
| (ii) Landfilling | | |
| (iii) Other disposal operations | | |
| **Total** | | |

*Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency-Yes, MPPCB and Bureau Veritas (India) Private Limited.*

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

Refer "Sustainability Policy" uploaded on the website. Refer Policy & Code of Conduct in the weblink https://jashindia.com/investors/ .





**11. If the entity has operations / offices in / around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones) where environmental approvals are required, please specify details in the following format:**

| Sr. No. | Location of operations/ offices | Type of operations | Whether the conditions of environmental approval/ clearance are being complied with? (Yes/No) If "No", the reasons thereof and corrective action taken, if any. |
|---|---|---|---|
| Our campuses are built on government-approved land in industrial zones and do not fall within or are adjacent to protected areas or high-biodiversity areas. | | | |

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

| Name and brief details of project | EIA Notification No. | Date | Whether conducted by independent external agency (Yes / No) | Results communicated in public domain (Yes/ No) | Relevant web-link |
|---|---|---|---|---|---|
| Nil | | | | | |

**13. Is the entity compliant with the applicable environmental law / regulations / guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and rules thereunder (Y / N). If not, provide details of all such non-compliances in the following format:**

| Sr. No | Specify the law/ regulation/guidelines which is not compliant | Provide details of the non-compliance | Any fines/penalties/action taken by regulatory agencies such as pollution control board or by courts | Corrective action taken, if any |
|---|---|---|---|---|
| 1. | Yes. We are compliant with the applicable environmental law / regulations / guidelines in India. | Nil | | Not Required |

## Leadership Indicators

**1. Water withdrawal, consumption and discharge in areas of water stress (in Kilometers)**

**For each facility/ Plant located in areas of Water stress, provide the following information.**

**(i) Name of the area**

**(ii) Nature of Operations**

**(iii) Water withdrawal, consumption and discharge in the following format:**

Not Applicable

| Parameter | Fiscal 2024 (in kl) | Fiscal 2023 (in kl) |
|---|---|---|
| **Water withdrawal by source** | | |
| (i) Surface water | - | - |
| (ii) Groundwater | - | - |
| (iii) Third-party water | - | - |
| (iv) Seawater / desalinated water | - | - |
| (v) Others (rainwater) | - | - |
| **Total volume of water withdrawal (i + ii + iii + iv + v)** | - | - |
| **Total volume of water consumption** | - | - |
| **Water intensity per rupee of turnover (Water consumed / turnover)** | - | - |
| **Water Intensity (optional) - the relevant metric may be selected by the entity** | | |
| **Water discharge by destination and level of treatment** | | |
| (i) Into Surface water | - | - |
| No Treatment | - | - |
| With Treatment- Please Specify level of Treatment | - | - |
| (ii) Into Groundwater | - | - |
| No Treatment | - | - |
| With Treatment- Please Specify level of Treatment | - | - |
| (iii) Into Third-party water | - | - |
| No Treatment | - | - |
| With Treatment- Please Specify level of Treatment | - | - |
| (iv) Into Seawater | - | - |
| No Treatment | - | - |
| With Treatment- Please Specify level of Treatment | - | - |
| (v) Into Others (rainwater) | - | - |
| No Treatment | - | - |
| With Treatment- Please Specify level of Treatment | - | - |
| Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency | | |

**2. Please provide details of total Scope 3 emissions and its intensity for every rupee of turnover- None**

| Parameter | Unit | Fiscal 2024 | Fiscal 2023 |
|---|---|---|---|
| **Total Scope 3 emissions** (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) | - | - | - |
| **Total Scope 3 emissions per rupee of turnover** | - | - | - |
| **Total Scope 3 emission intensity (optional)** the relevant metric may be selected by the entity | - | - | - |





| | |
|---|---|
| Note: Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y / N) If yes, name of the external agency | We plan to conduct an Independent assessment from 2024-25. |

**3. With respect to the ecologically sensitive areas reported at Question 10 of Essential indicators above, provide details of significant direct and indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

Not Applicable

**4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format: -** None

| Sr. No | Initiative undertaken | Details of the initiative (web link, if any, may be provided along with | Outcome of the initiative summary) |
|---|---|---|---|
| Jash's environmental policy has been articulated with the vision that a good policy must serve as a lighthouse showing the right direction and as a catalyst for activating positive change. Environmental stewardship and Corporate Citizenship are an integral part of the "Spirit of Jash", our core values.<br>We adopt, invent and encourage smarter ways to mitigate GHG emissions, reduce energy consumption and manage water and waste, to make our planet stronger by consistently embracing clean tech in our operations and client solutions, thereby minimizing the impact on nature.<br>Refer to our "Sustainability Policy" for more details in Policy & Code of Conduct in the weblink https://jashindia.com/investors/ | | | |

**5. Does the entity have a business continuity and disaster management plan? Give details in 100 words / web link**

Yes, We have the a disaster recovery site at Hydrabad for all critical transactions in SAP. Primary site is located at Mumbai. and Secondary is situated at Hydrabad

**6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.**

No, such a case.

**7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

We have not conducted any such assessment. Although organisation, before initiating transaction with any new vendor, perform Vendor Evaluation which includes parameters like Environment, Health and Safety, Social Accountability etc.

## PRINCIPLE 7: BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

### Essential indicators

**1. a. Number of affiliations with trade and industry chambers / associations.**

Refer to response below

**b. List the top 10 trade and industry chambers / associations the company is a member of / are affiliated to, on the basis of number of members**

| S. No. | Name of the trade and industry chambers / associations | Reach of trade and industry chambers / associations (State / National |
|---|---|---|
| 1 | Association of Industries M.P. | State |
| 2 | Indore Management Association | National |
| 3 | Institute of Indian Foundryman | National |
| 4 | Bombay Chamber of Commerce and Industry | National |
| 5 | EEPC India | National |
| 6 | EPC Renewal RCMC | National |
| 7 | Federation of Indian Export Organisation | National |
| 8 | IVAMA Association | National |
| 9 | MP Small Scale Industries Organisation | State |
| 10 | Indian Valve Association | National |

**2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities-** None

| Name of authority | Brief of the case | Corrective action taken |
|---|---|---|
| Nil | Nil | Nil |

### Leadership Indicators

**3. Details of public policy positions advocated by the Company:**

| S. No. | Public Policy advocated | Method restored for such advocacy | Whether information available in public domain? (Yes/No) | Frequency of review by Board (Annually/Half yearly/ Quarterly/ others- please specify | Web Link, if available |
|---|---|---|---|---|---|
| Jash' approach to achieving our government, policy and community objectives focuses on engaging ecosystems at the national, regional and local levels. Jash focuses on developing and maintaining partnerships with relevant government officials, business organizations, technology industry associations, educational institutions, and community organizations for the purpose of developing mutually beneficial partnerships. | | | | | |





## PRINCIPLE 8: BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

### Essential indicators

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year 2023-24**

| Name and brief details of project | SIA Notification No. | Date notification | Whether conducted by independent external agency (Yes/No) | Result communicated in public domain (Yes/ No) | Relevant web Link |
|---|---|---|---|---|---|
| Not Applicable - we have no SIA notification | | | | | |

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

| Sr. No | Name of the project for which R&R is ongoing | State | District | No. Of project affected families (PAFs) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (in INR) |
|---|---|---|---|---|---|---|
| Not Applicable | | | | | | |

**3. Describe the mechanisms to receive and redress grievances of the community.**

Jash works closely with the community in identified areas of contribution in the domains of education, healthcare, destitute care, rural development, art and culture, and disaster relief. Group discussions with beneficiaries provide ample opportunity to receive and redress grievances of the intended beneficiaries.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

| | Fiscal 2024 | Fiscal 2023 |
|---|---|---|
| Directly sourced from MSMEs / small producers | 24.93% | 18.33% |
| Sourced directly from within the district and neighboring districts | 21.89% | 26.88% |

**5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

| Location | FY 2023-24 | FY 2022-23 |
|---|---|---|
| Rural | - | - |
| Semi Urban | - | - |
| Urban | - | - |
| Metropolitan | - | - |

### Leadership Indicators

**1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above)**

| Details of negative social impact identified | Corrective action taken |
|---|---|
| Nil | |

**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies –**

**(Standalone FY 23-24)**

| S. No | State | Aspirational district | Amount spent (in Lakhs) |
|---|---|---|---|
| 1 | Madhya Pradesh | Indore | 71.61 |

**3 (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups? (Yes / No)**

None

**3 (b) From which marginalized/ vulnerable groups do you procure?**

None

**3 (c) What % of total procurement (by value) does it constitute?**

None

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current fiscal), based on traditional knowledge**

| S. No | Intellectual Property based on traditional knowledge | Owned/Acquired (Yes/No) | Benefits shared (Yes/No) | Basis of calculating benefits share |
|---|---|---|---|---|
| | Not Applicable | | | |

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved**

| Name of authority | Brief of the case | Corrective action taken |
|---|---|---|
| Not Applicable | | |

**6. Details of beneficiaries of CSR projects:**

**(Standalone FY 23-24)**

| S. No | CSR project | No. of persons benefited from CSR projects (1) | % of beneficiaries from vulnerable and marginalized groups(2) |
|---|---|---|---|
| Refer to Annexure H to the Board's report for the annual report on CSR activities [Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended. | | | |

## PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

### Essential indicators

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

We are committed to surpassing clients consistently. We have robust mechanisms to track and respond to customer complaints and feedback in the delivery of our products. Our latest annual client survey indicates that most of our clients are delighted with us, sustaining the positive feedback gained over the years. We have also been appreciated for our relationship management, client-centric approach, account management, base delivery and quality of deliverables.





**2. Turnover of products and services as a percentage of turnover from all products and services that carry information about :**

| | As percentage to total turnover |
|---|---|
| Environment and social parameters relevant to the product safe and responsible usage | Not Applicable |
| Recycling and/or safe disposal | |
| Safe and responsible usage | |

**3. Number of consumer complaints in respect of the following:**

| | Current Financial Year 2023-24 | | Remark | Previous Financial Year 2022-23 | | Remark |
|---|---|---|---|---|---|---|
| | Received | Pending at the end of year | | Received | Pending at the end of year | |
| Data Privacy | We do not have any consumer complaints in respect of data privacy, advertising, cyber security, delivery of essential services, restrictive trade practices, and unfair trade practices. | | | | | |
| Cyber-security | | | | | | |
| Delivery of essential services | | | | | | |
| Unfair Trade Practices | | | | | | |
| Restrictive Trade Practices | | | | | | |
| Advertising | | | | | | |

**4. Details of instances of product recalls on account of safety issues:**

| | Number | Reasons for recall |
|---|---|---|
| Voluntary Recalls | Nil | |
| Forced Recalls | | |

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If yes, provide a web link of the policy.**

Yes. Refer to our "Information Technology" Policy for details. Refer Policy & Code of Conduct in the weblink https://jashindia.com/investors/

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers, re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

None

**7. Provide the following information relating to data breaches:**

**a. Number of instances of data breaches - None**

**b. Percentage of data breaches involving personally identifiable information of customers -0%**

**c. Impact, if any, of the data breaches - None**

## Leadership Indicators

1. **Channels / platforms where information on products and services of the Company can be accessed provide web links, if available.**

   **Refer to https://jashindia.com/products/**

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and services.**

   We have a practice to send safety and usage booklets with the delivery of all products to all Customers. Also a dedicated person demos the safety instructions.

3. **Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

   Refer to principle 6, question 7 of Leadership indicators, in this report

4. **Does the Company display product information on the product over and above what is mandated as per local laws?**

   Yes

5. **Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of the entity or the entity as a whole? (Yes / No)**

   Yes

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Iash Engineering Limited
### Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Jash Engineering Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind **AS")** and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

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

| Sr. No. | Kev Audit Matter | Auditor's Response |
|---|---|---|
| 1 | **Inventory Valuation**<br><br>At the balance sheet date 31 March 2024, the Company held inventories **comprising of raw materials** amounting to INR 5,64_6.42 lakhs, work-in-progress amounting to INR 4,691.24 lakhs, finished goods and stores amounting to INR 3,14(i).32 lakhs, spares and other consumables amounting to INR 194.02 lakhs i.e., total Inventories amounting to INR 13,674.30 lakhs as included in Note 13 of the accompanying standalone financial statements. | To assess valuation of Inventory, our procedures included, but are not limited to the following:<br>a) Obtained an understanding of the management's process of valuation of inventory.<br><br>b) Evaluated the design and tested the operating effectiveness of key controls around valuation including around management estimates, stage of completion, overhead computations and determination of net realizable value of inventory items. |

| | | |
|---|---|---|
| | Whilst the inventory valuation has been automated through **SAP,** the allocation of various production and administration related overheads on the finished goods and work-in-progress inventory is carried out manually using MS-Excel application. Further, the identification of activities for overhead allocation and computation of machine/labour hour rates are varied and complex. Owing to the nature of the business, which involves manufacture of engineering products specific to the requirements of customers, the valuation of inventory and cost of production for each product being manufactured is distinct and separately determined.<br>Further, assessment by management of net realizable value of items of inventory involves specific identification of slow moving and obsolete inventories, and assessment of net realizable value of such slow moving and obsolete inventory items, requiring judgement and estimation on part of the management, on considering the complexities and materiality of amounts involved, this matter is considered as a key audit matter. | c) Evaluated the appropriateness of the Company's accounting policy and method of valuation for inventory in accordance with the accounting standards.<br><br>d) Discussed with management the rationale supporting the assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Testing the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Company.<br><br>e) 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.<br><br>f) Obtained and understanding management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is consistently applied.<br><br>g) On test check basis, performed an analysis of ageing of inventory items leading to specific inquiries with the management to ensure the completeness of the inventory identified as slow moving, non-moving and obsolete.<br><br>h) Tested the net realizable value of finished goods inventory on a sample basis to recent selling prices less costs to sell (to the agreed contract value), to identify allowance required for finished goods.<br><br>i) Evaluated the disclosures made in the standalone financial statements in accordance with th applicable accounting standards. |
| 2 | **Potential impairment of Investment in Subsidiary**<br><br>The Company has investments in one of subsidiaries - Jash USA Inc, located at United States aggregating to INR 5,313 05 lakhs (as of 31 March, 2024), as stated in Note 8 to the standalone financial statements which is measured at cost. The Company assesses the recoverable amount of the investments when indicators exist for decline in value of the investments, other than temporary, as on the reporting date, as disclosed in Note to the standalone financial statements. The Company also has outstanding long-term loans (interest portion) and trade receivable recoverable from Jash USA amounting to INR 8.31 lakhs and INR 3,902.14 lakhs re pectively. Further the 'loan along with interest which are outstanding remains unpaid as on year end. The Company's management has evaluated if there are any impairment indicators relating to | To assess valuation of Investment and loans/receivables, our procedures included, but are not limited to the following:<br><br>a) Obtained an understanding of management's processes and controls to evaluate the indicators of impairment for investment.<br><br>b) Evaluated the design and tested the operating effectiveness of key controls implemented by the management for evaluating the indicators of impairment for investment.<br><br>c) Evaluated the external and internal sources of information for indicators of impairment.<br><br>d) Evaluated the movement of receivables, repayment of loan and interest thereof. As the position and recoverability has improved, management evaluated that there are no impairment indicators. |

| | | |
|---|---|---|
| | these investments in accordance with Ind AS 36.<br>Management's assessment of the fair valuation of investments is complex and requires estimation and judgement around assumptions used.<br>Accordingly, considering the materiality of the carrying amounts, recoverability assessment of aforesaid investments, has been considered to be a key audit matter for current year's audit. | |

**Information Other than the Financial Statements and Auditor's Report Thereon**

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

- Our opinion on the standalone financial statements does not cover the other information and we 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 during the course of our audit or otherwise appears to be materially misstated.
- When we read the above-mentioned reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.





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

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

**Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the 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 financial controls 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 Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 iri a manner that achieves fair presentation.

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

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

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

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**

1. As required by Section 143(3) of the Act, based on our audit we report, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for matters stated in paragraph (i)(vi) below.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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 has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 42 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 53(j) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 53(k) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.
As stated in note 21 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the year ended 31 March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in respect of an accounting software, audit trail was not enabled at the database level to log any direct data changes.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March, 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Pallavi Sharma
Partner
Membership No. 113861
UDIN: 24113861BKBPBL2492

Place: Mumbai
Date: 9 May, 2024





**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**
**(Referred to in paragraph i(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Jash Engineering Limited ("the Company") as at March 31, 2024 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone financial statements 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 issued by the Institute of Chartered Accountants of India. 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 its business, including adherence to the respective 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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

**Meaning of Internal Financial Controls with reference to standalone financial statements**

A company's internal financial control with reference to standalone financial statements 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 internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March, 2024, based on the criteria for internal financial control with reference to standalone financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Pallavi Sharma
Partner
Membership No. 113861 UDIN:
24113861BKBPBL2492

Place: Mumbai
Date: 9 May 2024





**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date of lash Engineering Limited on the financial statements of the Company for the year ended 31 March 2024)**

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of the property, plant and equipment (including capital -in- work in progress and relevant details of right -of-use assets).

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Some of the Property, Plant and Equipment, (capital work-in-progress, and right-of-use assets) were physically verified during the year by the Management in accordance with a programme of verification, which in our opinion provides for physical verification of all the Property, Plant and Equipment, (capital work-in-progress, and right-of-use assets) at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) Based on the examination of the registered transfer deed provided to us, we report that, the transfer deed of the immovable property of freehold land (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date. Immovable properties of land, whose title deeds have been pledged as security for borrowings, are held in the name of the Company based on the confirmations directly received by us from the custodian on behalf of lenders and in case of buildings, verification of property tax receipts for the year.

(d) The Company has not revalued any of its Property, plant and equipment (including right -of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories (except for stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year-end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, during the year, from banks on basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns and statements (stock statements, statements on ageing analysis of debtors) filed by the Company with

| For the Quarter Ended | 0 III Sanctioned Amount to which discrepancy relates. (Amount in Lakhs) | Details of discrepancies | | | | | |
|---|---|---|---|---|---|---|---|
| | | Nature of Current Assets | Nature of Discrepancy | Amount (Rs. In lakhs) | | | |
| | | | | As per unaudited books of accounts | As per quarterly return and statements | Difference | Remarks |
| 30-June-2023 | 7,450 | Inventory | Refer Note 1 below | 12,856.37 | 12,005.55 | 850.82 | - |
| | | Trade Receivables | Refer Note 2 below | 8,552.57 | 9,719.52 | (1,116.95) | - |
| 30-September-2023 | 7,450 | Inventory | Refer Note 1 below | 14,469.96 | 14,471.62 | (1.66) | - |
| | | Trade Receivables | Refer Note 2 below | 8,641.99 | 8,532.95 | 109.04 | - |
| 31-December-2023 | 7,450 | Inventory | Refer Note 1 below | 15,763.58 | 15,772.89 | (9.31) | - |
| | | Trade Receivables | Refer Note 2 below | 9,173.14 | 8,533.71 | 639.43 | - |
| 31-March-2024 | 7,450 | Inventory | Refer Note 1 below | 13,672.30 | 13,664.82 | 7.48 | - |
| | | Trade Receivables | Refer Note 2 below | 12,496.92 | 12,818.84 | (321.92) | - |





Note 1 :- Difference in inventory is on account of the adjustments with respect to revenue cut *off* reversal, obsolescence and valuation (overhead allocation) done at the end of review which leads to a variance in the balance as per books and as disclosed in the return. For more information refer note no. 54 of financial statements.

Note 2:- Difference in trade receivables is on account of unrealised foreign exchange gain/loss on restatement, cut *off* adjustments and expected credit loss. Balances submitted to banks doesn't include amount of bills receivable. For more information refer note no. 54 of financial statements.

(iii) The Company has provided loans or guarantees to subsidiaries in respect of which :-

(a) The Company has stood guarantee during the year for a subsidiary and details of which are given below: -

(Amounts Rs. in lakhs)

| Particulars | Guarantees |
|---|---|
| Aggregate amount of guarantee stood during the year: - Guarantees | 200 |
| Guarantees outstanding as at balance sheet date in respect of above case | 1,875 |

(b) The guarantees provided and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, *prima facie,* not prejudicial to the Company's interest.

(c) In respect of loans granted and advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts of principal amounts and interest have been regular as per stipulations except for the following :-

(Amounts Rs. in lakhs

| Name of Entity | Nature | Amount | Due Date | Extent of Delay |
|---|---|---|---|---|
| Jash USA, Inc | Interest on loan | 8.31 | Annually | 15 days |

(d) In respect of loans granted and advances in the nature of loans provided by the Company, there is no amount overdue for more than 90 days at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, Cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there has been a delay in respect of remittance of Income tax and Professional Tax. We have been informed that the provisions of duty of Excise, Sales tax, Service tax, Value Added tax are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred in sub-clause (a) above which have not been deposited as on 31 March 2024 on account of disputes are given below:

| Name of statues | Nature of Dues | Amount (Rs. In Lakhs) | Amount paid under protest (Rs. In Lakhs) | Amount Unpaid (Rs. In Lakhs) | Period to which it relates | Forum where dispute is pending |
|---|---|---|---|---|---|---|
| Central Sales Tax, 1956 | Central Sales tax | 13.94 | 8.98 | 4.96 | FY1999-2000 | High Court of Madhya Pradesh |
| Central Sales Tax, 1956 | Central Sales tax | 2.39 | 0.92 | **1.47** | FY2000-2001 | High Court of **Madhya** Pradesh |
| Central Sales Tax, 1956 | Central Sales tax | 20.12 | 0.00 | 20.12 | FY2016-2017 | Additional commissioner of Commercial tax |
| Central Goods and Services, Act 2017 | Goods and Service Tax | 16.18 | 0.84 | 15.34 | FY 2017-2018 | Office of Joint Commissioner, State Tax (Madhya Pradesh) |
| Central Goods and Services, Act 2017 | Goods and Service Tax | 18.23 | 1.06 | 17.17 | FY 2018-2019 | Office of Joint Commissioner, State Tax (Madhya Pradesh) |
| Income Tax, 1961 | Income Tax | 2.14 | 0.00 | **2.14** | FY 2016-2017 | Commissioner of Income Tax (Appeals) |
| Income Tax, 1961 | Income tax | 3.85 | 0.00 | 3.85 | FY 2017-2018 | Commissioner of Income Tax (Appeals) |
| Income Tax, 1961 | Income Tax | 27.80 | 0.00 | 27.80 | FY 2019-2020 | Commissioner of Income Tax (Appeals) |

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, the funds raised on short-term basis have, *prima facie,* not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) The Company has raised loans during the year on the pledge of securities held in its subsidiaries as per details below and has not defaulted in the repayment of such loans raised.

| Nature of loan taken | Name of lender | Amount of loan (In lakhs) | Name of subsidiary | Relation | Details of security pledged | Remarks |
|---|---|---|---|---|---|---|
| Export Packing Credit | Kotak Mahindra Bank | 951.30 | Shivpad Engineers Private Limited | Subsidiary | 30% of Equity Shares | For details of other security given in respect of the loans refer note 22(a) and 22(b) to the financial statements. |
| Working Capital Demand Loan | HDFC Bank | 3,200.00 | Shivpad Engineers Private Limited | Subsidiary | | |
| Export Packing Credit | HDFC Bank | 1,800.00 | Shivpad Engineers Private Limited | Subsidiary | | |
| Term Loan | HDFC Bank | 1,000.00 | Shivpad Engineers Private Limited | Subsidiary | | |

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.





(b) The Company has made preferential allotment of equity shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been maintained under temporary deployment pending application. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

The Company has further made preferential allotment of equity shares during the year for consideration other than cash with respect to proposed acquisition of an entity.. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013. No funds were raised on account of such preferential allotment.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the company has an adequate internal audit system commensurate with the size and the nature of the business.

(b) We have considered, the internal audit reports issued to the company during the year and covering the period April 2023 to March 2024.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.

As represented by the management, the Group does not have any Core Investment Company (CIC) as part of the group as per the definition of group contained in the Core Investments Companies (Reserve Bank) Directions, 2016 and hence the reporting under the clause (xvi)(d) of the order is not applicable.

(xvii) The Company has not incurred any cash losses in the current as well as the immediately preceding financial year.

**(xviii)** There has been no resignation of the statutory auditors of the Company during the year.

**(xix)** On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

**(xx)** The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause **(xx)** of the Order is not applicable for the year.

In respect of unspent amount at the end of previous year, the Company has transferred the unspent amount in respect of other than ongoing projects to a Fund specified in Schedule VII to the Act as required under second provision to sub- section (5) of 135 of the said Act within six months from the end of the previous financial year.

(xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the company. Accordingly, no comment has been included in respect of said clause under this report.

**For DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

**PALLAVI SHARMA**
Partner
Membership No. 113861
UDIN: 24113861BKBPBL2492

Place: Mumbai Date:
09 May, 2024

**Jash Engineering Limited**
**Standalone Balance Sheet as at 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 (a) | 7,793.58 | 6,711.32 |
| Right-of-use asset | 5 (b) | 563.82 | 605.23 |
| Capital work-in-progress | 6 | 83.46 | 244.98 |
| Intangible assets | 7 | 304.40 | 352.64 |
| Financial assets | | | |
| Investments | 8 | 7,516.63 | 7,462.13 |
| Loans | 9 | 8.31 | 642.99 |
| Other financial assets | 10 | - | 22.71 |
| Non-current tax assets (net) | 11 | 113.37 | 23.47 |
| Deferred tax assets (net) | 24 | 332.71 | 317.76 |
| Other non-current assets | 12 | 2,178.05 | 250.70 |
| **Total non-current assets** | | **18,894.33** | **16,633.93** |
| **Current assets** | | | |
| Inventories | 13 | 13,672.30 | 9,314.53 |
| Financial assets | | | |
| Investment | 14 | 602.56 | 1.47 |
| Trade receivables | 15 | 12,496.92 | 13,020.64 |
| Cash and cash equivalents | 16 | 525.94 | 287.26 |
| Other bank balances | 17 | 5,911.34 | 1,956.97 |
| Other financial assets | 18 | 29.94 | 48.31 |
| Other current assets | 19 | 630.37 | 359.24 |
| **Total current assets** | | **33,869.37** | **24,988.42** |
| **Total assets** | | **52,763.70** | **41,622.35** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 20 | 1,237.64 | 1,202.99 |
| Other equity | 21 | 31,920.97 | 22,455.60 |
| **Total equity** | | **33,158.61** | **23,658.59** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 22 (a) | 1,206.38 | 833.84 |
| Lease liabilities | 26 (a) | 458.98 | 471.94 |
| Provisions | 23 | 206.68 | 325.08 |
| Other non-current liabilities | 25 | 94.95 | 107.20 |
| **Total non-current liabilities** | | **1,966.99** | **1,738.06** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 22 (b) | 5,992.08 | 6,665.80 |
| Lease liabilities | 26 (b) | 66.32 | 68.76 |
| Trade payables | 27 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | 951.20 | 411.78 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,395.31 | 4,698.07 |
| Other financial liabilities | 28 | 963.35 | 588.85 |
| Other current liabilities | 29 | 4,802.29 | 3,161.09 |
| Provisions | 30 | 467.55 | 394.56 |
| Current tax liabilities (net) | 31 | - | 236.79 |
| **Total current liabilities** | | **17,638.10** | **16,225.70** |
| **Total liabilities** | | **19,605.09** | **17,963.76** |
| **Total equity and liabilities** | | **52,763.70** | **41,622.35** |
| Summary of material accounting policy information | 3 | | |
| The accompanying notes form an integral part of these standalone financial statements | 1 - 63 | | |

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date**: 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN:00012072

**Dharmendra Jain**
Chief Financial officer

**Tushar Kharpade**
Company Secretary
M. No. - A30144

**Place:** Indore
**Date:** 09 May 2024

**Jash Engineering Limited**
**Standalone Statement of Profit and Loss for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | Notes | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 32 | 34,534.95 | 27,172.58 |
| Other income | 33 | 723.09 | 924.74 |
| **Total income** | | **35,258.04** | **28,097.32** |
| | | | |
| **Expenses** | | | |
| Cost of materials consumed | 34 | 18,875.87 | 14,666.48 |
| Changes in inventories of finished goods and work-in-progress | 35 | (2,947.35) | (2,479.19) |
| Employee benefits expense | 36 | 4,660.73 | 3,977.03 |
| Finance costs | 37 | 985.30 | 955.61 |
| Depreciation and amortisation expense | 38 | 685.47 | 695.69 |
| Other expenses | 39 | 6,993.46 | 5,606.01 |
| **Total expenses** | | **29,253.48** | **23,421.63** |
| | | | |
| **Profit before tax** | | **6,004.56** | **4,675.69** |
| **Tax expense** | 40 | | |
| Current tax expense | | 1,017.89 | 817.60 |
| (Excess)/short provision of tax relating to earlier years | | (47.48) | - |
| Deferred tax expense/(credit) | | 22.28 | (222.93) |
| **Profit for the year** | | **5,011.87** | **4,081.02** |
| | | | |
| **Other comprehensive income** | | | |
| Items that will not be reclassified to profit or loss | | | |
| Remeasurement gains/(loss) on defined benefits plans | | (127.86) | (84.53) |
| Income tax relating to above | | 37.23 | 24.62 |
| **Other comprehensive income/(loss) for the year** | | **(90.63)** | **(59.91)** |
| | | | |
| **Total comprehensive income for the year** | | **4,921.24** | **4,021.11** |
| | | | |
| **Earnings per equity share (of INR 10/- each)** | 41 | | |
| Basic (INR) | | 41.56 | 34.15 |
| Diluted (INR) | | 40.95 | 33.61 |
| Summary of material accounting policy information | 3 | | |
| | | | |
| The accompanying notes form an integral part of these standalone financial statements | 1 - 63 | | |

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date**: 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN: 00012072

**Dharmendra Jain**
Chief Financial officer

**Tushar Kharpade**
Company Secretary
M. No. - A30144

**Place:** Indore
**Date:** 09 May 2024





**Jash Engineering Limited**
**Standalone Statement of Cash Flows for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| A | **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| | **Profit before tax** | **6,004.56** | **4,675.69** |
| | | | |
| | **Adjustments for:** | | |
| | Depreciation of property, plant and equipment | 618.50 | 629.89 |
| | Amortization of intangible assets | 66.97 | 65.80 |
| | Dividend income | (202.52) | (202.52) |
| | Profit on disposal of property, plant and equipment (net) | (0.43) | (1.09) |
| | Interest income on loan to subsidiary | (36.96) | (47.14) |
| | Interest income on bank deposits | (143.59) | (72.83) |
| | Interest income on other financials assets measured at amortised cost | (10.86) | (9.32) |
| | Government grant income | (14.39) | (14.56) |
| | Net unrealised gain on foreign currency | (109.95) | (250.10) |
| | Net gain on fair valuation of current investment | (1.09) | (0.57) |
| | Sundry creditors balances written back | (29.36) | (13.27) |
| | Advances and other balance written off | (7.14) | (31.32) |
| | Reversal of allowance for expected credit losses | 3.16 | - |
| | Provision/ (Reversal) for warranty expense | (74.07) | 139.21 |
| | Share based payments (amortisation) | 62.04 | 38.63 |
| | Finance cost | 985.30 | 955.61 |
| | **Operating profit before working capital changes** | **7,110.17** | **5,862.11** |
| | | | |
| | **Change in operating assets and liabilities:** | | |
| | -Decrease/ (Increase) in trade receivables | 668.43 | 274.99 |
| | -(Increase)/ Decrease in inventories | (4,357.77) | (3,627.91) |
| | -(Increase)/ Decrease in other assets | (1,521.95) | (349.32) |
| | -(Decrease)/ Increase in provisions | (99.20) | 74.65 |
| | -Increase/ (Decrease) in non-financial liabilities | 1,672.69 | 1,124.03 |
| | -Increase/ (Decrease) in trade payables and other payables | 611.29 | (320.52) |
| | **Cash generated from operations** | **4,083.66** | **3,038.03** |
| | Income taxes paid/refunds (net) | (1,285.29) | (554.32) |
| | **Net cash flow generated from operating activities (A)** | **2,798.37** | **2,483.71** |
| | | | |
| B | **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| | Purchase of property, plant and equipment and intangible assets | (1,518.83) | (596.77) |
| | Proceeds from sale of property, plant and equipment | 4.60 | 3.68 |
| | Investment in bank deposits (net) | (3,954.37) | (449.70) |
| | Investment in equity and mutual funds | (600.00) | (2.59) |
| | Investment in Joint Venture | (50.00) | - |
| | Dividend income | 202.52 | 202.52 |
| | Interest received | 191.41 | 129.29 |
| | **Net cash flow used in investing activities (B)** | **(5,724.67)** | **(713.57)** |
| | | | |
| C | **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| | Proceeds from long term borrowings | 1,233.42 | 86.01 |
| | Proceeds from issue of equity shares | 5,119.48 | 105.14 |
| | Proceeds from application money towards convertible share warrants | 114.56 | - |
| | Repayment of long term borrowings | (860.88) | (591.58) |
| | Proceeds from/(repayment of) short term borrowings (net) | (705.39) | 262.04 |
| | Repayment of principal component of lease obligation | (17.29) | 7.39 |
| | Payment of interest on lease obligation | (55.25) | (56.76) |
| | Payment of other interest paid | (941.87) | (898.85) |
| | Dividend paid (including taxes) | (721.80) | (429.89) |
| | **Net cash flow generated from/ (used in) financing activities (C)** | **3,164.98** | **(1,516.50)** |
| | | | |
| | **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | 238.68 | 253.64 |
| | Cash and cash equivalents at the beginning of the year | 287.26 | 33.62 |
| | **Cash and cash equivalents at the end of the year** | **525.94** | **287.26** |

**Jash Engineering Limited**
**Standalone Statement of Cash Flows for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Reconciliation of cash and cash equivalents as per cash flow statement** | | |
| Cash on hand | 421.97 | 9.09 |
| Balances with banks - in current and cash credit accounts | 103.97 | 278.17 |
| | **525.94** | **287.26** |

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

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN: 00012072

**Dharmendra Jain**
Chief Financial officer

**Place:** Indore
**Date:** 09 May 2024

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





**Jash Engineering Limited**
**Statement of Changes In Equity for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**A Equity share capital**

| Particulars | Amount |
|---|---|
| **Balance as at 01 April 2022** | **1,194.13** |
| Changes in equity share capital during the year | 8.86 |
| **Total share capital as at 31 March 2023** | **1,202.99** |
| Changes in equity share capital during the year | 34.65 |
| **Total share capital as at 31 March 2024** | **1,237.64** |

**B Other equity**

| | Share application money pending allotment | Securities premium | ESOP reserve | General reserve | SEZ Re-investment Reserve* | Retained earnings | Total |
|---|---|---|---|---|---|---|---|
| **Balance as at 01 April 2022** | **-** | **4,628.53** | **190.03** | **1,050.00** | **134.49** | **12,723.84** | **18,726.89** |
| Profit for the year | - | - | - | - | - | 4,081.02 | **4,081.02** |
| Dividends paid | - | - | - | - | - | (429.89) | **(429.89)** |
| ESOP reserve on grant of ESOP's to employees | - | - | 41.21 | - | - | - | **41.21** |
| Security premium on shares issued under ESOP Scheme | - | 96.29 | - | - | - | - | **96.29** |
| Transferred to SEZ re-investment reserve | - | - | - | - | 358.98 | (358.98) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | (51.57) | 51.57 | **-** |
| Other comprehensive income for the year | - | - | - | - | - | (59.91) | **(59.91)** |
| **Balance as at 31 March 2023** | **-** | **4,724.82** | **231.24** | **1,050.00** | **441.90** | **16,007.65** | **22,455.60** |
| Profit for the year | - | - | - | - | - | 5,011.87 | **5,011.87** |
| Dividends paid | - | - | - | - | | (721.80) | **(721.80)** |
| ESOP reserve on grant of ESOP's to employees | - | - | 74.05 | - | - | - | **74.05** |
| Reversal of ESOP reserve on non exercise of shares by employees | - | - | (7.51) | - | - | - | **(7.51)** |
| Security premium on issue of equity shares^ | - | 5,084.83 | - | - | - | - | **5,084.83** |
| Application money received towards convertible share warrants** | 114.56 | - | - | - | - | - | **114.56** |
| Transferred to SEZ re-investment reserve | - | - | - | - | 736.33 | (736.33) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | (90.33) | 90.33 | **-** |
| Other comprehensive income for the year | - | - | - | - | - | (90.63) | **(90.63)** |
| **Balance as at 31 March 2024** | **114.56** | **9,809.65** | **297.78** | **1,050.00** | **1,087.90** | **19,561.08** | **31,920.97** |

* The Special Economic Zone (SEZ) reinvestment reserve has been created out of the profits of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of Income Tax Act, 1961. The reserve utilised by the Company for acquiring new plant and machinery for the purpose of its business in the terms of section 10AA(2) of Income Tax Act, 1961. (Refer Note 54)

** During the year, the Company issued convertible share warrants aggregating to 29,999 share warrants to promoter and non-promoter share holder at INR 1,527.50 each. Out of the above, the Company has received 25% application money i.e INR 114.56 lakhs towards allotment of such share warrants.

^ The Company, has entered into a Share Purchase Agreement dated 03 October 2023 with Waterfront Fluid Controls Limited, Glasgow, Scotland, UK ("Waterfront"), to acquire 80% of shareholding from existing shareholders of Waterfront (total consideration being GBP 2,000,000 and out of which GBP 600,000 was paid in Cash and balance GBP 1,400,000 to be paid in terms of equity shares of the Company). During the year, the Company has paid an amount of INR 636.60 lakhs and issued 104,232 equity shares of INR 10/- each at a price of INR 1,362 per share amounting to INR 1,419.64 lakhs on preferential basis for consideration other than cash.

Additionally, the Company has made a preferential issue under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations") and in connection with the same, the Company has received consideration against which the Company has allotted 2,42,215 equity shares of INR 10/- each at a price of INR 1,527.50.

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN: 00012072

**Dharmendra Jain**
Chief Financial officer

**Place:** Indore
**Date:** 09 May 2024

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

**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

## 1. Company overview

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

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

## 2. General information and statement of compliance with Ind AS

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

These standalone financial statements are separate financial statements of the Company. The Company has also prepared consolidated financial statements for the year ended 31 March 2024 in accordance with Ind AS 110 and the same were also approved for issue by the Board of Directors on 09 May 2024.

### Basis of preparation

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

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

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value
- Share based payments which are measured at fair value of the options

### Functional and presentation currency

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

## 3. Summary of material accounting policies and information

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

### 3.1 Property, plant and equipment

*Recognition and initial measurement*

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

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

*Subsequent measurement (depreciation and useful lives)*

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





**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

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

Freehold land is not depreciated.

*De-recognition*

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

### 3.2 Capital work-in-progress

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

### 3.3 Intangible assets

*Recognition and initial measurement*

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

*Subsequent measurement*

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

| Asset class | Useful life (years) |
|---|---|
| Technical know how | 10 |
| Computer software | 3 to 6 |

### 3.4 Revenue recognition

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

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

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

**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

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

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

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

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

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

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

**Export benefits**
Income from export incentives are recognised on accrual basis.

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

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

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

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





**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

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

**b) Lease liabilities**
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

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

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

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

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

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

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

- *Raw materials:* cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted moving average basis.

- *Finished goods and work in progress:* cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.

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

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

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

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

**3.8 Impairment of non-financial assets**

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

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

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

**3.9 Foreign currency**

*Initial recognition of Transactions*

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

*Subsequent recognition of balances*

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

*Exchange differences*

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

**3.10 Financial instruments**

*Recognition and initial measurement*

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

**Non-derivative financial assets**

*Subsequent measurement*

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







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

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

*De-recognition of financial assets*

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

**Non-derivative financial liabilities**

*Subsequent measurement*

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

*De-recognition of financial liabilities*

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

**Derivative financial instruments**

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

**Offsetting of financial instruments**

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

**3.11 Equity investment in subsidiaries**

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

**3.12 Equity investment in Joint Venture**

Investments representing equity interest in joint ventures are initially measured at cost in accordance with Ind AS 111 "Joint Arrangements" and after initial recognition, the investment in the joint venture is accounted for using equity method as prescribed under IND AS 28 "Investments in Associates and Joint Ventures". The carrying amount is adjusted for the investor's share of the post-acquisition profits or losses of the joint venture. Any dividends received from the joint venture reduce the carrying amount of the investment. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

**3.13 Impairment of financial assets**

In accordance with Ind AS 109, the Company applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is provided for when there has been a significant increase in credit risk and then, factors historical trends and forward looking information. An impairment loss is recognised either based on the 12 months' probability of default or lifetime probability of default.

*Trade receivables*

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

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

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

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

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

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

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Indian Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgment is required to determine the probability of recognition of MAT credit entitlement.

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

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

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

*Defined contribution plan*







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

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

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

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

**Onerous contracts:**
Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

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

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

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

**3.18 Earnings per share**
Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding

during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

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

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

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

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

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

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

**3.20 Cash and cash equivalent**
Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

**3.21 Segment reporting**
The Company's business activity primarily falls within a single segment which is manufacturing and trading of varied engineering products for general engineering industry, water and wastewater industry and bulk solids handling industry. The geographical segments considered are "within India" and "outside India" and are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company who monitors the operating results of its business units not separately for the purpose of making decisions about resource allocation and performance assessment. The CODM is considered to be the Board of Directors who make strategic decisions and is responsible for allocating resources and assessing the financial performance of the operating segments. The analysis of geographical segments is based on geographical location of the customers.

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**3.23 Cash Flow Statement**
Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents for the purpose of the statement of cash flows comprise cash and deposit with banks and financial institutions. The Company considers all







highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalent.

**3.24 Recent accounting pronouncement**
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2024.

**4. Significant management judgement in applying accounting policies and estimation uncertainty**
The preparation of the Company's standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

*Significant management judgements*

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

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

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

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

*Significant estimates*

**a) Impairment of financial assets –** At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables and advances. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

**b) Fair value measurements** – Management applies valuation techniques to determine fair value of stock options. This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of stock options. Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs)
The Company recognizes transfers between levels of fair value hierarchy at the end of reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 44 – Financial Instruments.

**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

**c) Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

**d) Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

**e) Provision for non/ slow moving Inventory –** Management creates adequate provisions on the non-moving or slow-moving inventory in accordance with suitable policy to determine net realizable value of the Inventory. Inventory includes Raw material, finished goods and stock in trade. Inventories are measured at the lower of cost and net realizable value. Provision is made for slow moving and obsolete inventory in accordance with the policy of the Company. The Company's policy and provision for slow moving and obsolete inventory is reviewed periodically by the management.





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**5 (a) Property plant and equipment**

| | Freehold land | Buildings | Plant and equipments | Electric substations | Computers | Furniture and fixtures | Vehicles | Office equipments | Total |
|---|---|---|---|---|---|---|---|---|---|
| **Gross carrying value** | | | | | | | | | |
| **Balance as at 31 March 2022** | **330.71** | **4,951.70** | **5,402.81** | **365.21** | **300.06** | **384.27** | **199.69** | **134.72** | **12,069.17** |
| Additions during the year* | - | 44.38 | 207.28 | 6.21 | 29.82 | 9.75 | 95.90 | 15.08 | 408.42 |
| Disposals/adjustment during the year | - | - | (1.99) | - | - | - | (13.83) | - | (15.82) |
| **Balance as at 31 March 2023** | **330.71** | **4,996.08** | **5,608.10** | **371.42** | **329.88** | **394.02** | **281.76** | **149.80** | **12,461.77** |
| Additions during the year* | - | 921.16 | 365.88 | - | 34.48 | 64.46 | 244.68 | 30.97 | 1,661.63 |
| Disposals/adjustment during the year | - | - | (3.82) | - | - | (0.60) | (9.86) | - | (14.28) |
| **Balance as at 31 March 2024** | **330.71** | **5,917.24** | **5,970.16** | **371.42** | **364.36** | **457.88** | **516.58** | **180.77** | **14,109.12** |
| **Accumulated depreciation** | | | | | | | | | |
| **Balance as at 31 March 2022** | **-** | **1,340.82** | **2,812.66** | **250.61** | **245.82** | **283.66** | **130.08** | **104.82** | **5,168.47** |
| Depreciation charge for the year | - | 155.73 | 341.03 | 16.67 | 30.69 | 17.39 | 23.18 | 10.51 | 595.20 |
| Reversal on disposal/adjustment of assets | - | - | (0.09) | - | - | - | (13.13) | - | (13.22) |
| **Balance as at 31 March 2023** | **-** | **1,496.55** | **3,153.60** | **267.28** | **276.51** | **301.05** | **140.13** | **115.33** | **5,750.45** |
| Depreciation charge for the year | - | 163.56 | 312.54 | 16.92 | 27.93 | 16.23 | 26.62 | 11.39 | 575.19 |
| Reversal on disposal/adjustment of assets | - | - | (0.62) | - | - | (0.12) | (9.36) | - | (10.10) |
| **Balance as at 31 March 2024** | **-** | **1,660.11** | **3,465.52** | **284.20** | **304.44** | **317.16** | **157.39** | **126.72** | **6,315.54** |
| **Net block** | | | | | | | | | |
| **Balance as at 31 March 2023** | **330.71** | **3,499.53** | **2,454.50** | **104.14** | **53.37** | **92.97** | **141.63** | **34.47** | **6,711.32** |
| **Balance as at 31 March 2024** | **330.71** | **4,257.13** | **2,504.64** | **87.22** | **59.92** | **140.72** | **359.19** | **54.05** | **7,793.58** |

**Notes:**

**(i) Contractual obligations**
Refer note 42 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**(ii) Property, plant and equipment pledged as security**
Refer note 22 (a) and 22 (b) for information on property, plant and equipment pledged as security by the Company.

**(iii)** * During the financial year, the Company utilized INR 90.33 Lakhs (March 2023 INR 51.57 Lakhs) to acquire new eligible plant and machinery in SEZ Unit I to fulfill the conditions of Section 10AA of Income Tax Act, 1961. (Refer Note 54)

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**5 (b) Right of use assets**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Gross carrying value at the beginning of the year** | **804.33** | **788.92** |
| Additions during the year | 11.27 | 15.41 |
| Disposals/adjustment during the year | (9.38) | - |
| **Balance as at reporting date** | **806.22** | **804.33** |
| **Accumulated depreciation at the beginning of the year** | **199.10** | **164.42** |
| Depreciation charge for the year | 43.30 | 34.68 |
| Reversal on disposal/adjustment of assets | - | - |
| **Balance as at reporting date** | **242.40** | **199.10** |
| **Net balance as at reporting date** | **563.82** | **605.23** |

Refer note 48 for contractual commitments for lease payments.

**6 Capital work in progress (CWIP)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Capital work in progress* | 83.46 | 244.98 |

*Capital work in progress represents certain projects under construction.

**CWIP ageing schedule as on 31 March 2024**

| Capital Work in Progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress | 83.46 | - | - | - | 83.46 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **83.46** | **-** | **-** | **-** | **83.46** |

**CWIP ageing schedule as on 31 March 2023**

| Capital Work in Progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress | 184.11 | - | 60.87 | - | 244.98 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **184.11** | **-** | **60.87** | **-** | **244.98** |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

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

| | Capital WIP |
|---|---|
| **As at 01 April 2022** | **88.04** |
| Additions during the year | 319.79 |
| Disposal during the year | 10.35 |
| Transferred to Property, plant and equipment | 152.50 |
| **As at 31 March 2023** | **244.98** |
| Additions during the year | 1,066.64 |
| Disposal during the year | - |
| Transferred to Property, plant and equipment | 1,228.16 |
| **As at 31 March 2024** | **83.46** |

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**7 Intangible asset**

| | Technical Know-how | Computer software | Total |
|---|---|---|---|
| **Gross carrying value** | | | |
| **Balance as at 31 March 2022** | **337.01** | **410.90** | **747.91** |
| Additions during the year | - | 16.00 | 16.00 |
| **Balance as at 31 March 2023** | **337.01** | **426.90** | **763.91** |
| Additions during the year | - | 18.74 | 18.74 |
| **Balance as at 31 March 2024** | **337.01** | **445.64** | **782.65** |
| **Accumulated amortisation** | | | |
| **Balance as at 31 March 2022** | **99.15** | **246.32** | **345.47** |
| Amortisation for the year | 24.18 | 41.62 | 65.80 |
| **Balance as at 31 March 2023** | **123.33** | **287.94** | **411.27** |
| Amortisation for the year | 24.18 | 42.80 | 66.98 |
| **Balance as at 31 March 2024** | **147.51** | **330.74** | **478.25** |
| Net block | | | |
| **Balance as at 31 March 2023** | **213.68** | **138.96** | **352.64** |
| **Balance as at 31 March 2024** | **189.50** | **114.90** | **304.40** |

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**8 Non-current investments**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Investment in equity instruments (unquoted, at cost)** | | |
| **Investment in subsidiaries:** | | |
| **Shivpad Engineers Private Limited (refer note 8.1(i) and (iv) below)** | 576.31 | 579.85 |
| 135,030 (31 March 2023 - 135,030) equity shares (fully paid up) of INR 10 each | | |
| **Jash USA INC (refer note 8.1(ii) and (iv) below)** | 5,313.05 | 5,305.01 |
| 18,500 (31 March 2023 - 18,500) equity shares (fully paid up) of USD 10 each | | |
| **Mahr Maschinenbau GmbH ("MM")** | 1,577.27 | 1,577.27 |
| 1 (31 March 2023 - 1) equity share (fully paid up) pertaining to entire capital equivalent to Euro 36,336.41 of MM's owner's equity | | |
| **Engineering and Manufacturing Jash Limited *** | 0.00 | 0.00 |
| 1 (31 March 2023 - 1) equity share (fully paid up) of Hong kong dollar 1 each | | |
| **Investment in Joint Ventures:** | | |
| **Jash Invent India Private Limited** | 50.00 | - |
| 500,000 (31 March 2023 - Nil) equity shares (fully paid up) of INR 10 each | | |
| **Net investments in subsidiaries and Joint Ventures** | **7,516.63** | **7,462.13** |
| **Aggregate carrying value of unquoted investments** | **7,516.63** | **7,462.13** |
| **Aggregate amount of impairment in the value of investments** | **-** | **-** |

* Since the amount are less than denomination disclosed, the amounts do not appear

**8.1 Notes**
i) 30% i.e 40,509 Shares (31 March 2023: 40,509 shares) of the investment in Shivpad Engineers Private Limited pledged in favour of State Bank of India, HDFC Bank, Axis Bank and Kotak Bank in respect of credit facilities taken.
ii) This includes investment by the Company in Jash USA Inc represented by equity share capital amounting to INR 89.22 lakhs (31 March 2023- INR 89.22 lakhs) against which 18,500 shares have been issued to the Company. Rest of the amount INR 5,205.04 lakhs (31 March 2023- INR 5,205.04 lakhs) is amount invested by the Company in Jash USA; the same has been classified as an "additional paid in capital" in Jash USA Inc. and no equity shares have been issued to the Company against such investments.
iii) Investments in subsidiaries are stated at cost using the priciples of Ind AS 27 'Separate Financial Statements'.
iv) The investment in Jash USA Inc. and Shivpad Engineers Private Limited includes the vested portion of fair value of options granted to employees of these subsidiaries and has been accounted as deemed equity contribution has been clubbed under investment in equity instruments of these subsidiaries.The details of the same are as follows:

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Investment in Shivpad Engineers Private Limited | 7.97 | 11.50 |
| Investment in Jash USA Inc. | 18.78 | 10.75 |
| | **26.75** | **22.25** |

**9 Loans (non-current)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Loan to subsidiary** | 8.31 | 642.99 |
| | **8.31** | **642.99** |
| **Loans can be categorised as follows:** | | |
| Unsecured, considered good | 8.31 | 642.99 |
| Less: Allowance for expected credit loss | - | - |
| | **8.31** | **642.99** |

** Includes certain intercorporate deposits, the particulars of which are disclosed below as required by Sec 186(4) of the Companies Act 2013:

| Name of the loanee | Rate of Interest | Purpose | Secured/ Unsecured | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|---|---|
| Jash USA Inc. | 8.00% | General business purpose | Unsecured | 8.31 | 642.99 |

The principal amount of USD 500,000 repaid by Jash USA Inc. was received in SBI inter bank a/c before 31 March 2024 as per receipt advice of the bank to the Company (credited on 04 April 2024). The interest for the last quarter of INR 8.31 lakhs was subsequently received on 15 April 2024.

**Disclosure related to percentage of loans given to related parties:**

| | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| **Type of borrower** | **Amount of loan or advance in the nature of loan outstanding*** | **Percentage to the total loans and advances in the nature of loans** | **Amount of loan or advance in the nature of loan outstanding*** | **Percentage to the total loans and advances in the nature of loans** |
| Promoters | - | - | - | - |
| Directors | - | - | - | - |
| KMPs | - | - | - | - |
| Related Parties | 8.31 | 100.00% | 642.99 | 100.00% |
| **Total** | **8.31** | **100.00%** | **642.99** | **100.00%** |

*None of the loans are repayable on demand or without specifying any terms or period of repayment.

**10 Other financial assets (non-current)**

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Government grant receivable* (refer note 59) | - | 22.71 |
| | **-** | **22.71** |

* Pursuant to sanction letter received from District Trade and Industries Centre, Pithampur Madhya Pradesh in relation to Micro, Small and Medium Enterprises policy, 2019 and Micro, Small and Medium Enterprises policy, 2017, the Company is entitled to subsidy of INR 90.86 lakhs in equal 4 installments and INR 57.30 lakhs in 5 equal installments for SEZ Unit 1 and SEZ Unit 2 respectively on admissible value of plant and machinery.

**11 Non current tax assets (net)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Income tax assets* | 113.37 | 23.47 |
| | **113.37** | **23.47** |

*(net of provision for income taxes INR 1017.89 lakhs (31 March 2023: INR Nil lakhs))

**12 Other non-current assets**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Capital advances | 56.78 | 54.26 |
| Advance for investment in equity shares of company* | 2,056.24 | - |
| Balance with government authorities | 6.79 | 41.68 |
| Prepaid expenses | 10.20 | 107.97 |
| Security deposits | 48.04 | 46.79 |
| Others | - | - |
| | **2,178.05** | **250.70** |

* The Company has paid an amount of INR 636.60 lakhs and issued 104,232 equity shares of value amounting to INR 1,419.64 lakhs to acquire 80% stake in Waterfront Fluid Controls Limited, UK. The aggregate amount of INR 2,056.24 lakhs is disclosed as advances for pending issue and allotment of the said equity shares by Waterfront Fluid Controls Limited, UK.

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

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Raw material | 5,646.42 | 4,300.21 |
| Work-in-progress | 4,691.54 | 3,026.91 |
| Finished goods | 3,140.32 | 1,857.60 |
| Stores, spares and other consumables | 194.02 | 129.81 |
| | **13,672.30** | **9,314.53** |

Refer note 22 (a) and 22 (b) for details of inventories pledged against borrowings by the Company.
Write-down of inventories to net realisable value amounting to INR 451.38 lakhs (31 March 2023: INR 375.25 lakhs). These are recognised as an expense during the year and included in changes in value of inventories.

**14 Current investments**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Investment in equity instruments(quoted)** | | |
| Ramky Infrastructure Limited<br>489 (31 March 2023 - 489) equity shares (fully paid up) of INR 10 each | 2.38 | 1.43 |
| VA Tech Wabag Limited<br>12 (31 March 2023 - 12) equity shares (fully paid up) of INR 10 each | 0.11 | 0.04 |
| Investment in Mutual funds (**quoted**) | 600.07 | - |
| | **602.56** | **1.47** |
| **Note:** The carrying amount of the above quoted investments represents the current market value. | | |
| **Aggregate carrying amount of quoted investments** | **602.56** | **1.47** |
| **Aggregate market value of quoted investments** | **602.56** | **1.47** |

**15 Trade receivables***

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unsecured, considered good | 12,496.92 | 13,020.64 |
| Unsecured, credit impaired | 336.36 | 333.20 |
| Less: Allowance for expected credit loss | (336.36) | (333.20) |
| | **12,496.92** | **13,020.64** |
| **Due from related parties**** | **3,905.70** | **4,958.44** |
| **Due from others** | **8,591.23** | **8,062.20** |

*Refer note 22 (a) and 22 (b) for details of trade receivables pledged against borrowings by the Company.

**Refer note 47 for details about related party trade receivables.





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**Trade receivables ageing schedule as on 31 March 2024**

| Particulars | As at 31 March 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 6,675.94 | 4,596.05 | 560.91 | 464.31 | 13.11 | 186.60 | 12,496.92 |
| (ii) Undisputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 0.13 | 5.58 | 0.89 | 9.06 | 34.14 | 286.56 | 336.36 |
| (iv) Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **6,676.07** | **4,601.63** | **561.80** | **473.37** | **47.25** | **473.16** | **12,833.28** |

**Trade receivables ageing schedule as on 31 March 2023**

| Particulars | As at 31 March 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 5,572.65 | 6,856.72 | 149.98 | 141.28 | 38.81 | 261.20 | 13,020.64 |
| (ii) Undisputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | - | - | 38.10 | 14.88 | 29.90 | 250.32 | 333.20 |
| (iv) Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **5,572.65** | **6,856.72** | **188.08** | **156.16** | **68.71** | **511.52** | **13,353.84** |

**16 Cash and cash equivalents**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balances with banks: | | |
| - in current and cash credit accounts* | 103.97 | 278.17 |
| Cash on hand | 5.56 | 9.09 |
| Remittance in transit** | 416.41 | - |
| | **525.94** | **287.26** |

*The amount in FY 2023-24 includes INR 5.03 lakhs and INR 4.52 lakhs earmarked balances with banks held for unpaid dividend and CSR respectively pertains to previous years
**The principal amount of USD 500,000 repaid by Jash USA Inc. was received in SBI inter bank a/c before 31 March 2024 as per receipt advice of the bank to the Company (credited on 04 April 2024), accordingly considered as remittance in transit.

**17 Other bank balances**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Fixed Deposits* | 5,832.19 | 1,907.13 |
| Accrued Interest & Interest Receivable | 79.15 | 49.84 |
| | **5,911.34** | **1,956.97** |

* The deposits amounting to INR 1,293.75 lakhs (31 March 2023 - INR 1,462.02 lakhs) are pledged against bank guarantees, for cash credit/ letter of credit facilities and other banking facilities.

**18 Other financial assets (current)**

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Security deposits | 2.14 | 1.93 |
| Tender fee and earnest money deposit (current) | 4.31 | 4.09 |
| Government grant receivable* (refer note 59) | 22.72 | 34.18 |
| Derivative assets** | 0.77 | 8.11 |
| | **29.94** | **48.31** |

* Pursuant to sanction letter received from District Trade and Industries Centre, Pithampur Madhya Pradesh in relation to Micro, Small and Medium Enterprises policy, 2019 and Micro, Small and Medium Enterprises policy, 2017, the Company is entitled to subsidy of INR 90.86 lakhs in equal 4 installments and INR 57.30 lakhs in 5 equal installments for SEZ Unit 1 and SEZ Unit 2 respectively on admissible value of plant and machinery. Above INR 22.72 lakhs is for SEZ Unit 1 which will be receivable as next (last) installment in the next 12 months.

** Derivatives are forward exchange contracts measured at fair value and are carried as asset when their fair value is positive and are carried as liability when their fair value is negative. The above derivative is a currency derivative pertaining to a forward exchange contract. This contract is entered into by the company to mitigate the risk invloved in expected foreign currency cash inflows and outflows.

**19 Other current assets**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Advances to suppliers | 366.38 | 204.44 |
| Advances given to employees | 45.20 | 22.47 |
| Balances with government authorities | 119.51 | 108.53 |
| Prepaid expenses | 99.28 | 23.80 |
| | **630.37** | **359.24** |

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**20 Equity share capital**

| | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **Authorised share capital** | | | | |
| Equity shares of INR 10 each | 1,34,90,000 | 1,349.00 | 1,34,90,000 | 1,349.00 |
| Preference shares of INR 10 each | 5,10,000 | 51.00 | 5,10,000 | 51.00 |
| | **1,40,00,000** | **1,400.00** | **1,40,00,000** | **1,400.00** |
| **Issued, subscribed and fully paid up** | | | | |
| Equity shares of INR 10 each | 1,23,76,405 | 1,237.64 | 1,20,29,958 | 1,202.99 |
| | **1,23,76,405** | **1,237.64** | **1,20,29,958** | **1,202.99** |

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

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balance at the beginning of the year | 1,202.99 | 1,194.13 |
| Add: Shares issued during the year | 34.65 | 8.86 |
| Balance at the end of the year | **1,237.64** | **1,202.99** |

**b) Note for shares held under ESOP Trust:**
The ESOP trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are netted off from the total share capital. Shares held by the Trust are Nil as of 31 March 2024 (31 March 2023: Nil). Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company. The financial statements of the Trust have been audited by an independent other auditor.
For the details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company refer note 50.

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

| | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number of shares | % of holding | Number of shares | % of holding |
| Mr. Pratik Patel | 14,11,921 | 11.41% | 14,11,921 | 11.74% |
| Mr. Axel Schutte | 7,92,807 | 6.41% | 7,92,807 | 6.59% |
| Mrs. Bhairvi Patel | 7,52,308 | 6.08% | 7,52,308 | 6.25% |

**d) Details of Shares held by promoters and promoter group at the end of current year and previous year**

| Promoter Name | As at 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | No. of Shares | % of total shares | % Change during the year | No. of Shares | % of total shares | % Change during the year |
| Pratik Patel | 14,11,921 | 11.41% | (0.33%) | 14,11,921 | 11.74% | (0.77%) |
| Harsh Patel | 4,17,500 | 3.37% | (0.10%) | 4,17,500 | 3.47% | (0.30%) |
| Laxminandan Amin | - | 0.00% | 0.00% | - | 0.00% | (0.73%) |
| Bhairavi Patel | 7,52,308 | 6.08% | (0.18%) | 7,52,308 | 6.25% | (0.05%) |
| Rasesh Amin | 3,32,305 | 2.68% | (0.17%) | 3,43,242 | 2.85% | 0.28% |
| Pallavi U Patel | 4,23,772 | 3.42% | (0.10%) | 4,23,772 | 3.52% | (0.03%) |
| Girish Patel . | 4,01,603 | 3.24% | (0.09%) | 4,01,603 | 3.34% | (0.02%) |
| Suresh Patel | 4,18,383 | 3.38% | (0.10%) | 4,18,383 | 3.48% | (0.03%) |
| Pravin Patel | - | 0.00% | (3.16%) | 3,79,875 | 3.16% | (0.02%) |
| Laxmi Nandan Amin Huf (Rasesh Amin) | 58,568 | 0.47% | (0.01%) | 58,568 | 0.49% | 0.00% |
| Geeta Patel | 1,25,491 | 1.01% | (0.03%) | 1,25,491 | 1.04% | (0.01%) |
| Rohit Arvindbhai Patel | 88,913 | 0.72% | (0.02%) | 88,913 | 0.74% | (0.01%) |
| Kartik Amin | 44,921 | 0.36% | (0.04%) | 48,221 | 0.40% | 0.28% |
| Pratik N Patel Huf (Pratik Patel) | 57,500 | 0.46% | (0.01%) | 57,500 | 0.48% | 0.00% |
| Rahul U Patel | 71,417 | 0.58% | (0.02%) | 71,417 | 0.59% | 0.00% |
| Rekha Patel | 53,921 | 0.44% | (0.01%) | 53,921 | 0.45% | 0.00% |
| Ekta Patel | 52,691 | 0.43% | (0.01%) | 52,691 | 0.44% | 0.00% |
| Shakuntla Ben Patel | 44,250 | 0.36% | (0.01%) | 44,250 | 0.37% | 0.00% |
| Tejal Jaydeep Desai | 49,500 | 0.40% | (0.01%) | 49,500 | 0.41% | 0.00% |
| Chintan Patel | 2,26,796 | 1.83% | 1.53% | 36,859 | 0.31% | 0.00% |
| Archana Rasesh Amin | 26,900 | 0.22% | (0.01%) | 26,900 | 0.22% | (0.01%) |
| Rhutvik Patel | 21,963 | 0.18% | (0.01%) | 21,963 | 0.18% | 0.00% |
| Rohan R Patel | 20,000 | 0.16% | (0.01%) | 20,050 | 0.17% | 0.00% |
| Swati Desai | 39,330 | 0.32% | (0.01%) | 39,330 | 0.33% | 0.00% |
| Shreedevi R Patel | 20,032 | 0.16% | (0.00%) | 20,032 | 0.17% | 0.00% |
| Jesal Patel | 10,750 | 0.09% | (0.00%) | 10,750 | 0.09% | 0.00% |
| G J Patel Huf (Girish Patel) | 4,500 | 0.04% | (0.00%) | 4,500 | 0.04% | 0.00% |
| Kruti Patel | 3,000 | 0.02% | (0.00%) | 3,000 | 0.02% | 0.00% |
| Kajal Patel | 2,917 | 0.02% | (0.00%) | 2,917 | 0.02% | 0.00% |
| Payal R Patel | 2,917 | 0.02% | (0.00%) | 2,917 | 0.02% | 0.00% |
| Mitali Amin | 500 | 0.00% | (0.00%) | 500 | 0.00% | 0.00% |
| Patamin Investments Private Limited | 5,22,800 | 4.22% | (0.20%) | 5,31,800 | 4.42% | (0.03%) |
| Avani Patel | 1,63,657 | 1.32% | (0.06%) | 1,66,657 | 1.39% | (0.01%) |
| Utpal Patel | 2,47,938 | 2.00% | 1.52% | 58,000 | 0.48% | 0.00% |
| **Total** | **61,18,964** | **49.44%** | **(1.64%)** | **61,45,251** | **51.08%** | **(1.49%)** |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**e) Terms/rights attached to equity shares**

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

**f) Shares reserved for issue under options**

Information relating to Jash Engineering Employee Stock Option Scheme, including the details of options granted during the financial year and options outstanding at the end of reporting period are specified in Note 50

**g) 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**

During the year, the Company has issued 104,232 equity shares of INR 10/- each at fair value of INR 1,362 per share towards acquisition of 80% stake in Waterfront Fluid Controls Limited, UK. The issue of shares (including security premium) amounts to INR 1,419.64 lakhs.

**21 Other equity**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Security premium | 9,809.65 | 4,724.82 |
| General reserve | 1,050.00 | 1,050.00 |
| ESOP reserve (refer note 50) | 297.78 | 231.24 |
| SEZ Investment Reserve (refer note 55) | 1,087.90 | 441.90 |
| Retained earnings | 19,561.08 | 16,007.65 |
| Application money received towards convertible share warrants | 114.56 | - |
| | **31,920.97** | **22,455.60** |

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**Jash Engineering Limited**
**Movement of changes In Other Equity for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | Share application money pending allotment | Securities premium | ESOP reserve | General reserve | SEZ Re-investment Reserve* | Retained earnings | Total |
|---|---|---|---|---|---|---|---|
| **Balance as at 01 April 2022** | **-** | **4,628.53** | **190.03** | **1,050.00** | **134.49** | **12,723.84** | **18,726.89** |
| Profit for the year | - | - | - | - | - | 4,081.02 | **4,081.02** |
| Dividends paid | - | - | - | - | - | (429.89) | **(429.89)** |
| ESOP reserve on grant of ESOP's to employees | - | - | 41.21 | - | - | - | **41.21** |
| Security premium on shares issued under ESOP Scheme | - | 96.29 | - | - | - | - | **96.29** |
| Transferred to SEZ re-investment reserve | - | - | - | - | 358.98 | (358.98) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | (51.57) | 51.57 | **-** |
| Other comprehensive income for the year | - | - | - | - | | (59.91) | **(59.91)** |
| **Balance as at 31 March 2023** | **-** | **4,724.82** | **231.24** | **1,050.00** | **441.90** | **16,007.65** | **22,455.60** |
| Profit for the year | - | - | - | - | - | 5,011.87 | **5,011.87** |
| Dividends paid | - | - | - | - | - | (721.80) | **(721.80)** |
| ESOP reserve on grant of ESOP's to employees | - | - | 74.05 | - | - | - | **74.05** |
| Reversal of ESOP reserve on non exercise of shares by employees | - | - | (7.51) | - | - | - | **(7.51)** |
| Security premium on issue of equity shares^ | | 5,084.83 | - | - | - | - | **5,084.83** |
| Application money received towards convertible share warrants | 114.56 | - | - | - | - | - | **114.56** |
| Transferred to SEZ re-investment reserve | - | - | - | - | 736.33 | (736.33) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | (90.33) | 90.33 | **-** |
| Other comprehensive income for the year | - | - | - | - | | (90.63) | **(90.63)** |
| **Balance as at 31 March 2024** | **114.56** | **9,809.65** | **297.78** | **1,050.00** | **1,087.90** | **19,561.08** | **31,920.97** |

The Board of Directors of the Company, in their meeting held on 09 May 2024, recommended a final dividend of INR 7.20 per fully paid-up equity share of Rs. 10/- each, for the year ended 31 March 2024, subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

**Nature and purpose of reserves:**

**Securities premium:** 'Securities premium represents premium received on issue of shares. The reserve is being utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another.

**ESOP reserve:** This reserve represents recognition of the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

**SEZ Re-investment Reserve:** This reserve created for to avail tax benefit u/s 10AA. 50% of profit has been transferred in SEZ reserve and can be utilized for eligible plant and machinery. During the year, amounts equivalent to 50% profits of SEZ Unit I, INR 736.33 lakhs for financial year 2023-24 and INR 358.98 lakhs for financial year 2022-23 has been transferred to this reserve. During the financial year 2023-24 and 2022-23 INR 90.33 lakhs and INR 51.57 lakhs respectively utilised for invest in eligible new plant and machinery specified under section 10AA of the Income tax act, 1961.

**Application money received towards convertible share warrants:** During the year, the Company issued convertible share warrants aggregating to 29,999 share warrants to promoter and non-promoter share holder at INR 1,527.50 each. Out of the above, the Company has received 25% as application money i.e INR 114.56 lakhs towards allotment of such share warrants.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**22 (a) Non-current borrowings**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Secured** | | |
| **Term loans** | | |
| -Loans from banks (refer note (i) below)* | 1,479.53 | 1,092.48 |
| -Foreign currency loans from banks (refer note (i) below)* | - | 252.30 |
| **Vehicle loan** (refer note (ii) below) | 288.29 | 88.37 |
| | **1,767.82** | **1,433.15** |
| **Less : Current maturities of non-current borrowings (refer note 22 (b))** | (561.44) | (599.31) |
| | **1,206.38** | **833.84** |
| ***Details of guarantee for each type of borrowings** | | |
| **Guaranteed by directors and related parties** | | |
| Rupee and foreign currency loans from banks | **1,479.53** | **1,344.78** |

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

**i) Term loans from banks**

1) The Company availed loan against property facility from HDFC Bank amounting to INR 385.00 lakhs at rate of interest of over 0.85% of MCLR rate p.a. Repayment of term loan is to be done in 119 monthly installments of INR 5.02 lakhs with last installment falling due in year 2029-30. The entire amount of loan has been repaid in FY 2023-24. Outstanding book balance of term loan is INR Nil (31 March 2023: INR 270.81 lakhs).

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

Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel.

2) The Company availed term loan facility from Axis Bank amounting to INR 918.94 lakhs payable in 55 equal installment of INR 16.70 lakhs starting from October 2019 at rate of interest of over 3% on repo rate. The company paid 3 installments amounting to INR 50.12 Lakhs and subsequently in January 2020 company has converted its rupee term loan into foreign currency loan amounting to INR 852.10 Lakhs ((USD 12,17,291.42 (excluding last installment amounting to INR 16.70 Lakhs)). The converted loan is to be repaid in 51 monthly installments from February 2020 but the company has repaid the entire outstanding amount in FY 2023-24. The Outstanding rupee term loan as at 31 March 2024 is INR Nil (31 March 2023: INR 16.70 lakhs) and outstanding foreign currency loan is INR Nil (USD Nil) (31 March 2023: INR 252.30 lakhs (USD 306,871.93)).

**The aforesaid term loan loan facility is secured by way of :**

(a) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over factory land and building of the Company situated at Plot No. M-19, SEZ Phase II, Pithampur admeasuring total area 8661.67 square meter in the name of the Company.

(b) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of hypothecation of plant and machinery situated at at Plot No. M-19, SEZ Phase II, Pithampur

3) The Company has availed working capital term loan from Axis Bank of amounting to INR 755.00 lakhs at rate of interest of over 3.35% of repo rate p.a. Repayment of working capital term loan in 48 equal monthly principal instalments of INR 15.73 lakhs and moratarium period of 12 months from the date of first disbursement. Outstanding book balance of working captial term loan is INR 346.04 lakhs (31 March 2023: INR 534.79 lakhs).

**The aforesaid Working capital loan facility is secured by way of :**

**Primary:**

First pari passu charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at 18A, 18B, 18C, 19, 29-31, 32B Sector C, Industrial area, Sanwer Road, Indore Plot No. 1M-11, Misc. zone Phase-II SEZ, Pithampur dist. Dhar, and survey no. 74/1, 74/2/1, 74/2/2, 76/1/3 (now 76/1/4), 76/1 (now 76/1/1), 76/1/3 (now 76/1/5) PH No. 19, Bardari Tehsil, dist Sanwer, Indore survey no. 77 (now 77/1), PH no. 36, Bardari Tehsil, sanwer district, Indore Plot no. 19SEZ Phase-II, pithampur and at such other places approved by the Bank including good in transit/shipment in the name of Company.

4) The Company also availed working capital term loan from HDFC Bank of amounting to INR 350.00 lakhs at rate of interest of over 1% of RBI reference rate p.a. Repayment of working capital term loan in 48 equal monthly princial instalments of INR 7.29 lakhs and moratarium period of 12 months from the date of disbursement. Outstanding book balance of working capital term loan is INR 175.00 lakhs (31 March 2023: INR 262.50 lakhs)

**The aforesaid Working capital loan facility is secured by way of :**

**Primary:**

(a) First pari passu charge over Company's entire current assets

(b) Pari passu charge on entire fixed asset of the Company.

**Collateral:**

(a) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over land and building of the Company situated at Plot No. M-19, SEZ Phase II, Pithambur admeasuring total area 8661.67 square meter in the name of the Company.

(b) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 29, 30, Industrial Area Sanwer Road, District-Indore admesuring 1,20,000 Sq. ft in the name of the Company.

(c) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18 C, 31, 32 B Industrial Area Sanwer Road, District-Indore admesuring 87,270 Sq. ft in the name of the Company.

(d) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. M-11, Special Economic Zone-II, Pithampur Industrial Area, District-Dhar admesuring 12,035 Sq. Mtr in the name of the Company.

(e) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Survey No. 74/2/2, patwari halka No. 19 admeasuring 1.179 Hec. situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(f) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 74/1 (0.866 Hec) & 74/2/1 (0.313 Hec) total admeasuring 1.179 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(g) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/2 total admeasuring 0.567 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(h) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1/3 new Survey no. 76/1/4 total admeasuring 0.425 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(i) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 77 new Survey no. 77/1 total admeasuring 0.125 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(j) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/1 total admeasuring 0.243 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(k) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted land of Survey No. 76/1/3 new Survey no. 76/1/5 total admeasuring 0.183 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore. in the name of the Patamin Investments Private Limited..

(l) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-A & 19, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 70,500 Sq. Ft in the name of the Company.

(m) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-B, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 6050 Sq. Ft in the name of the Company.

(n) First pari passu charged with HDFC, SBI, Kotak Mahindra and Axis bank of pledge of 30% (No. 40,509 ) shares of Shivpad Engineers Private Limited.

**Also secured by way of guarantees from:**
Mr. Suresh Patel
Mr. Pratik Patel





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

Patamin Investments Private Limited (except for HDFC Bank)

5) The Company availed term loan facility from HDFC Bank amounting to INR 1000.00 lakhs at rate of interest of 8.60% p.a linked to 3M T-Bill. Repayment of term loan is to be done in 20 quarterly installments of INR 50 lakhs with last installment falling due in year 2028-29. Outstanding book balance of term loan is INR 950 lakhs (31 March 2023: Nil lakhs).

**The aforesaid working capital loan is secured by way of :**

(a) First Pari Passu Charge on Fixed Assets of Unit 1 and SEZ. WDV as per B/s of Jash as on 31.03.2022- INR 3,110 lakhs
(b) First Pari Passu Charge on Entire Fixed Assets of Unit 2 and SEZ. WDV as per B/s of Jash as on 31.03.2022- INR 5,080 lakhs
(c) First Pari Passu on Patamin Investment Land- INR 400 lakhs Details of Property as follows:

i) Plot No. 18/A and 19, Sector C, Industrial Area, Sanwer Road Distt. Indore admeasuring 70,500 Sq Ft along with Plot No. 18/B and 19, Sector C, Industrial Area, Sanwer Road Distt. Indore admeasuring 6050Sq Ft along with Plot No. 18C, 31, 32 B, Industrial Area, Sanwer Road Distt. Indore admeasuring 87270 Sq Ft along with Plot No.29 and 30, Industrial Area, Sector C, Sanwer Road, District Indore. M.P. admeasuring 1,20,000 Sq. Ft.

ii) Industrially diverted piece of land bearing Survey no. 74/1 having area 0.866 Hc & Survey no. 74/2/1 having area 0.313 Hc (Total Area- 1.179 Hc) of Village- Bardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 76/1 (now 76/1/2) having area 0.567 Hc of VillageBardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 76/1/3 part (now 76/1/4) having area 0.425 Hc of VillageBardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 77 (now 77/1) having area 0.125 Hc of Village- Bardari Tehsil - Sanwer, Distt. Indore along with Survey No. 74/2/2, Patwari Halka No. 19 Bardari Gram, Sanwer, Indore admeasuring 1.179 Hectare along with Industrially diverted piece of land bearing Survey no. 76/1 (now 76/1/1) having area 0.243 Hectare of Village- Bardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 76/1/3 part (now 76/1/5) having area 0.183 Hectare of Village- Bardari Tehsil - Sanwer. Distt. Indore

iii) Plot No. M 19, SEZ Industrial Area, Pithampur, Dist. Dhar admeasuring 8661.67 Sq. Mtr

iv) Plot No. M-11, Phase-II, Misc. Zone, Special Economic Zone, Pithampur, Indore admeasuring 12035 Sq. Mts

(d) Equity Shares - First Pari Passu Charge on Pledge of 30%( No of Shares under various Portfolios put together: 40496) shares of Shivpad Engineers Pvt Ltd.

(e) Current Assets - First Pari Passu Charge on all current assets

**Also secured by way of guarantees from:**
Mr. Suresh Patel
Mr. Pratik Patel

**ii) Vehicle loans from banks**

| As at 31 March 2024 | Principal amount | Amount outstanding | Number of remaining installments | Installment amount | Date of loan | Rate of interest | Hypothecation of |
|---|---|---|---|---|---|---|---|
| Vehicle loan | 19.77 | 13.10 | 30.00 | 0.48 | 31-Aug-22 | 8.15% | Vehicle |
| Vehicle loan | 22.00 | 14.55 | 31.00 | 0.54 | 31-Aug-22 | 7.90% | Vehicle |
| Vehicle loan | 24.50 | 16.71 | 31.00 | 0.60 | 26-Sep-22 | 7.90% | Vehicle |
| Vehicle loan | 27.70 | 20.41 | 34.00 | 0.68 | 20-Feb-23 | 8.52% | Vehicle |
| Vehicle loan | 28.92 | 24.23 | 39.00 | 0.72 | 25-May-23 | 8.70% | Vehicle |
| Vehicle loan | 27.50 | 27.50 | 48.00 | 0.68 | 7-Mar-24 | 9.05% | Vehicle |
| Vehicle loan | 177.00 | 171.79 | 38.00 | 5.21 | 19-Mar-24 | 8.53% | Vehicle |

| As at 31 March 2023 | Principal amount | Amount outstanding | Number of remaining installments | Installment amount | Date of loan | Rate of interest | Hypothecation of |
|---|---|---|---|---|---|---|---|
| Vehicle loan | 11.86 | 2.37 | 7.00 | 0.35 | 29-Jun-20 | 8.20% | Vehicle |
| Vehicle loan | 19.77 | 17.64 | 42.00 | 0.48 | 31-Aug-22 | 8.15% | Vehicle |
| Vehicle loan | 22.00 | 19.61 | 43.00 | 0.54 | 31-Aug-22 | 7.90% | Vehicle |
| Vehicle loan | 24.50 | 22.30 | 43.00 | 0.60 | 26-Sep-22 | 7.90% | Vehicle |
| Vehicle loan | 27.70 | 26.45 | 46.00 | 0.68 | 20-Feb-23 | 8.52% | Vehicle |

**26 (a) Lease liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Lease liabilities (refer note 48) | 525.30 | 540.70 |
| Less : Current maturities of lease liabilities (refer note 26 (b)) | (66.32) | (68.76) |
| | **458.98** | **471.94** |

**23 Provisions (non-current)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Provision for employee benefits | | |
| Gratuity * | 9.67 | 178.29 |
| Leave encashment * | 197.01 | 146.79 |
| | **206.68** | **325.08** |

* Refer note 43 for details

**24 Deferred tax liabilities/ Assets (net)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Deferred tax liability arising on account of :** | | |
| Temporary difference on account of property, plant and equipment and intangibles assets | 682.77 | 644.69 |
| Financial assets and liabilities at amortised cost | (0.91) | (1.25) |
| **Deferred tax asset arising on account of :** | | |
| Provision for employee benefits | 174.49 | 159.93 |
| MAT credit entitlement | 647.98 | 569.03 |
| Provisions (expected credit loss and warranty) | 134.36 | 181.61 |
| Right of use asset and related liabilities | 57.74 | 50.63 |
| **Deferred tax liabilities/ (Assets) (net)** | **(332.71)** | **(317.76)** |

**Movement in deferred tax Asset/ liabilites for the year ended 31 March 2024**

| Particulars | 01 April 2023 | Deferred tax charge/credit in profit and loss | Deferred tax charge/credit in other comprehensive income | 31 March 2024 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of :** | | | | |
| Temporary difference on account of property, plant and equipment and intangibles | 644.69 | 38.08 | - | 682.77 |
| Financial assets and liabilities at amortised cost | (1.25) | 0.34 | - | (0.91) |
| **Deferred tax asset arising on account of :** | | | | |
| Provision for employee benefits | 159.93 | (22.67) | 37.23 | 174.49 |
| MAT credit entitlement | 569.03 | 78.95 | - | 647.98 |
| Provisions (expected credit loss and warranty) | 181.61 | (47.25) | - | 134.36 |
| Right of use asset and related liabilities | 50.63 | 7.11 | - | 57.74 |
| **Deferred tax liabilities/ (Assets) (net)** | **(317.76)** | **22.28** | **(37.23)** | **(332.71)** |

**Movement in deferred tax Asset/ liabilites for the year ended 31 March 2023**

| Particulars | 01 April 2022 | Deferred tax charge/credit in profit and loss | Deferred tax charge/credit in other comprehensive income | 31 March 2023 |
|---|---|---|---|---|
| **Deferred tax liability arising on account of :** | | | | |
| Temporary difference on account of property, plant and equipment and intangibles assets | 572.52 | 72.17 | - | 644.69 |
| Financial assets and liabilities at amortised cost | (1.35) | 0.10 | - | (1.25) |
| **Deferred tax asset arising on account of :** | | | | |
| Provision for employee benefits | 127.99 | 7.32 | 24.62 | 159.93 |
| MAT credit entitlement | 326.22 | 242.81 | - | 569.03 |
| Provisions (expected credit loss and warranty) | 141.08 | 40.53 | - | 181.61 |
| Right of use asset and related liabilities | 46.09 | 4.54 | - | 50.63 |
| **Deferred tax liabilities/ (Assets) (net)** | **(70.21)** | **(222.93)** | **(24.62)** | **(317.76)** |

**25 Other non-current liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Deferred government grant * | 94.95 | 107.20 |
| | **94.95** | **107.20** |

* Deferred government grant is the subsidy received in respect of plant and machinery from District Trade and Industries Centre pursuant to Micro, Small and Medium Enterprises policy, 2017 and Micro, Small and Medium Enterprises policy, 2019.

**22 (b) Current borrowings**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Secured** | | |
| Cash credits facilities from bank (refer note (i),(ii), (iii) and (iv) below) | 4,295.31 | 3,497.66 |
| Short term loan from bank (refer note (i) below) | 1,000.00 | 2,300.00 |
| Foreign currency loans from banks (refer note (iii) below) | 135.33 | 268.82 |
| Current maturities of non-current borrowings: (refer note 22(a)) | | |
| -Loans from banks | 476.25 | 336.46 |
| -Foreign currency loans from banks | - | 232.89 |
| -Vehicle loan | 85.19 | 29.97 |
| | **5,992.08** | **6,665.80** |

**Notes:**

**A) Details of working capital facility :**

(i) 'Fund based credit facility of INR 3,000 lakhs (31 March 2023: INR 3,000 lakhs) sanctioned to the Company from HDFC Bank. It comprises of Cash Credit ('CC') facility including sub-limit of short term loan facility at annual rate of interest of 8.9% linked with 1Y-MCLR and and export packing credit ('EPC') within CC limit at an annual rate of interest 0.55% above 6M MCLR. Outstanding book balance for CC account from HDFC as on 31 March 2024 is INR 217.66 lakhs (31 March 2023 is INR 206.13 lakhs), EPC account as on 31 March 2024 is INR 1301.14 lakhs (31 March 2023: INR Nil ) and outstanding book balance of short term loan account is INR 1,000 lakhs (31 March 2023: INR 2,300 lakhs).

ii) Fund based credit facility sanctioned from State Bank of India comprise of cash credit facility amounting to INR 2,400 lakhs (31 March 2023: INR 2,400 lakhs) at an annual rate of interest 1% above 6M MCLR and export packing credit ('EPC') within CC limit amounting to INR 2,100 lakhs (31 March 2023: INR 2,100 lakhs) at an annual rate of interest 0.55% above 6M MCLR. Outstanding book balance for CC account as on 31 March 2024 is INR 127.43 lakhs (31 March 2023 : INR 237.89 lakhs), EPC account as on 31 March 2024 is INR 266.78 lakhs (31 March 2023: INR 617.79 lakhs) and overdraft book balance is INR 1340.17 lakhs (31 March 2023: INR 1045.67 lakhs).

iii) Fund based credit facility sanctioned from Axis Bank during the year comprise of cash credit ('CC') facility of INR 1,050 lakhs (31 March 2023: INR 1,050 lakhs) at annual rate of interest of 3.00% above Repo rate. Outstanding Book balance for CC account as on 31 March 2024 is INR 353.10 lakhs (31 March 2023: INR 889.55 lakhs). Outstanding Book balance for foreign currency demand loan as on 31 March 2024 is INR Nil (31 March 2023: INR Nil ).

During the year the Company roll-over the buyer's credit in form of Foreign Bank Guarantee Loan facility of Euro 150,000 repayable in one year. The outstanding balance as of 31 March 2024 is INR 135.33 lakhs (31 March 2023: INR 268.82 lakhs).

iv) Fund based credit facility sanctioned from Kotak Mahindra Bank Limited comprise of cash credit facility amounting to INR 1,000 lakhs (31 March 2023: INR 1,000 lakhs) at an annual rate of interest 2.6% above Repo Rate and export packing credit ('EPC') within CC limit amounting to INR 1,000 lakhs (31 March 2023: INR 1,000 lakhs). Outstanding book balance for CC account as on 31 March 2024 is INR 189.04 lakhs (31 March 2023 : INR 500.62 lakhs), EPC account as on 31 March 2024 is INR 500 lakhs (31 March 2023: INR Nil ).

**The aforesaid Working capital loan facility is secured by way of :**

**Primary for SBI and Axis Bank:**

First pari passu charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at 18A, 18B, 18C, 19, 29-31, 32B Sector C, Industrial area, Sanwer Road, Indore Plot No. 1M-11, Misc. zone Phase-II SEZ, Pithampur dist. Dhar, and survey no. 74/1, 74/2/1, 74/2/2, 76/1/3 (now 76/1/4), 76/1 (now 76/1/1), 76/1/3 (now 76/1/5) PH No. 19, Bardari Tehsil, dist Sanwer, Indore survey no. 77 (now 77/1), PH no. 36, Bardari Tehsil, sanwer district, Indore Plot no. 19SEZ Phase-II, pithampur and at such other places approved by the Bank including good in transit/shipment in the name of Company.

**Primary for Kotak Bank:**

First pari passu hypothecation charge to be shared with Axis Bank, HDFC Bank and State Bank of India on all existing and future current assets and Movable fixed Assets.







**Primary for HDFC Bank:**

(a) First pari passu charge over Company's entire current assets

(b) Pari passu charge on entire fixed asset of the Company.

**Collateral for all the banks:**

(a) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over land and building of the Company situated at Plot No. M-19, SEZ Phase II, Pithambur admeasuring total area 8661.67 square meter in the name of the Company.

(b) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 29, 30, Industrial Area Sanwer Road, District-Indore admesuring 1,20,000 Sq. ft in the name of the Company.

(c) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18 C, 31, 32 B Industrial Area Sanwer Road, District-Indore admesuring 87,270 Sq. ft in the name of the Company.

(d) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. M-11, Special Economic Zone-II, Pithampur Industrial Area, District-Dhar admesuring 12,035 Sq. Mtr in the name of the Company.

(e) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Survey No. 74/2/2, patwari halka No. 19 admeasuring 1.179 Hec. situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(f) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 74/1 (0.866 Hec) & 74/2/1 (0.313 Hec) total admeasuring 1.179 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(g) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/2 total admeasuring 0.567 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(h) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1/3 new Survey no. 76/1/4 total admeasuring 0.425 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(i) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 77 new Survey no. 77/1 total admeasuring 0.125 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(j) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/1 total admeasuring 0.243 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(k) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted land of Survey No. 76/1/3 new Survey no. 76/1/5 total admeasuring 0.183 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore. in the name of the Patamin Investments Private Limited..

(l) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-A & 19, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 70,500 Sq. Ft in the name of the Company.

(m) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-B, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 6050 Sq. Ft in the name of the Company.

(n) First pari passu charged with HDFC, SBI, Kotak Mahindra and Axis bank of pledge of 30% (No. 40,509) shares of Shivpad Engineers Private Limited.

**Also secured by way of guarantees from:**

Mr. Suresh Patel
Mr. Pratik Patel
Patamin Investments Private Limited (except for HDFC Bank)

**B) Reconciliation of liabilities arising from financing activities**

| | Non-current borrowings and Current maturities of non-current borrowings | Current borrowings | Total |
|---|---|---|---|
| **As at 1 April 2022** | **2,399.09** | **5,864.25** | **8,263.34** |
| **Cash flows:** | | | |
| Proceeds from borrowings (net) | 86.01 | 262.04 | 348.05 |
| Repayment of borrowings (net) | (591.58) | - | (591.58) |
| Repayment of principal component of lease obligation | 7.39 | - | 7.39 |
| **Non-cash:** | | | |
| Other | - | 13.15 | 13.15 |
| **As at 31 March 2023** | **1,900.91** | **6,139.44** | **8,040.35** |
| **Cash flows:** | | | |
| Proceeds from borrowings (net) | 1,233.42 | (705.39) | 528.03 |
| Repayment of borrowings (net) | (860.88) | - | (860.88) |
| Repayment of principal component of lease obligation (net) | (17.29) | - | (17.29) |
| **Non-cash:** | | | |
| Adjustment in lease liability through right of use asset | 1.89 | - | 1.89 |
| Other | (592.69) | 624.35 | 31.66 |
| **As at 31 March 2024** | **1,665.36** | 6,058.40 | 7,723.76 |

**26 (b) Lease liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Lease liability (Refer note 26 (a)) | 66.32 | 68.76 |
| | **66.32** | **68.76** |

**27 Trade payables**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| (a) Total outstanding dues of micro enterprises and small enterprises | 951.20 | 411.78 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | 4,395.31 | 4,698.07 |
| | **5,346.51** | **5,109.85** |
| **Due to related parties*** | **58.26** | **129.95** |
| **Due to others** | **5,288.25** | **4,979.90** |

*Refer note 47 for details about related party trade payables

**(i) Dues to micro and small enterprises pursuant to section 22 of the Micro,Small and Medium Enterprises Development Act (MSMED),2006**

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act ,2006 (MSMED Act, 2006) and based on the information available with the company,the following are the details:

| | | |
|---|---|---|
| Principal amount remaining unpaid | 951.20 | 411.70 |
| Interest accrued and due thereon remaining unpaid | - | 0.08 |
| Interest paid by the company in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year. | - | - |
| Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year ), but without adding the interest specified under MSMED Act ,2006. | - | - |
| Interest accrued and remaining unpaid as at the end of the year | - | - |
| Further interest remaining due and payable even in the succeeding years ,until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act,2006. | - | - |

**Trade payables ageing schedule as on 31 March 2024**

| Particulars | As at 31 March 2024 | | | | |
|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro small and medium enterprises | 951.20 | - | - | - | 951.20 |
| (ii) Others | 4,383.53 | 6.86 | 4.92 | - | 4,395.31 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | - |
| **Total** | **5,334.73** | **6.86** | **4.92** | **-** | **5,346.51** |

**Trade payables ageing schedule as on 31 March 2023**

| Particulars | As at 31 March 2023 | | | | |
|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro small and medium enterprises | 411.78 | - | - | - | 411.78 |
| (ii) Undisputed- Others | 4,653.19 | 11.49 | 33.39 | - | 4,698.07 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- others | - | - | - | - | - |
| **Total** | **5,064.97** | **11.49** | **33.39** | **-** | **5,109.85** |

**28 Other financial liabilities (Current)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Interest accrued but not due on borrowings | 22.50 | 21.66 |
| Employee related payables* | 563.08 | 500.11 |
| Security deposit | 29.78 | 27.90 |
| Capital creditors | 69.12 | 34.89 |
| Employee ESOP obligation** | 273.84 | - |
| Unclaimed Dividend*** | 5.03 | 4.29 |
| | **963.35** | **588.85** |

*Includes related party payables, refer note 47 **9.25** **4.46**
**It represents the exercise amount received from employees in ESOP trust against which shares have not been issued to employees as of 31 March 2024.
***The Unclaimed Dividend of INR 5.03 lakhs pertain to Financial year 2016-17 to 2022-23.

**29 Other current liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Advance from customers | 4,576.18 | 3,021.43 |
| Payable to statutory authorities | 216.22 | 129.77 |
| Deferred government grant* | 9.89 | 9.89 |
| | **4,802.29** | **3,161.09** |

* Deferred government grant is the subsidy received in respect of plant and machinery from District Trade and Industries Centre pursuant to Micro, Small and Medium Enterprises policy, 2017 and Micro, Small and Medium Enterprises policy, 2019.

**30 Provisions (current)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Leave encashment* | 42.49 | 39.13 |
| Gratuity* | 300.00 | 150.00 |
| Provision for warranty** | 125.06 | 199.13 |
| Provision for litigation*** | - | 6.30 |
| | **467.55** | **394.56** |

* Refer note 43 for details.

**A provision for warranty for expected claims/ expenditure is based on past experiences of the Company of the level of claims/ expense incurred in the past. The Company expects significant portion of the cost will have to be incurred in next financial year, therefore, has accordingly classified the entire amount as current provision.

***Provisions for litigations relate to the estimated outflow in connection with pending C-forms.

**Provision for warranty**
**Particulars**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| At the beginning of the year | 199.13 | 59.92 |
| Arising during the year | - | 139.21 |
| Utilised during the year | 74.07 | - |
| **At the end of the year** | **125.06** | **199.13** |

**Provision for litigation**
**Particulars**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| At the beginning of the year | 6.30 | 6.30 |
| Arising during the year | - | - |
| Utilised during the year | 6.30 | - |







| | | |
|---|---|---|
| **At the end of the year** | **-** | **6.30** |

**31 Current tax liabilities (net)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Provision for tax (net)* | - | 236.79 |
| | **-** | **236.79** |

*Amount of advance tax paid INR Nil lakhs (31 March 2023: INR 602.45 lakhs)

*(This space has been intentionally left blank)*

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 32 Revenue from operations

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Operating revenue*** | | |
| Sale of products | 33,719.67 | 26,427.66 |
| Sale of services | 103.18 | 41.46 |
| **Other operating revenue** | | |
| Scrap sales | 712.10 | 686.03 |
| Export incentives | - | 17.43 |
| | **34,534.95** | **27,172.58** |

*Refer note 49 for revenue related disclosure.

## 33 Other income

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest from | | |
| Bank deposits | 143.59 | 72.83 |
| Other financial assets carried at amortised cost | 47.82 | 56.46 |
| Rental income | 5.36 | 21.44 |
| Dividend income | 202.52 | 202.52 |
| Net gain on foreign currency | 198.40 | 515.79 |
| Profit on sale of property, plant and equipment | 0.43 | 1.09 |
| Government grant income | 14.39 | 14.56 |
| Sundry credit balances written back | 26.46 | 13.27 |
| Provision reversal (warranty) | 74.07 | - |
| Miscellaneous income | 10.05 | 26.78 |
| | **723.09** | **924.74** |

## 34 Cost of materials consumed

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Opening stock** | | |
| Raw material | 4,300.21 | 3,189.58 |
| Add: Purchases made during the year | 20,222.08 | 15,777.11 |
| | **24,522.29** | **18,966.69** |
| **Less: Closing stock** | | |
| Raw material | 5,646.42 | 4,300.21 |
| | **18,875.87** | **14,666.48** |

## 35 Changes in inventories of finished goods, work-in-progress and Goods in transit

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Opening stock** | | |
| Work-in-progress | 3,026.91 | 1,553.32 |
| Finished goods | 1,857.60 | 776.54 |
| Goods in transit | - | 75.46 |
| **Closing stock** | | |
| Work-in-progress | 4,691.54 | 3,026.91 |
| Finished goods | 3,140.32 | 1,857.60 |
| Goods in transit | - | - |
| **Changes in inventories** | **(2,947.35)** | **(2,479.19)** |

## 36 Employee benefits expense

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Salaries and incentives* | 3,971.20 | 3,573.27 |
| Contributions to provident and other funds* | 511.14 | 246.13 |
| Share based payments to employees (refer note 50) | 62.04 | 38.63 |
| Staff welfare expenses | 116.35 | 118.99 |
| | **4,660.73** | **3,977.03** |

*Refer note 43 for details

## 37 Finance costs

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest on | | |
| *Term loans/ working capital loans* | 712.07 | 618.71 |
| *On income tax delays* | 11.82 | 22.58 |
| *On lease obligations* | 55.25 | 56.76 |
| Other borrowing costs | 206.16 | 257.56 |
| | **985.30** | **955.61** |

## 38 Depreciation and amortisation expense





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Depreciation of property, plant and equipment (refer note 5 (a)) | 575.19 | 595.21 |
| Depreciation of right-of-use assets (refer note 5 (b)) | 43.30 | 34.68 |
| Amortisation of intangible assets (refer note 7) | 66.98 | 65.80 |
| | **685.47** | **695.69** |

## 39 Other expenses

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Advertisement and sales promotion expense | 148.25 | 99.07 |
| Corporate Social Responsibility (CSR) expense (refer note 39.1(iii)) | 91.65 | 54.80 |
| Donation | 0.07 | 26.95 |
| Commission and brokerage | 238.33 | 184.23 |
| Communication expenses | 14.52 | 14.99 |
| Consumption of stores and spare parts | 1,573.16 | 1,299.03 |
| Conveyance expenses | 50.24 | 34.84 |
| Drawing, designing and pattern charges | 66.26 | 76.77 |
| Mark-to-Market loss on derivative contracts | 7.34 | 4.21 |
| Freight expenses | 965.76 | 859.89 |
| Housekeeping and security expense | 78.40 | 51.85 |
| Insurance expenses | 111.47 | 97.43 |
| Job work charges | 806.44 | 398.79 |
| Payment to auditors (refer note 39.1(ii)) | 62.52 | 45.53 |
| Legal and professional fees | 254.32 | 117.20 |
| Power, fuel and water | 247.38 | 227.06 |
| Reversal/ provision for expected credit losses | 3.16 | - |
| Rates and taxes | 115.18 | 65.17 |
| Rent | 3.35 | 3.12 |
| Repairs and maintenance | | |
| *- on buildings* | 55.68 | 27.08 |
| *- on others* | 185.10 | 158.92 |
| Balances written-off/ bad-debts | 7.14 | 31.32 |
| Royalty | 7.01 | 1.86 |
| Sub-contracting and manpower charges | 1,450.97 | 1,255.93 |
| Travelling expense | 239.04 | 195.23 |
| Vehicle running and maintenance | 14.12 | 20.92 |
| Warranty expenses (refer note 39.1(i)) | - | 139.21 |
| Miscellaneous expenses | 196.60 | 114.61 |
| | **6,993.46** | **5,606.01** |

**39.1 Notes**

**i)** Warranty expense includes expenses related to re-work, designing or drawing charges

**ii) Payment to the statutory auditor**

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| For statutory audit | 39.00 | 29.00 |
| For certification services | 2.10 | 0.35 |
| For reimbursement of expenses | 1.42 | 1.18 |
| For other services (attest) | 20.00 | 15.00 |
| **Total** | **62.52** | **45.53** |

Note: The above amounts are exclusive of goods and service tax.

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**iii) Disclosure relating to Corporate Social Responsibility (CSR) expenditure**

In light of Section 135 of the Companies Act 2013, the Company has incurred INR 71.61 lakhs (31 March 2023: INR 54.80 lakhs) during the current year on Corporate Social Responsibility (CSR) towards health, education, rural development and environmental sustainability

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Gross amount required to be spent by the company during the year | 71.09 | 58.79 |
| Amount spent during the year | 71.61 | 54.80 |
| Unspent/ (Excess spent) at the end of the year | (0.52) | 3.99* |
| Total of previous years shortfall | - | - |
| Reason for shortfall | Not Applicable | Not Aplicable |
| Amount spent during the year on health care, education, rural development and environmental sustainability | 71.61 | 54.80 |
| Details of related party transactions, i.e., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard | Not Applicable | Not Aplicable |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately | Not Applicable | Not Aplicable |

* In compliance of section 135 of the Companies Act, 2013 the Company has transferred this amount to a fund included in Schedule VII of the Companies Act, 2013 within 6 months from the end of the financial year.

## 40 Tax expense

**The income tax expense consists of the following:**

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Current tax expense | 970.41 | 817.60 |
| *Tax expense for current year* | 1,017.89 | 817.60 |
| *(Excess)/short provision of tax relating to earlier years* | (47.48) | - |
| Deferred tax credit | 22.28 | (222.93) |
| **Total tax expense** | **992.69** | **594.67** |

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 29.12% (previous year: 29.12%) and the reported tax expense in profit or loss are as follows:

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Accounting profit before income tax** | 6,004.56 | 4,675.69 |
| At India's statutory income tax rate of 29.12% (31 March 2023: 29.12%) | 1,748.53 | 1,361.56 |
| **Tax effect of amounts which are not deductible (taxable) in calculating taxable income:** | | |
| Tax impact of exempted income | (58.97) | (58.97) |
| Effect of tax incentive u/s 10AA (refer note 55) | (720.80) | (719.19) |
| Tax impact of expenses which will never be allowed | 26.71 | 23.81 |
| Others* | (2.78) | (12.54) |
| **Income tax expense** | **992.69** | **594.67** |

* Others includes impact of allowances/disallowances of A.Y. 2024-25 considered at the time of filing income tax return.

## 41 Earnings per equity share

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| a) Net profit attributable to equity shareholders | 5,011.87 | 4,081.02 |
| b) Weighted average number of common equity shares for basic EPS | 1,20,60,541 | 1,19,48,855 |
| c) Weighted average number of common and dilutive common equivalent shares* | 1,22,40,223 | 1,21,41,329 |
| d) Nominal value of shares | 10.00 | 10.00 |
| e) Earnings per share | | |
| Basic earnings per share | **41.56** | **34.15** |
| Diluted earnings per share* | **40.95** | **33.61** |

*The Company had granted employee stock option during the year 2019-20, with a vesting schedule of four years, beginning from 13 February 2021 to 13 February 2024. Accordingly, in addition to common shares, 95,983 shares (31 March 2023: 1,92,473 shares) dilutive shares have been considered for computing diluted earning per share.

The Company had also granted employee stock option during the year 2023-24, with a vesting schedule of four years, beginning from 04 February 2024 to 04 February 2027. Accordingly, in addition to common shares, 53,700 shares (31 March 2023: Nil shares) dilutive shares have been considered for computing diluted earning per share.

The company had also issued 29,999 convertible equity share warrants during the year 2023-24. Accordingly in addition to common shares, 29,999 convertible equity share warrants consider a potental equity shares for computing diluted earning per share.







## 42 Contingent liabilities and other matters

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **(a) Contingent liabilities (under litigation), not acknowledged as debt, include:** | | |
| Corporate guarantee given on behalf of Shivpad Engineers Private Limited | 1,875.00 | 1,675.00 |
| Demand for central sales tax* | | |
| *Financial year 2016-17* | - | 124.92 |
| *Financial year 2017-18* | - | 42.20 |
| Demand for Goods and Service Tax** | | |
| *Financial year 2017-18* | 16.25 | - |
| *Financial year 2018-19* | 18.23 | - |
| Demand for income tax^ | | |
| *Financial year 2016-17* | 2.13 | 2.13 |
| *Financial year 2017-18* | 3.85 | 3.85 |
| *Financial year 2019-20* | 27.80 | - |
| | **1,943.26** | **1,848.10** |

*includes demand raised by Sales tax authorities against pending C Forms to be submitted by the Company (amount deposited under protest INR 56.72 lakhs.
**The demand of Goods and Service Tax (amount deposited under protest INR 1.90 lakhs (previous year INR Nil))
^includes demand raised by Income tax authorities on account of certain disallowances in tax assessment.
**Note:** The Company has certain litigations involving vendor and work contractor. Based on legal advice of in-house legal consultants, the management believes that no material liability will devolve on the Company in respect of these litigations

**b) Commitments**

| | | |
|---|---|---|
| Estimated amount of contracts remaning to be executed on capital accounts and not provided for (net of advances INR 56.79 lakhs (31 March 2023: INR 49.03 lakhs) | **551.95** | **220.47** |

**c) Bank Guarantees**

| | | |
|---|---|---|
| State bank of India | 757.48 | 1,206.38 |
| Axis Bank Limited | 419.56 | 231.99 |
| HDFC Bank limited | 4,412.00 | 4,321.87 |
| | **5,589.04** | **5,760.24** |

*(This space has been intentionally left blank)*

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 43 Employee benefits

### A Gratuity (funded)

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, on death while in employment or on termination of the employment in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme, as applicable. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established with the insurance. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

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

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Gratuity | 300.00 | 9.67 | 150.00 | 178.29 |

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

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Current service cost | 119.36 | 96.03 |
| Net interest cost | 24.16 | 20.02 |
| **Net impact on profit (before tax)** | **143.52** | **116.05** |
| Actuarial loss recognised during the year (other comprehensive income) | 127.86 | 81.20 |
| **Amount recognised in total comprehensive income** | **271.38** | **197.25** |

(iii) **Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Present value of defined benefit obligation as at the start of the year** | **1,075.06** | **901.37** |
| Current service cost | 119.36 | 96.03 |
| Interest cost | 79.12 | 65.07 |
| Actuarial loss recognised during the year | 127.86 | 81.20 |
| Benefits paid | (51.08) | (68.61) |
| **Present value of defined benefit obligation as at the end of the year** | **1,350.32** | **1,075.06** |

(iv) **Movement in the plan assets recognised in the balance sheet is as under:**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Fair value of plan assets at beginning of year** | **746.77** | **624.10** |
| Actual return on plan assets | 54.81 | 41.73 |
| Employer's contribution | 290.00 | 149.55 |
| Benefits paid | (51.08) | (68.61) |
| **Fair value of plan Assets at the end of the year** | **1,040.50** | **746.77** |

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

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Actuarial loss/ (Gain) on arising from change in demographic assumption | 8.25 | (69.03) |
| Actuarial loss/ (Gain) on arising from change in financial assumption | 81.66 | 137.11 |
| Actuarial loss/ (Gain) on arising from experience adjustment | 37.95 | 13.12 |
| **Total actuarial loss** | **127.86** | **81.20** |

(vi) **Actuarial economic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Discount rate | 7.23% | 7.36% |
| Future salary increase | 10.00% | 9.00% |

(vii) **Actuarial demographic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Retirement age | 60 years | 60 years |
| Mortality rates inclusive of provision for disability | 100 % of IALM (2012 - 14) | 100 % of IALM (2012 - 14) |
| Withdrawal Rate (%) - Up to 30 Years | 10.00% | 11.00% |
| Withdrawal Rate (%) - 31 to 44 Years | | |
| Withdrawal Rate (%) - Above 44 Years | | |

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

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





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**

(viii) **Sensitivity analysis for gratuity liability**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Impact of the change in discount rate** | | |
| - Impact due to increase of 0.5 % | (41.08) | (33.04) |
| - Impact due to decrease of 0.5 % | 43.72 | 35.21 |
| **Impact of the change in salary increase** | | |
| - Impact due to increase of 0.5 % | 42.39 | 34.50 |
| - Impact due to decrease of 0.5 % | (40.25) | (32.70) |

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(ix) **Maturity profile of defined benefit obligation**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Within next 12 months | 185.22 | 125.37 |
| Between 1-5 years | 547.97 | 467.40 |
| Beyond 5 years | 616.99 | 482.29 |

(x) **Category of plan assets :** -

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Investments with Life Insurance Corporation of India | 100.00% | 100.00% |

(xi) The expected expense on its gratuity plan in the next accounting period amounts to INR 185.22 lakhs (31 March 2023: INR 125.37 lakhs) and the extent of the Company's contribution to the plan assets will be based on future liquidity positions.

### B Compensated absences (unfunded)

The leave obligations cover the Company's liability for earned leaves. The Company does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. Amount of INR 85.14 lakhs (31 March 2023: INR 49.96 lakhs) has been recognised in the statement of profit and loss.

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Compensated absences (unfunded) | 42.49 | 197.01 | 39.13 | 146.79 |

(i) **Actuarial economic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Discount rate | 7.23% | 7.36% |
| Future salary increase | 10.00% | 9.00% |
| Retirement age | 60 years | 60 years |

(ii) **Actuarial demographic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Mortality rates inclusive of provision for disability | 100 % of IALM (2012 - 14) | 100 % of IALM (2012 - 14) |
| Leave Availment Rate | 2.50% | 2.50% |
| Withdrawal Rate (%) - Up to 30 Years | 10.00% | 11.00% |
| Withdrawal Rate (%) - 31 to 44 Years | | |
| Withdrawal Rate (%) - Above 44 Years | | |
| Leave encashment Rate while in service | 5.00% | 5.00% |

### C Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance Scheme for the year amounting to INR 276.54 lakhs (31 March 2023: INR 240.93 lakhs) and INR 5.00 lakhs (31 March 2023: INR 5.20 lakhs) respectively.

**Maturity profile of defined benefit obligation**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Within next 12 months | 42.49 | 39.13 |
| Between 1-5 years | 82.66 | 62.86 |
| Beyond 5 years | 114.35 | 83.93 |

*(This space has been intentionally left blank)*

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 44 Financial instruments

### A Financial assets and liabilities

**The carrying amounts of financial instruments as at 31 March 2024:**

| | As at 31 March 2024 | | Fair values hierarchy | | |
|---|---|---|---|---|---|
| **Measured at** | **Amortised Cost**** | **FVTPL***** | **Level 1** | **Level 2** | **Level 3** |
| Investments* | - | 602.56 | 602.56 | - | - |
| Trade receivables | 12,496.92 | - | - | - | - |
| Loans | 8.31 | - | - | - | - |
| Cash and cash equivalents | 525.94 | - | - | - | - |
| Other bank balances | 5,911.34 | - | - | - | - |
| Other financial assets | 29.17 | 0.77 | - | 0.77 | - |
| **Total** | **18,971.68** | **603.33** | **602.56** | **0.77** | **-** |
| **Measured at** | | | | | |
| Borrowings (including current maturities of non-current borrowings) | 7,723.76 | - | - | - | - |
| Trade payables | 5,346.51 | - | - | - | - |
| Other financial liabilities | 963.35 | - | - | - | - |
| **Total** | **14,033.62** | **-** | **-** | **-** | **-** |

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

| | As at 31 March 2023 | | Fair values hierarchy | | |
|---|---|---|---|---|---|
| **Measured at** | **Amortised Cost**** | **FVTPL***** | **Level 1** | **Level 2** | **Level 3** |
| Investments* | - | 1.47 | 1.47 | - | - |
| Trade receivables | 13,020.64 | - | - | - | - |
| Loans | 642.99 | - | - | - | - |
| Cash and cash equivalents | 287.26 | - | - | - | - |
| Other bank balances | 1,956.97 | - | - | - | - |
| Other financial assets | 62.91 | 8.11 | - | 8.11 | - |
| **Total** | **15,970.77** | **9.58** | **1.47** | **8.11** | **-** |
| **Measured at** | | | | | |
| Borrowings (including current maturities of non-current borrowings) | 8,040.34 | - | - | - | - |
| Trade payables | 5,109.85 | - | - | - | - |
| Other financial liabilities | 588.85 | - | - | - | - |
| **Total** | **13,739.04** | **-** | **-** | **-** | **-** |

* Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

### B Fair values hierarchy

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

The categories used are as follows:
Level 1: Quoted prices for identical instruments in an active market
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

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

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

### C Financial Risk Management

**Risk Management**

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

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

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

### 1 Credit risk

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

**a) Credit risk management**

*(i) Credit risk rating*





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.
(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk
Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.
Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

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

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

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

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

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **(i) Low credit risk on financial reporting date** | | |
| Cash and cash equivalents | 525.94 | 287.26 |
| Other bank balances | 5,911.34 | 1,956.97 |
| Loans | 8.31 | 642.99 |
| Other financial assets | 29.94 | 71.02 |
| **(ii) High credit risk** | | |
| Loans | - | 85.04 |

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

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

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

*(ii) Concentration of trade receivables*
In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Details of the such identified concentrations of credit risk are disclosed below:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Jash USA Inc. | 3,902.14 | 4,950.37 |
| Rajkamal Builders Infrastructure Private Limited | 429.80 | 510.88 |
| **Total** | **4,331.94** | **5,461.25** |

*(iii) Expected credit losses*

**i) Financial assets (other than trade receivables)**

Company provides for expected credit losses on loans and advances other than trade receivables by assessing individual financial instruments for expectation of any credit losses.
- For cash & cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For loans - Credit risk for loan given to subsidiaries are evaluated on an individual basis by the management after considering the future cash flows expected to be derived. Credit risk for security deposits and loans is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured. Credit risk in respect of other financial assets is considered as very low.

| As at 31 March 2024 | Gross carrying amount | Expected credit losses | Carrying amount net of impairment provision |
|---|---|---|---|
| Cash and cash equivalents | 525.94 | - | 525.94 |
| Other bank balances | 5,911.34 | - | 5,911.34 |
| Loans | 8.31 | - | 8.31 |
| Other financial assets | 29.94 | - | 29.94 |

| As at 31 March 2023 | Gross carrying amount | Expected credit losses | Carrying amount net of impairment provision |
|---|---|---|---|
| Cash and cash equivalents | 287.26 | - | 287.26 |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | | | |
|---|---|---|---|
| Other bank balances | 1,956.97 | - | 1,956.97 |
| Loans | 728.03 | 85.04 | 642.99 |
| Other financial assets | 71.02 | - | 71.02 |

**ii) Expected credit loss for trade receivables under simplified approach**

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

| As at 31 March 2024 | Gross carrying amount- trade receivables | Expected loss rate | Expected credit loss |
|---|---|---|---|
| *Not Due* | 6,577.87 | 0.00% | 0.13 |
| *Less then 6 Months past due* | 4,647.83 | 0.12% | 5.58 |
| *6 Months to 1 Year past due* | 569.97 | 0.16% | 0.89 |
| *1 Year to 2 Year past due* | 510.04 | 1.78% | 9.06 |
| *2 Year to 3 Year past due* | 54.41 | 62.75% | 34.14 |
| *More than 3 Years past due* | 473.16 | 60.56% | 286.56 |
| **Total** | **12,833.28** | | **336.36** |

| As at 31 March 2023 | Gross carrying amount- trade receivables | Expected loss rate | Expected credit loss |
|---|---|---|---|
| *Not Due* | 2,711.82 | 0.00% | - |
| *Less then 6 Months past due* | 4,762.90 | 0.00% | - |
| *6 Months to 1 Year past due* | 188.08 | 20.26% | 38.10 |
| *1 Year to 2 Year past due* | 152.38 | 9.76% | 14.88 |
| *2 Year to 3 Year past due* | 68.71 | 43.52% | 29.90 |
| *More than 3 Years past due* | 511.51 | 48.94% | 250.32 |
| **Related** | 4,958.44 | | - |
| **Total** | **13,353.84** | | **333.20** |

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

| Reconciliation of loss allowance | Trade receivables |
|---|---|
| **Loss allowance on 01 April 2022** | **333.20** |
| Add: Changes in loss allowances due to bad debts | - |
| Less: Changes in loss allowances due to recover from receivables | - |
| **Loss allowance on 31 March 2023** | **333.20** |
| Add: Changes in loss allowances due to bad debts | 3.16 |
| Less: Changes in loss allowances due to recover from receivables | - |
| **Loss allowance on 31 March 2024** | **336.36** |

**2 Liquidity risk**

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

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

**a) Financing arrangements**

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

| Floating rate | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| - Expiring within one year | 2,154.69 | 1,652.34 |
| - Expiring beyond one | - | - |
| Total | **2,154.69** | **1,652.34** |

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

**b) Maturities of financial liabilities**

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

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

Refer note 48 for maturities of lease liabilities

| As at 31 March 2024 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Borrowings (including current maturities of non-current borrowings and excluding lease liabilities) | 6,000.54 | 537.48 | 290.25 | 370.19 | **7,198.46** |
| Trade payables | 5,346.51 | - | - | - | **5,346.51** |
| Other financial liabilities | 963.35 | - | - | - | **963.35** |
| **Total** | **12,310.40** | **537.48** | **290.25** | **370.19** | **13,508.32** |

| As at 31 March 2023 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Borrowings (including current maturities of non-current borrowings and excluding lease liabilities) | 6,673.38 | 400.17 | 332.60 | 93.49 | **7,499.64** |
| Trade payables | 5,109.85 | - | - | - | **5,109.85** |
| Other financial liabilities | 588.85 | - | - | - | **588.85** |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | | | | | |
|---|---|---|---|---|---|
| **Total** | **12,372.08** | **400.17** | **332.60** | **93.49** | **13,198.34** |

**3 Market risk**

**a) Foreign currency risk**

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO, Singapore Dollar (SGD), Canadian Dollar(CAD) and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Company. Considering the volume of foreign currency transactions, the Company's exposure to foreign currency risk is limited and the Company has taken certain forward contracts to manage its exposure.

**(i) Foreign currency risk exposure in USD:**

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in USD | As at 31 March 2023 Amount in USD |
|---|---|---|
| Trade receivables | 58.85 | 72.37 |
| Trade payables | (0.72) | (2.48) |
| Loan to Subsidiaries | 0.10 | 7.82 |
| Non-current borrowings | - | (3.07) |
| **Net exposure to foreign currency risk (liabilities)** | **58.23** | **74.64** |

**Sensitivity***

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **USD sensitivity** | | |
| INR/USD- increase by 5% | 2.91 | 3.73 |
| INR/USD- decrease by 5% | (2.91) | (3.73) |

** Holding all other variables constant*

**(ii) Foreign currency risk exposure in EURO:**

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in EURO | As at 31 March 2023 Amount in EURO |
|---|---|---|
| Trade receivables | 1.75 | 3.58 |
| Trade payables | (0.07) | (1.11) |
| Non-current borrowings | (1.50) | (3.00) |
| **Net exposure to foreign currency risk (liabilities)** | **0.18** | **(0.53)** |

**Sensitivity***

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **EURO sensitivity** | | |
| INR/EURO- increase by 5% | 0.01 | (0.03) |
| INR/EURO- decrease by 5% | (0.01) | 0.03 |

** Holding all other variables constant*

**(iii) Foreign currency risk exposure in SGD:**

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in SGD | As at 31 March 2023 Amount in SGD |
|---|---|---|
| Trade Receivables | 32.82 | 8.03 |
| Trade payables | - | (0.08) |
| **Net exposure to foreign currency risk (liabilities)** | **32.82** | **7.95** |

**Sensitivity***

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **SGD sensitivity** | | |
| INR/SGD- increase by 5% | 1.64 | 0.40 |
| INR/SGD- decrease by 5% | (1.64) | (0.40) |

** Holding all other variables constant*

**(iv) Foreign currency risk exposure in Canadian Dollar ("CAD"):**

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in CAD | As at 31 March 2023 Amount in CAD |
|---|---|---|
| Trade Receivables | 0.03 | 0.03 |
| **Net exposure to foreign currency risk (liabilities)** | **0.03** | **0.03** |

**Sensitivity***

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **CAD sensitivity** | | |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | | |
|---|---|---|
| INR/CAD- increase by 5% | 0.00 | 0.00 |
| INR/CAD- decrease by 5% | (0.00) | (0.00) |

** Holding all other variables constant*

**(v) Foreign currency risk exposure in GBP:**

The Company's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in GBP | As at 31 March 2023 Amount in GBP |
|---|---|---|
| Trade Receivables | 2.44 | 2.75 |
| Trade payables | (0.08) | - |
| **Net exposure to foreign currency risk (liabilities)** | **2.36** | **2.75** |

**Sensitivity***

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **GBP** | | |
| INR/GBP- increase by 5% | 0.12 | 0.14 |
| INR/GBP- decrease by 5% | (0.12) | (0.14) |

** Holding all other variables constant*

**4 Interest rate risk**

The Company's policy is to minimise interest rate cash flow risk exposures on external financing. The Company is exposed to changes in interest rates through bank borrowings carrying variable interest rates.

*Interest rate risk exposure*

Below is the overall exposure of the Company to interest rate risk:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Variable rate borrowing | 6,910.17 | 7,411.26 |

*Sensitivity*

Below is the sensitivity of profit or loss in interest rates.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Interest sensitivity*** | | |
| Interest rates – increase by 50 basis points (50 bps) | 34.55 | 37.06 |
| Interest rates – decrease by 50 basis points (50 bps) | (34.55) | (37.06) |

** Holding all other variables constant*

**5 Price risk**

The Company do have investments in equity instruments which create an exposure to price risk. Considering, the amount of quoted investments is insignificant, sensitivity analysis to price changes have not been disclosed.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Investments (quoted) | 602.56 | 1.47 |
| **Total** | **602.56** | **1.47** |

**45 Capital management**

The Company's capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

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

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

**(a) Debt equity ratio**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Net debt* | 7,723.76 | 8,040.34 |
| Total equity | 33,158.61 | 23,658.59 |
| **Net debt to equity ratio** | **23.29%** | **33.98%** |

* Net Debts includes borrowing and lease liability

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

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Number of shareholders | 13 | 13 |
| Number of shares held on which dividend was due* | 6,00,545 | 4,10,607 |
| Amount remitted (gross): (INR lakhs) | | |
| - Final dividend paid in 31 March 2024, pertains to financial year 2022-23 (31 March 2023: pertains to financial year 2021-22) | 36.03 | 14.78 |

*The number of shares represent the shares held by the Non-resident and foreign shareholders who have NRE/NRO accounts and the dividend is being disbursed to those accounts.





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**47 Related party transactions**

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

**(i) Subsidiary/ Joint Venture/ Associate companies**

Jash USA Inc., United States of America
Shivpad Engineers Private Limited, India
Mahr Maschinenbau GmbH, Austria
Engineering and Manufacturing Jash Limited, Hong Kong
Rodney Hunt Inc., United States of America, a subsidiary of Jash USA Inc. (Terminated on 30 October 2023)

**(ii) Joint Venture company**

Jash Invent India Private Limited (w.e.f 25 September 2023)

**(iii) Key management personnel**

Mr. Pratik Patel, Chairman & Managing Director*
Mr. Axel Schutte, Director
Mr. Suresh Patel, Executive Director *
Mr. Brij Mohan Maheshwari, Independent Director
Mr. Sunil Kumar Choksi, Independent Director (till 24 August 2022)
Mr. Vishwapati Trivedi, Independent Director
Ms. Sunita Kishnani, Independent Director
Mr. DT Manwani, Independent Director
Mr. Rahul Patel, Director
Mr. Dharmendra Jain, Chief Financial Officer
Mr. Tushar Kharpade, Company Secretary

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

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)
Mr. Harsh Patel (son of Mr. Pratik Patel)
Mrs. Swati Desai (sister of Mr. Pratik Patel)
Mr. Tarang Amin (brother-in law of Mr. Pratik Patel)
Mrs. Tejal Desai (daughter of Mr. Suresh Patel)

**(v) 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*
Micro Flat Datums Private Limited
Jash Flowcon Engineers (a partnership firm)
Sarabhai Endeavours Private Limited

*(This space has been intentionally left blank)*

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**(v) Transactions with related parties during the year**

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Managerial remuneration (refer note 58)** | **-** | **-** | **289.39** | **162.24** | **-** | **-** | **289.39** | **162.24** |
| Pratik Patel | - | - | 150.32 | 111.78 | - | - | 150.32 | 111.78 |
| Suresh Patel | - | - | 55.04 | 50.46 | - | - | 55.04 | 50.46 |
| Dharmendra Jain | - | - | 67.65 | - | - | - | 67.65 | - |
| Tushar Kharpade | - | - | 16.38 | - | - | - | 16.38 | - |
| **Shares isued under ESOP** | **-** | **-** | **94.31** | **-** | **-** | **-** | **94.31** | **-** |
| Dharmendra Jain | - | - | 89.19 | - | | | 89.19 | - |
| Tushar Kharpade | - | - | 5.12 | - | | | 5.12 | - |
| **Sale of goods** | **6,516.83** | **5,339.22** | **-** | **-** | **52.36** | **27.52** | **6,569.19** | **5,366.74** |
| Shivpad Engineers Private Limited | 31.31 | 5.05 | - | - | - | - | 31.31 | 5.05 |
| Micro Flat Datums Private Limited | - | - | - | - | 52.36 | 27.52 | 52.36 | 27.52 |
| Jash USA Inc. | 6,485.52 | 5,334.17 | - | - | - | - | 6,485.52 | 5,334.17 |
| **Purchase of goods** | **116.84** | **88.48** | **-** | **-** | **-** | **-** | **116.84** | **88.48** |
| Shivpad Engineers Private Limited | 99.22 | 88.48 | - | - | - | - | 99.22 | 88.48 |
| Jash USA Inc. | 17.62 | - | - | - | - | - | 17.62 | - |
| **Job work charges and labour charges** | **7.20** | **9.99** | **-** | **-** | **161.93** | **121.35** | **169.13** | **131.34** |
| Jash Flowcon Engineers | - | - | - | - | 161.68 | 121.13 | 161.68 | 121.13 |
| Micro Flat Datums Private Limited | - | - | - | - | 0.25 | 0.22 | 0.25 | 0.22 |
| Shivpad Engineers Private Limited | 7.20 | 9.99 | - | - | - | - | 7.20 | 9.99 |
| **Dividend income** | **202.52** | **202.52** | **-** | **-** | **-** | **-** | **202.52** | **202.52** |
| Shivpad Engineers Private Limited | 202.52 | 202.52 | - | - | - | - | 202.52 | 202.52 |
| **Share options issued to employees of subsidiary companies** | **4.50** | **2.58** | **-** | **-** | **-** | **-** | **4.50** | **2.58** |
| Shivpad Engineers Private Limited | (3.53) | 0.26 | - | - | - | - | (3.53) | 0.26 |
| Jash USA Inc. | 8.03 | 2.32 | - | - | - | - | 8.03 | 2.32 |
| **Loan Repayment** | **323.90** | | | | | | **323.90** | **-** |
| Jash USA Inc. | 323.90 | | | | | | 323.90 | |
| **Interest income** | **36.96** | **47.14** | **-** | **-** | **-** | **-** | **36.96** | **47.14** |
| Jash USA Inc. | 36.96 | 47.14 | | | | | 36.96 | 47.14 |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Dividend for the year (excluding dividend distribution tax)** | **-** | **-** | **208.22** | **137.72** | **31.37** | **19.14** | **239.59** | **156.86** |
| Pratik Patel | - | - | 84.72 | 53.78 | - | - | 84.72 | 53.78 |
| Axel Schutte | - | - | 47.57 | 28.49 | - | - | 47.57 | 28.49 |
| Patamin Investments Private Limited | - | - | - | - | 31.37 | 19.14 | 31.37 | 19.14 |
| Bhairavi Patel | - | - | 45.14 | 27.08 | - | - | 45.14 | 27.08 |
| Swati Desai | - | - | 2.36 | 1.42 | - | - | 2.36 | 1.42 |
| Tarang Amin | - | - | - | 2.97 | - | - | - | 2.97 |
| Avani Vipul Patel | - | - | - | 6.00 | - | - | - | 6.00 |
| Tejal Desai | - | - | 2.97 | 1.78 | - | - | 2.97 | 1.78 |
| Harsh Patel | - | - | 25.05 | 16.20 | - | - | 25.05 | 16.20 |
| Dharmendra Jain | - | - | 0.41 | - | - | - | 0.41 | - |
| **Interest expense** | **-** | **-** | **-** | **-** | **49.65** | **50.56** | **49.65** | **50.56** |
| Patamin Investments Private Limited^ | - | - | - | - | 49.65 | 50.56 | 49.65 | 50.56 |
| **Commission paid** | **34.44** | **13.84** | - | - | - | - | **34.44** | **13.84** |
| Engineering & Manufacturing Jash Ltd. | 34.44 | 13.84 | | | | | 34.44 | 13.84 |
| **Expenses incurred/paid on behalf of Company** | **140.05** | **211.27** | **-** | **-** | **-** | **0.56** | **140.05** | **211.83** |
| Jash USA Inc. | 140.05 | 193.94 | - | - | - | - | 140.05 | 193.94 |
| Patamin Investments Private Limited | - | - | - | - | - | 0.56 | - | 0.56 |
| Mahr Maschinenbau GmbH | - | 17.33 | - | - | - | - | - | 17.33 |
| **Lease payment** | **-** | **-** | **-** | **-** | **60.00** | **60.00** | **60.00** | **60.00** |
| Patamin Investments Private Limited | - | - | - | - | 60.00 | 60.00 | 60.00 | 60.00 |
| **Sale of capital goods** | **3.20** | **-** | **-** | **-** | **-** | **-** | **3.20** | **-** |
| Jash USA Inc. | 3.20 | - | | | | | 3.20 | - |
| **Expenses incurred by Company on behalf of related parties** | **33.53** | **62.73** | **0.23** | **0.29** | **9.07** | **10.88** | **42.83** | **73.90** |
| Jash Flowcon engineers | - | - | - | - | 2.75 | 4.66 | 2.75 | 4.66 |
| Patamin Investments Private Limited | - | - | - | - | - | 0.94 | - | 0.94 |
| Shivpad Engineers Private Limited | 31.07 | 62.22 | - | - | - | - | 31.07 | 62.22 |
| Jash USA Inc. | - | 0.51 | - | - | - | - | - | 0.51 |
| Jash Invent India Private Limited | 2.46 | - | - | - | - | - | 2.46 | - |
| Micro Flat Datums Private Limited | | | - | - | 6.32 | 5.27 | 6.32 | 5.27 |
| Pratik Patel | - | - | 0.23 | 0.29 | - | - | 0.23 | 0.29 |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| Particulars | Subsidiary Companies | | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Company | | Total | |
|---|---|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Reimbursement of expenses** | **-** | **-** | **36.39** | **30.51** | **-** | **-** | **36.39** | **30.51** |
| Pratik Patel | - | - | 32.25 | 26.26 | - | - | 32.25 | 26.26 |
| Dharmendra Jain | - | - | 3.32 | - | | | 3.32 | - |
| Tushar Kharpade | - | - | 0.82 | - | | | 0.82 | - |
| Axel Schutte | - | - | - | 4.25 | - | - | - | 4.25 |
| **Application money towards convertible share warrants** | **-** | **-** | **57.28** | **-** | **-** | **-** | **57.28** | **-** |
| Pratik Patel | - | - | 57.28 | - | - | - | 57.28 | - |
| **Sitting fees** | **-** | **-** | **6.50** | **5.75** | **-** | **-** | **6.50** | **5.75** |
| Mr. Brij Mohan Maheshwari | - | - | 1.75 | 1.50 | - | - | 1.75 | 1.50 |
| Mr. Sunil Kumar Choksi | - | - | - | 0.50 | - | - | - | 0.50 |
| Mr. Vishwapati Trivedi | - | - | 1.75 | 1.25 | - | - | 1.75 | 1.25 |
| Ms. Sunita Kishnani | - | - | 1.25 | 1.25 | - | - | 1.25 | 1.25 |
| Mr. DT Manwani | - | - | 1.75 | 1.25 | - | - | 1.75 | 1.25 |
| **Corporate guarantees given by Company on behalf of related parties** | **1,875.00** | **1,675.00** | **-** | **-** | **-** | **-** | **1,875.00** | **1,675.00** |
| Shivpad Engineers Private Limited | 1,875.00 | 1,675.00 | - | - | - | - | 1,875.00 | 1,675.00 |

^Interest expense related to Patamin Investments Private Limited is the notional expense booked pursuant to the guidance of Ind AS 116, Leases.
* For guarantees given by related parties in respect of company's borrowings, refer note 22(a) and 22(b).

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**47 Related party transactions (continued)**

**(vi) Year end balances**

| Particulars | Subsidiary/ Joint Venture 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 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Trade receivables** | **3,904.27** | **4,950.37** | **-** | **-** | **1.43** | **8.07** | **3,905.70** | **4,958.44** |
| Jash USA Inc. | 3,902.14 | 4,950.37 | - | - | - | - | 3,902.14 | 4,950.37 |
| Jash Invent India Private Limited | 0.21 | - | - | - | - | - | 0.21 | - |
| Micro Flat Datums Private Limited | - | - | - | - | 1.43 | 8.07 | 1.43 | 8.07 |
| Shivpad Engineers Private Limited | 1.92 | - | - | - | - | - | 1.92 | - |
| **Loans and advances (including interest accrued)** | **8.31** | **642.99** | **-** | **-** | **-** | **-** | **8.31** | **642.99** |
| Jash USA Inc. | 8.31 | 642.99 | - | - | - | - | 8.31 | 642.99 |
| **Trade payables** | **55.19** | **116.94** | **-** | **-** | **3.07** | **13.01** | **58.26** | **129.95** |
| Micro Flat Datums Private Limited | - | - | - | - | (6.32) | (5.14) | (6.32) | (5.14) |
| Shivpad Engineers Private Limited | - | 35.59 | - | - | - | - | - | 35.59 |
| Jash Flowcon Engineers | - | - | - | - | 3.99 | 12.75 | 3.99 | 12.75 |
| Jash USA Inc. | 20.75 | 81.35 | - | - | - | - | 20.75 | 81.35 |
| Engineering & Manufacturing Jash Ltd. | 34.44 | - | - | - | - | - | 34.44 | - |
| Patamin Investments Private Limited | - | - | - | - | 5.40 | 5.40 | 5.40 | 5.40 |
| **Investments in subsidaries** | **7,466.63** | **7,462.13** | **-** | **-** | **-** | **-** | **7,466.63** | **7,462.13** |
| Shivpad Engineers Private Limited | 576.31 | 579.85 | - | - | - | - | 576.31 | 579.85 |
| Jash USA Inc. | 5,313.05 | 5,305.01 | - | - | - | - | 5,313.05 | 5,305.01 |
| Mahr Maschinenbau GmbH | 1,577.27 | 1,577.27 | - | - | - | - | 1,577.27 | 1,577.27 |
| Engineering and Manufacturing Jash Limited* | 0.00 | 0.00 | - | - | - | - | 0.00 | 0.00 |
| **Investments in Joint Ventures** | **50.00** | **-** | **-** | **-** | **-** | **-** | **50.00** | **-** |
| Jash Invent India Private Limited | 50.00 | - | - | - | - | - | 50.00 | - |
| **Security deposits** | **-** | **-** | **-** | **-** | **37.50** | **37.50** | **37.50** | **37.50** |
| Patamin Investments Private Limited^^ | - | - | - | - | 37.50 | 37.50 | 37.50 | 37.50 |
| **Lease liability** | - | - | - | - | **469.75** | **482.33** | **469.75** | **482.33** |
| Patamin Investments Private Limited^^^ | - | - | - | - | 469.75 | 482.33 | 469.75 | 482.33 |
| **Corporate guarantees given by Company on behalf of related parties** | **1,875.00** | **1,675.00** | **-** | **-** | **-** | **-** | **1,875.00** | **1,675.00** |
| Shivpad Engineers Private Limited | 1,875.00 | 1,675.00 | - | - | - | - | 1,875.00 | 1,675.00 |
| **Employee related payable** | **-** | **-** | **9.25** | **6.55** | **-** | **-** | **9.25** | **6.55** |
| Pratik Patel | - | - | 5.92 | 4.40 | - | - | 5.92 | 4.40 |
| Suresh Patel | - | - | 2.26 | 2.15 | - | - | 2.26 | 2.15 |
| Dharmendra Jain | - | - | 0.01 | - | - | - | 0.01 | - |
| Tushar Kharpade | - | - | 1.04 | - | - | - | 1.04 | - |

* Amount of investment in Engineering and Manufacturing Jash Limited is INR 8/- (31 March 2023: INR 8/-).
^^The above amount of security deposit is the amount given as per agreement. However, the same has been carried at amortised cost.
^^^Lease liability is booked pursuant to the guidance of Ind AS 116, Leases.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 48 Lease related disclosures

The Company has leases for various land locations at different plant sites across India and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

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

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

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Short-term leases | 3.35 | 3.12 |

**B** Total cash outflow for leases for the year ended 31 March 2024 was INR 69.65 lakhs (31 March 2023: INR 71.34 lakhs).

### C Maturity of lease liabilities

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

| Gross lease payments | Minimum lease payments due | | | | | | |
|---|---|---|---|---|---|---|---|
| | Within 1 year | 1-2 years | 2-3 years | 3-4 years | 4-5 years | More than 5 years | Total |
| 31 March 2024 | 69.08 | 69.28 | 66.54 | 65.33 | 65.33 | 891.96 | **1,227.52** |
| 31 March 2023 | 71.64 | 70.24 | 65.33 | 65.33 | 65.33 | 970.14 | **1,308.01** |

### D Extension and termination options

The Company has lease contracts for the land sites where the manufacturing plants are being set up. The Company has considered enforceable extension options available for land leases in lease period assessment since the Company can enforce its right to extend the lease beyond the initial lease periodis likely to be benefited by exercising the extension options.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 49 Revenue from Contracts with Customers

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

**Description of nature of goods sold**
(i) Castings
(ii) Screening equipment
(iii) Sluice gate
(iv) Valves and valves components
(v) Process Equipments
(vi) Hydro Screw
(vii) Special purpose valve

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

### (a) Disaggregation of revenue

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

**For the year ended 31 March 2024**

| Revenue from contracts with customers | Goods | Services | Other operating revenue* | Total |
|---|---|---|---|---|
| **Revenue by geography** | | | | |
| Domestic | 18,092.75 | 103.18 | 712.10 | 18,908.03 |
| Export | 15,626.92 | - | - | 15,626.92 |
| **Total** | **33,719.67** | **103.18** | **712.10** | **34,534.95** |
| **Revenue by time** | | | | |
| Revenue recognised at point in time | 33,719.67 | 103.18 | 712.10 | 34,534.95 |
| Revenue recognised over time | - | - | - | - |
| **Total** | **33,719.67** | **103.18** | **712.10** | **34,534.95** |

**For the year ended 31 March 2023**

| Revenue from contracts with customers | Goods | Services | Other operating revenue* | Total |
|---|---|---|---|---|
| **Revenue by geography** | | | | |
| Domestic | 15,975.05 | 41.46 | 686.03 | 16,702.54 |
| Export | 10,452.61 | - | - | 10,452.61 |
| **Total** | **26,427.66** | **41.46** | **686.03** | **27,155.15** |
| **Revenue by time** | | | | |
| Revenue recognised at point in time | 26,427.66 | 41.46 | 686.03 | 27,155.15 |
| Revenue recognised over time | - | - | - | - |
| **Total** | **26,427.66** | **41.46** | **686.03** | **27,155.15** |

* Export incentives has been excluded from other operating revenue as same does not pertain to contract with customers

### (b) Assets and liabilities related to contracts with customers

| Description | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| | Current | Current |
| **Contract liabilities related to sale of goods** | | |
| Advance from customers* | 4,576.18 | 3,021.43 |

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

### (c) Significant change in contract liabilities

| Description- Advance from customers | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Opening** | **3,021.43** | **1,962.81** |
| Less: Goods and services delivered during the period against opening contract liabilities (net) | (1,635.43) | (1,046.11) |
| Add: Advances received during the period (net) | 3,190.18 | 2,104.73 |
| **Closing balance** | **4,576.18** | **3,021.43** |

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

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Contract price | 34,554.94 | 27,155.91 |
| Less: Late delivery charges | 19.99 | 0.76 |
| **Revenue from operations as per Statement of Profit and Loss** | **34,534.95** | **27,155.15** |

**(e)** Company has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to Statement of Profit and Loss.

**(f)** At the end of the financial year, there are no unsatisfied performance obligation for the contracts with original expected period of satisfaction of performance obligation of more than one year.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**50 Share-based payments**

**a) Employee stock option plan**

The establishment of the Jash Engineering Employee Stock Option Scheme was approved by shareholders through postal ballot on 10 August 2019. The Employee Stock Option Plan is designed to provide incentives to employees who have completed a minimum three years in the Company. Under the plan, participants are granted options which vest in four Tranchees in four years from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one month (As followed by management based on discretion given by scheme).

Options carry no dividend or voting rights until they are exercised. When exercisable, each option is convertible into one equity share. The exercise price of the options determined at 20% discount on the closing market price of one day prior to the date of grant on stock exchange where the equity shares of the Company are listed.

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

| | For the year ended 31 March 2024 | | For the year ended 31 March 2023 | |
|---|---|---|---|---|
| | Average exercise price per share option (INR) | Number of options | Average exercise price per share option (INR) | Number of options |
| Opening balance | 118.64 | 1,19,640 | 118.64 | 2,31,610 |
| Granted during the year Tranche II | 688.24 | 1,75,800 | - | - |
| Exercised during the year from Tranche I | 118.64 | (1,08,820) | | |
| Exercised during the year from Tranche II | 688.24 | (16,140) | - | (88,630) |
| Expired during the year Tranche I | 118.64 | (10,820) | - | (23,340) |
| Expired during the year Tranche II | 688.24 | (14,400) | - | - |
| **Closing balance** | | **1,45,260** | | **1,19,640** |

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

| Grant Date | Expiry Date | Tranche | Exercise price (INR) | Fair value of options (INR) | Share options | |
|---|---|---|---|---|---|---|
| | | | | | As at 31 March 2024 | As at 31 March 2023 |
| 14 February 2020 | 14 March 2021 | Tranche I | 118.64 | 61.80 | - | 11,964 |
| 14 February 2020 | 14 March 2022 | Tranche I | 118.64 | 71.33 | - | 23,928 |
| 14 February 2020 | 14 March 2023 | Tranche I | 118.64 | 80.68 | - | 35,892 |
| 14 February 2020 | 14 March 2024 | Tranche I | 118.64 | 87.43 | - | 47,856 |
| 04 February 2023 | 04 March 2024 | Tranche II | 688.24 | 269.21 | 19,720 | - |
| 04 February 2023 | 04 March 2025 | Tranche II | 688.24 | 347.82 | 39,440 | - |
| 04 February 2023 | 04 March 2026 | Tranche II | 688.24 | 404.78 | 59,160 | - |
| 04 February 2023 | 04 March 2027 | Tranche II | 688.24 | 480.90 | 78,880 | - |
| **Total** | | | | | **1,97,200** | **1,19,640** |
| Weighted average remaining contractual life of options outstanding at end of period | | | | | **2.95** | **1.15** |

**Fair value of options granted**

The fair value of the equity-settled options at grant date is determined using the Black Scholes Model using the following key inputs:

| Particulars | Tranche I | Tranche II |
|---|---|---|
| Options will vest in a graded manner over four years from the date of grant. These options are exercisable within a period of one month of vesting. | | |
| Exercise price | INR 118.64 | INR 688.24 |
| Closing share price at previous day of grant date | INR 148.30 | INR 860.30 |
| Weighted average expected price volatility* | 72.44% | 52.85% |
| Weighted average expected dividend yield | 1.36% | 0.90% |
| Weighted average expected risk-free interest rate | 6.10% | 7.09% |

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

**(b) Expense arising from share-based payment transactions**

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

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Employee option plan | 62.04 | 38.63 |
| **Total employee share-based payment expense** | **62.04** | **38.63** |

The above expense pertains to 303,920 options. The rest of the 25,580 options were issued to employees of subsidiary companies and there was no recharge done to the subsidiaries. The propotionate fair value in respect of these options amounting to INR 26.75 lakhs (31 March 2023: INR 22.25 lakhs) has been recorded as deemed investment in subsidiaries (refer note 8.1 (iv)).

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**51 Ratios to disclosed as per requirement of Schedule III to the Act**

| | Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **a.** | **Current ratio** | | |
| | Current assets (Numerator) | 33,869.37 | 24,988.42 |
| | Current liabilities (Denominator) | 17,638.10 | 16,225.70 |
| | **Current ratio** | **1.92** | **1.54** |
| | % Change as compared to the preceding year | 24.69% | 9.81% |
| **b.** | **Debt-equity ratio** | | |
| | Total debt (Numerator) | 7,723.76 | 8,040.33 |
| | Shareholder's equity (Denominator) | 33,158.61 | 23,658.59 |
| | **Debt-equity ratio** | **0.23** | **0.34** |
| | % Change as compared to the preceding year | (31.46%) | (18.07%) |
| | **Explanation for change in the ratio by more than 25% as compared to the preceding year:** | | |
| | During the year repayment of borrowing and improvement in net profits due to higher sales impacting improvement in Debt-Equity ratio | | |
| **c.** | **Debt service coverage ratio** | | |
| | Earnings available for debt service (Numerator) * | 6,464.64 | 5,452.19 |
| | Debt service (Denominator) # | 6,999.90 | 6,533.62 |
| | **Debt service coverage ratio** | **0.92** | **0.83** |
| | % Change as compared to the preceding year | 10.67% | (24.82%) |
| | * Earning for Debt Service = Net Profit after taxes + Interest expense + Depreciation | | |
| | # Debt service = Interest and Lease payments + Principal repayments | | |
| **d.** | **Return on equity ratio** | | |
| | Profit for the year (Numerator) | 5,011.87 | 4,081.02 |
| | Average shareholder's equity (Denominator) | 28,408.60 | 23,658.59 |
| | **Return on equity** | **0.18** | **0.17** |
| | % Change as compared to the preceding year | 2.28% | 38.79% |
| **e.** | **Dividend Payout Ratio** | | |
| | Dividend Paid during the year (Numerator) | 721.80 | 429.89 |
| | Net Income for the year (Denominator) | 4,081.02 | 2,475.97 |
| | **Dividend Payout Ratio** | **0.18** | **0.17** |
| | % Change as compared to the preceding year | 1.87% | 26.59% |
| **f.** | **Inventory turnover ratio** | | |
| | **On Raw material** | | |
| | Cost of goods sold (Numerator) | 18,875.87 | 14,666.48 |
| | Average inventory of raw materials and stores and spares (Denominator) * | 5,135.23 | 3,855.66 |
| | **Inventory turnover ratio** | **3.68** | **3.80** |
| | % Change as compared to the preceding year | (3.37%) | (11.13%) |
| | **On Finished goods and Work in progress** | | |
| | Revenue from operations (Numerator) | 34,534.95 | 27,172.58 |
| | Average inventory of finished goods and work in progress (Denominator) * | 6,358.19 | 3,644.92 |
| | **Inventory turnover ratio** | **5.43** | **7.45** |
| | % Change as compared to the preceding year | (27.14%) | (32.62%) |
| | * Average inventory = (Opening balance + Closing balance / 2) | | |
| | **Explanation for change in the ratio by more than 25% as compared to the preceding year:** | | |
| | Due to revenue reversal closing inventory of finished goods increased and ultimately turnover ratio has been reduced | | |
| **g.** | **Trade receivables turnover ratio** | | |
| | Net sales (Numerator) | 34,534.95 | 27,172.58 |
| | Average trade receivable (Denominator) * | 12,758.78 | 13,014.92 |
| | **Trade receivables turnover ratio** | **2.71** | **2.09** |
| | % Change as compared to the preceding year | 29.65% | (4.41%) |
| | * Average trade receivables = (Opening balance + Closing balance / 2) | | |
| | **Explanation for change in the ratio by more than 25% as compared to the preceding year:** | | |
| | Due to increase in sales and realization from receivables as impacting reduction in trade receivables increase the turnover ratio | | |
| **h.** | **Trade payables turnover ratio** | | |
| | Purchases (Numerator) | 20,222.08 | 15,777.11 |
| | Average trade payable (Denominator) * | 5,228.18 | 5,270.13 |
| | **Trade payables turnover ratio** | **3.87** | **2.99** |
| | % Variance | 29.20% | (3.53%) |
| | * Average trade payables = (Opening balance + Closing balance / 2) | | |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**Explanation for change in the ratio by more than 25% as compared to the preceding year:**
Due to increase in purchase during the year which increase the payable turnover ratio





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| i. | **Net capital turnover ratio** | | |
| | Net sales (Numerator) | 34,534.95 | 27,172.58 |
| | Working capital (Denominator) * | 16,231.27 | 8,762.72 |
| | **Net capital turnover ratio** | **2.13** | **3.10** |
| | % Change as compared to the preceding year | (31.39%) | (28.97%) |
| | * Working capital = Total Current assets - Total Current liabilities | | |
| | **Explanation for change in the ratio by more than 25% as compared to the preceding year:** | | |
| | The revenue reversal adjustment at year end reduced the net sales which impacted the net capital turnover ratio. | | |
| j. | **Net profit ratio** | | |
| | Profit for the year (Numerator) | 5,011.87 | 4,081.02 |
| | Net sales (Denominator) | 34,534.95 | 27,172.58 |
| | **Net profit ratio** | **0.15** | **0.15** |
| | % Change as compared to the preceding year | (3.37%) | 55.72% |
| k. | **Return on capital employed** | | |
| | Earning before interest and taxes (Numerator) | 6,716.63 | 5,294.40 |
| | Capital employed (Denominator) # | 40,357.07 | 31,158.23 |
| | **Return on capital employed** | **0.17** | **0.17** |
| | % Change as compared to the preceding year | (2.05%) | 32.90% |
| | # Capital Employed = Total equity + Total debt | | |
| l. | **Return on investment** | | |
| | Profit before taxes (Numerator) | 6,004.56 | 4,675.69 |
| | Total Assets (Denominator) | 52,763.70 | 41,622.35 |
| | **Return on investment** | **0.11** | **0.11** |
| | % Change as compared to the preceding year | 1.30% | 49.19% |

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**52 Segment Reporting**

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

**53 Additional regulatory information not disclosed elsewhere in the financial statements**

a) The Company does not have any Benami property and no proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b) The Company has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

c) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

d) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

e) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

f) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

h) The Company does not have any transactions with struck off companies.

i) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

j) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

k) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**54** The Company has filed quarterly returns or statements of current assets with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of accounts other than those as set out below:

(INR in lakhs)

| Name of the Bank / financial institution | Working capital limit sanctioned | Nature of current assets offered as security | Quarter | Nature | Amount as per books of accounts | Amount disclosed as per return | Difference | Remarks/ reason, if any |
|---|---|---|---|---|---|---|---|---|
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India<br><br>Kotak Mahindra Bank Limited | 7,450.00 | For SBI, Axis & Kotak Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 30-Jun-23 | Inventory | 12,856.37 | 12,005.55 | 850.82 | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br>1) INR 813.17 lakhs inventory increase due to revenue cut-off and reversal.<br>2) INR 37.65 lakhs due to change in valuation of price difference,freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 8,552.57 | 9,719.52 | (1,166.95) | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 333.20 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of audit/ review. During quarter ended June 2023, foreign exchange gain was recorded amounting to INR 186.18 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of review. The same contributes an overall decline amounting to INR 1,144.38 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 124.45 lakhs. |
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India<br><br>Kotak Mahindra Bank Limited | 7,450.00 | For SBI, Axis & Kotak Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 30-Sep-23 | Inventory | 14,469.96 | 14,471.62 | (1.66) | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br><br>1) INR 1.66 lakhs due to change in valuation of price difference,freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 8,641.99 | 8,532.95 | 109.04 | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 319.76 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of review. During quarter ended September 2023, foreign exchange gain was recorded amounting to INR 161.77 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of review. The same contributes an overall decline amounting to INR 8.37 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 275.40 lakhs. |
| **Name of the Bank / financial institution** | **Working capital limit sanctioned** | **Nature of current assets offered as security** | **Quarter** | **Nature** | **Amount as per books of accounts** | **Amount disclosed as per return** | **Difference** | **Remarks/ reason, if any** |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India<br><br>Kotak Mahindra Bank Limited | 7,450.00 | For SBI, Axis & Kotak Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 31-Dec-23 | Inventory | 15,763.58 | 15,772.89 | (9.31) | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br><br>1) INR 9.31 lakhs due to change in valuation of price difference, freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 9,173.14 | 8,533.71 | 639.43 | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 319.76 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of audit/ review. During quarter ended December 2023, foreign exchange gain was recorded amounting to INR 218.58 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of review. The same contributes an overall increase amounting to INR 412.86 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 327.75 lakhs. |
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India<br><br>Kotak Mahindra Bank Limited | 7,450.00 | For SBI, Axis & Kotak Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 31-Mar-24 | Inventory | 13,672.30 | 13,664.82 | 7.48 | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br><br>1) INR 7.48 lakhs due to change in valuation of price difference, freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 12,496.92 | 12,818.84 | (321.92) | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 336.36 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of audit. During quarter ended March 2024, foreign exchange gain was recorded amounting to INR 140.73 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of audit. The same contributes an overall decline amounting to INR 259.18 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 132.89 lakhs. |



**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**55** The Company has two units located in Special Economic Zone (the "SEZ"), Unit I and Unit II respectively. The Company is eligible to claim deduction under section 10AA of Income Tax Act, 1961 for both these units.

Unit I was 100% exempted from income tax till 31 March 2015, 50% exempted from 01 April 2015 to 31 March 2020 and from 01 April 2020 to 31 March 2025, the company is eligible to claim 50% exemption subject to compliance of certain conditions and transfer of 50% profits to SEZ reserve Account. Similarly, Unit II is 100% exempted from income tax till 31 March 2024, 50% exempted from 1 April 2024 to 31 March 2029 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ reserve Account) from 1 April 2029 to 31 March 2034 under the provision of Section 10AA of Income Tax Act, 1961. During the year, the Company has transferred to SEZ re-investment reserve amounting to INR 736.33 lakhs for financial year 2023-24 (31 March 2023: INR 358.98 lakhs), equivalent to 50% profits of SEZ Unit I. Further, the Company transferred INR 90.33 lakhs to retained earnings from SEZ re-investment reserve on utilisation for financial year 2023-24.

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.

**56** The Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India ("RBI"). Trade receivables amounting to INR 448.53 lakhs (31 March 2023: INR 73.18 lakhs) due from overseas parties is outstanding for a period of more than nine months.

With respect to this, for receivables amounting to INR 177.69 lakhs, the Company has subsequent to year end made application to RBI through its authorised dealer bank for seeking extension of period of realisation beyond 9 months along with detailed plan of action as allowed to authorised dealer bank under clause (i) of para C.18 of Master Direction No. 16/15-16 (RBI/FED/2015-16/11). Pending the final outcome of the aforesaid matters, which is presently unascertainable, no adjustments have been made in these standalone financial statements.
Additionally, with respect to this, for receivables amounting to INR 261.83 lakhs, the Company has subsequent to year end realized the due amount from the respective debtors.

**57** As at 31 March 2024, the Company has investment of INR 5,313.05 lakhs (31 March 2023: INR 5,305.01 lakhs) in Jash USA Inc. (a wholly owned subsidiary company or 'Jash USA') and the Company has also outstanding loan of INR 8.31 lakhs (31 March 2023: INR 642.99 lakhs). Jash USA Inc. has accumulated losses amounting to INR 246.90 lakhs (31 March 2023: INR 2,042.49 lakhs), which has eroded a significant portion of net worth of the subsidiary. Basis the order books and certain other positive factors, the management of the Company is confident that it will be able to generate adequate positive cash flows in order to meet their present and future obligations in the ordinary course of business.

**58 Directors remuneration:**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Salaries, wages and bonus* | 265.40 | 148.16 |
| Contribution to provident and other funds | 17.82 | 10.80 |
| Perquisites | 0.68 | 0.40 |
| Compensated absences | 5.49 | 2.88 |
| **Total** | **289.39** | **162.24** |

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

**59 Movement of government grant receivable**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Opening balance | 56.89 | 102.52 |
| Add: Grant sanctioned during the year | - | - |
| Less: Grant received during the year | 34.17 | 45.63 |
| **Total** | **22.72** | **56.89** |
| | | |
| Current grant receivable | 22.72 | 34.18 |
| Non current grant receivable | - | 22.71 |
| **Total** | **22.72** | **56.89** |

**60** The Company has initiated the regulatory procedure of merger of Shivpad Engineers Private Limited (wholly owned subsidiary of Jash Engineering Limited) with the regulatory authorities. The appointed date of the scheme is 01 April 2024.

*(This space has been intentionally left blank)*

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**61** As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Company uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year. In respect of one accounting software, audit trail was not enabled as per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 for direct data changes to database level. The company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended 31 March 2024 were effective.

**62** The Company has evaluated subsequent events and transactions that occurred after the balance sheet date up to 09 May 2024, the date the financial statements were available to be issued. Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the financial statements.

**63** The Financial Statement were approved for issue by the Board of Directors on 09 May 2024.

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN: 00012072

**Dharmendra Jain**
Chief Financial officer

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

**Place:** Indore
**Date:** 09 May 2024

## INDEPENDENT AUDITOR'S REPORT

### To The Members of Jash Engineering Limited
### Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Jash Engineering Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of loss in its joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2024, and the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements subsidiaries and joint venture referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2024, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its joint venture 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us, and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. We have determined the matters described below to be the key audit matters to be communicated in our report.

| Sr. No. | Key Audit Matter | Auditor's Response |
|---|---|---|

| | | |
|---|---|---|
| 1 | **Inventory Valuation**<br><br>At the balance sheet date 31 March 2024, the Company held inventories comprising of raw materials amounting to INR 5,646.42 lakhs, work-in-progress amounting to **INR** 4,691.54 lakhs, finished goods and stores amounting to INR 3,140.32 lakhs, spares and other consumables amounting to INR 194.02 lakhs i.e., total Inventories amounting to **INR** 13,672.30 lakhs as included in Note 13 of the accompanying standalone financial statements. Whilst the inventory valuation has been automated through **SAP,** the allocation of various production and administration related overheads on the finished goods and work-in-progress inventory is carried out manually using MS-Excel application. Further, the identification of activities for overhead allocation and computation of machine/labour hour rates are varied and complex. Owing to the nature of the business, which involves manufacture of engineering products specific to the requirements of customers, the valuation of inventory and cost of production for each product being manufactured is distinct and separately determined.<br>Further, assessment by management of net realizable value of items of inventory involves specific identification of slow moving and obsolete inventories, and assessment of net realizable value of such slow moving and obsolete inventory items, requiring judgement and estimation on part of the management, on considering the complexities and materiality of amounts involved, this matter is considered as a key audit matter. | To assess valuation of Inventory, our procedures included, but are not limited to the following:<br>a) Obtained an understanding of the management's process of valuation of inventory.<br><br>b) 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.<br><br>c) Evaluated the appropriateness of the Company's accounting policy and method of valuation for inventory in accordance with the accounting standards.<br><br>d) Discussed with management the rationale supporting the assumptions and estimates used in carrying out the inventory valuation and corroborated the same to our understanding of the business. Testing the computation of various overhead absorption rates by tracing the underlying data to audited historical operational results of the Company.<br><br>e) 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.<br><br>f) Obtained and understanding management process for identification of slow moving, non-moving or obsolete inventories and ensured that the same is consistently applied.<br><br>g) 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.<br><br>h) For slow and non-moving inventories as on 31 March 2024 identified by the management, recomputing the allowance created by the management using management's model which has been consistently applied.<br><br>i) Tested the net realizable value of Finished goods inventory on a sample basis to recent selling prices less costs to sell (to the agreed contract value), to identify allowance required for finished goods.<br><br>j) Evaluated the disclosures made in the standalone financial statements in accordance with the applicable accounting standards. |





**Information Other than the Financial Statements and Auditor's Report Thereon**

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

- Our opinion on the 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, compare with the financial statements of the, subsidiaries, joint venture audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, and joint venture is traced from their financial statements audited by the other auditors.

- When we read the above-mentioned reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair **view** of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including Ind **AS** specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its joint venture and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture are also responsible for overseeing the financial reporting process of the Group and of its joint venture.

**Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the 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 financial controls 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 Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture 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 and its joint venture 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

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

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**

(a) We did not audit the financial statements of subsidiary, whose financial statements reflect total assets of INR 2,100.59 lakhs as at 31 March, 2024, total revenues of INR 1,806.51 lakhs and net cash inflows amounting to INR 148.16 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss of INR (12.27) lakhs for the year ended 31 March, 2024, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us. 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 this subsidiary and joint venture, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint venture is based solely on the reports of the other auditors.

(b) We did not audit the financial information of three subsidiaries, whose financial information reflect total assets of INR 573.23 lakhs as at 31 March, 2024, total revenues of INR 34.13 lakhs and net cash (outflows) amounting to INR (7.92) lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements subsidiaries, and joint venture referred to in the Other Matters section above 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 purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law maintained by the Group, its joint venture including relevant records relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors, except for matters stated in paragraph (i)(vi) below.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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 Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Parent Company as on 31 March, 2024 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its, subsidiary company and joint venture company incorporated in India, none of the directors of the Group companies, its joint venture company incorporated in India is disqualified as on 31 March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (b) above·

   g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure **A"** which is based on the auditors' reports of the Parent, subsidiary company, and joint venture company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to financial statements of those companies.

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
   In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary company, and joint venture company incorporated in India, the remuneration paid by the Parent and such subsidiary company, and joint venture company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

   i) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture - Refer Note 43 to the consolidated financial statements;

      ii) The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.

      iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company, and joint venture company incorporated in India.

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent and its subsidiary company, and joint venture company incorporated in India.

iv) (a) The respective Managements of the Parent and its subsidiary and joint venture which are companies incorporated in India, whose financial statements have been audited under the **Act,** have represented to us and to the other auditors of such subsidiary and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note SS(j) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiary and joint venture to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiary and joint venture ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiary and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary and joint venture respectively that, to the best of their knowledge and belief, disclosed in the note SS(k)to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiary and joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary and joint venture shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent and its subsidiary and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 22 to the consolidated financial statements, the Board of Directors of the Parent and its subsidiary and joint venture which are companies incorporated in India, whose financial statements have been audited under the Act, where applicable, have proposed final dividend for the year which is subject to the approval of the members of the Parent and such subsidiaries and joint venture at the ensuing respective Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi) Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries and based on the other auditor's reports of its subsidiary company and joint venture company incorporated in India whose financial statements have been audited under the Act, the Parent, its subsidiary company, and joint venture company incorporated in India have used accounting software for maintaining their respective books of account for the year ended 31 March, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that in respect of an accounting software, audit trail was not enabled at the database level to log any direct data changes.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the year ended 31 March, 2024.

2. With respect to the matters specified in clause **(xxi)** of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

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

Pallavi Sharma
Partner
Membership No. 113861 UDIN:
24113861BKBPBM5030

Place: Mumbai
Date: 9 May 2024

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**
**(Referred to in paragraph i(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as at and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to consolidated financial statements of Jash Engineering Limited (hereinafter referred to as "the Parent") and its subsidiary companies, which includes internal financial controls with reference to consolidated financial statements of the Company's joint venture, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Parent, its subsidiary company and joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (!CAI). 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 its business, including adherence to the respective 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 Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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.





We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, joint venture, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary companies, joint venture, which are companies incorporated in India.

**Meaning of Internal Financial Controls with reference to consolidated financial statements.**

A company's internal financial control with reference to consolidated financial statements 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 internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements.**

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

**Opinion**

In our opinion 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 referred to in the Other Matters paragraph below, the Parent, its subsidiary company and joint venture, which are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2024, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to a subsidiary company and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matters.

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

Pallavi Sharma
Partner
Membership No. 113861 **UDIN: 24113861BKBPBM5030**

Place: Mumbai
Date: 9 May 2024

**Jash Engineering Limited**
**Consolidated Balance Sheet as at 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | Notes | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 5 (a) | 8,699.29 | 7,566.03 |
| Right-of-use asset | 5 (b) | 1,189.27 | 1,042.56 |
| Capital work-in-progress | 6 | 553.93 | 353.98 |
| Intangible assets | 7 | 668.40 | 833.23 |
| Goodwill on consolidation | 8 | 2,181.71 | 2,169.97 |
| Financial assets | | | |
| Investments | 9 (a) | 37.73 | - |
| Other financial assets | 9 (b) | - | 22.71 |
| Non-current tax assets (net) | 10 | 217.88 | 101.63 |
| Deferred tax assets (net) | 11 | 623.13 | 875.44 |
| Other non-current assets | 12 | 2,234.19 | 281.01 |
| **Total non-current assets** | | **16,405.53** | **13,246.56** |
| **Current assets** | | | |
| Inventories | 13 | 16,122.49 | 11,198.90 |
| Financial assets | | | |
| Investments | 14 | 602.57 | 1.47 |
| Trade receivables | 15 | 15,738.71 | 15,598.98 |
| Cash and cash equivalents | 16 | 3,104.12 | 887.41 |
| Other bank balances | 17 | 6,453.21 | 2,455.78 |
| Other financial assets | 18 | 52.50 | 54.02 |
| Other current assets | 19 | 1,070.99 | 545.46 |
| **Total current assets** | | **43,144.60** | **30,742.01** |
| Assets classified as held for sale | 20 | 875.43 | 863.28 |
| **Total assets** | | **60,425.55** | **44,851.85** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity share capital | 21 | 1,237.64 | 1,202.99 |
| Other equity | 22 | 33,883.42 | 22,669.55 |
| **Total equity** | | **35,121.06** | **23,872.54** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 23 (a) | 1,206.38 | 874.88 |
| Lease Liabilities | 26 (a) | 632.90 | 493.20 |
| Provisions | 24 | 216.10 | 334.96 |
| Other non-current liabilities | 25 | 94.95 | 107.20 |
| **Total non-current liabilities** | | **2,150.33** | **1,810.24** |
| **Current liabilities** | | | |
| Financial liabilities | | | |
| Borrowings | 23 (b) | 5,992.08 | 6,676.94 |
| Lease Liabilities | 26 (b) | 176.19 | 142.68 |
| Trade payables | 27 | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | | 1,185.97 | 773.77 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | | 5,769.92 | 5,105.04 |
| Other financial liabilities | 28 | 1,467.73 | 812.79 |
| Other current liabilities | 29 | 7,790.69 | 4,993.66 |
| Provisions | 30 | 642.65 | 397.83 |
| Current tax liabilities (net) | 31 | 128.93 | 266.37 |
| **Total current liabilities** | | **23,154.16** | **19,169.08** |
| **Total liabilities** | | **25,304.49** | **20,979.32** |
| **Total equity and liabilities** | | **60,425.55** | **44,851.86** |
| Summary of material accounting policy information | 3 | | |
| The accompanying notes form an integral part of these consolidated financial statements | 1 - 63 | | |

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN:00012072

**Dharmendra Jain**
Chief Financial officer

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

**Place:** Indore
**Date:** 09 May 2024

**Jash Engineering Limited**
**Consolidated Statement of Profit and Loss for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | Notes | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 32 | 51,566.98 | 40,198.62 |
| Other income | 33 | 629.70 | 1,322.15 |
| **Total income** | | **52,196.68** | **41,520.77** |
| **Expenses** | | | |
| Cost of materials consumed | 34 | 23,114.74 | 17,474.98 |
| Purchase of stock in trade | 35 | 1,063.76 | 1,670.03 |
| Changes in inventories of finished goods, work-in-progress and stock-in-trade | 36 | (3,084.80) | (1,951.19) |
| Employee benefits expense | 37 | 9,443.09 | 7,584.76 |
| Finance costs | 38 | 1,103.03 | 993.06 |
| Depreciation and amortisation expense | 39 | 1,076.82 | 1,064.68 |
| Other expenses | 40 | 11,145.19 | 9,035.09 |
| **Total expenses** | | **43,861.83** | **35,871.41** |
| Share of profit/ (loss) of a joint venture | | (12.27) | - |
| **Profit before tax** | | **8,322.58** | **5,649.36** |
| **Prior period adjustment** | | | |
| **Tax expense** | 41 | | |
| Current tax expense | | 1,392.55 | 1,003.17 |
| (Excess)/short provision of tax relating to earlier years | | (41.64) | - |
| Deferred tax expense/(credit) | | 294.75 | (523.93) |
| **Total tax expense** | | **1,645.66** | **479.24** |
| **Profit for the year** | | **6,676.92** | **5,170.12** |
| **Other comprehensive income** | | | |
| **Items that will not be reclassified to profit or loss** | | | |
| Remeasurement gains/(loss) on defined benefits plans | | (125.58) | (84.19) |
| Income tax relating to these items | | 36.66 | 24.53 |
| **Items that will be reclassified to profit or loss** | | | |
| Exchange differences on translating foreign operations | | 175.13 | 372.15 |
| **Other comprehensive income/(loss) for the year** | | **86.21** | **312.49** |
| **Total comprehensive income/(loss) for the year** | | **6,763.13** | **5,482.61** |
| **Earnings per equity share (of INR 10/- each)** | 42 | | |
| Basic (INR) | | 55.36 | 43.27 |
| Diluted (INR) | | 54.55 | 42.58 |
| Summary of material accounting policy information | 3 | | |
| The accompanying notes form an integral part of these consolidated financial statements | 1 - 63 | | |

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN:00012072

**Dharmendra Jain**
Chief Financial officer

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

**Place:** Indore
**Date:** 09 May 2024





**Jash Engineering Limited**
**Consolidated Cash Flow Statement for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **A CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| **Profit before tax** | **8,322.58** | **5,649.36** |
| **Adjustments for:** | | |
| Depreciation of property, plant and equipment | 993.96 | 853.63 |
| Amortization of intangible assets | 82.86 | 211.05 |
| Profit on disposal of property, plant and equipment (net) | 0.01 | (2.46) |
| Interest income on bank deposits | (218.85) | (96.82) |
| Interest income on other financials assets measured at amortised cost | (13.91) | (12.68) |
| Government grant Income | (14.39) | (14.56) |
| Net unrealised gain on foreign currency | (109.95) | (250.10) |
| Net gain on fair valuation of current investment | (1.10) | (0.58) |
| Sundry creditors balances written back | (29.35) | (14.38) |
| Advances and other balance written off | (478.23) | (771.91) |
| Reversal of allowance for expected credit losses | 3.16 | - |
| Provision/ (Reversal) for warranty expense | 65.19 | 139.21 |
| Share based payments (amortisation) | 66.49 | 44.48 |
| Finance cost | 1,103.03 | 993.06 |
| **Operating profit before working capital changes** | **9,771.50** | **6,727.30** |
| **Change in operating assets and liabilities:** | | |
| -Decrease/ (Increase) in trade receivables | 570.41 | (635.18) |
| -(Increase)/ Decrease in inventories | (4,892.34) | (3,396.95) |
| -(Increase)/ Decrease in other assets | (2,449.32) | (290.08) |
| -Increase/ (Decrease) in provisions | 58.46 | (32.94) |
| -Increase/ (Decrease) in non-financial liabilities | 2,765.00 | 2,231.44 |
| -Increase/ (Decrease) in trade payables and other payables | 1,699.43 | (444.10) |
| **Cash flow from operations** | **7,523.14** | **4,159.49** |
| Income taxes paid/refunds (net) | (1,690.20) | (763.77) |
| **Net cash flow generated from operating activities (A)** | **5,832.94** | **3,395.72** |
| **B CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of property, plant and equipment and intangible assets | (2,436.09) | (1,611.85) |
| Proceeds from sale of property, plant and equipment | 9.65 | 63.57 |
| Investment in bank deposits (net) | (3,996.49) | (160.39) |
| Investment in equity and mutual funds | (637.73) | - |
| Interest received | 232.76 | 124.07 |
| **Net cash used in investing activities (B)** | **(6,827.90)** | **(1,584.60)** |
| **C CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Proceeds from long term borrowings | 2,825.41 | 127.05 |
| Proceeds from issue of equity shares | 5,119.48 | 105.14 |
| Proceeds from application money towards convertible share warrants | 114.56 | - |
| Repayment of long term borrowings | (2,499.92) | (421.67) |
| Proceeds from/(repayment of) short term borrowings (net) | (716.67) | 286.33 |
| Repayment of principal component of lease obligation | 173.21 | (1.96) |
| Payment of interest on lease obligation | (62.32) | (66.17) |
| Payment of other interest paid | (1,040.71) | (926.89) |
| Dividend paid (including taxes) | (721.80) | (429.89) |
| **Net cash flow generated from/(used in) financing activities (C)** | **3,191.24** | **(1,328.07)** |
| **Net increase/(decrease) in cash and cash equivalents (A+B+C)** | 2,196.28 | 483.05 |
| Cash and cash equivalents at the beginning of the year | 887.41 | 376.28 |
| Effect of exchange rate changes in cash and cash equivalents | 20.43 | 28.08 |
| **Cash and cash equivalents at the end of the year** | **3,104.12** | **887.41** |

**Jash Engineering Limited**
**Consolidated Cash Flow Statement for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | | |
|---|---|---|
| **Reconciliation of cash and cash equivalents as per cash flow statement** | | |
| Cash on hand | 440.08 | 38.89 |
| Balances with banks - in current accounts and cash credit accounts | 1,107.07 | 848.52 |
| Balances with banks - to the extent held as margin money | 1,556.97 | - |
| | **3,104.12** | **887.41** |

This is the Consolidated Cash Flow Statement referred to in our report of even date.
Note: The Consolidated Statement of Cash Flows has been prepared in accordance with 'Indirect Method' as set out in the Ind AS - 7 on 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with the relevant rules thereunder.

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place:** Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN: 00012072

**Dharmendra Jain**
Chief Financial officer

**Place:** Indore
**Date:** 09 May 2024

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





**Jash Engineering Limited**
**Consolidated Statement of Changes in Equity for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**A Equity share capital**

| **Particulars** | **Amount** |
|---|---|
| **Balance as at 01 April 2022** | **1,194.13** |
| Changes in equity share capital during the year | 8.86 |
| **Balance as at 31 March 2023** | **1,202.99** |
| Changes in equity share capital during the year | 34.65 |
| **Balance as at 31 March 2024** | **1,237.64** |

**B Other equity**

| | Share application money pending allotment | Securities premium | General reserve | ESOP reserve | Foreign currency translation reserve | SEZ Investment Reserve* | Retained earnings | Total |
|---|---|---|---|---|---|---|---|---|
| **Balance as at 01 April 2022** | **-** | **4,628.53** | **1,200.27** | **190.03** | **27.79** | **134.49** | **11,291.70** | **17,472.81** |
| Profit for the year | - | - | - | - | - | - | 5,170.12 | **5,170.12** |
| Re-measurement losses on defined benefit obligations (net of tax) | - | - | - | - | - | - | (59.66) | **(59.66)** |
| Exchange differences on translating foreign operations | - | - | - | - | 372.15 | - | - | **372.15** |
| Add: ESOP reserve on grant of ESOP's to employees | - | - | - | 41.21 | - | - | - | **41.21** |
| Add: Security premium on shares issued under ESOP Scheme | - | 96.29 | - | - | - | - | - | **96.29** |
| Transferred to SEZ re-investment reserve | - | - | - | - | - | 358.98 | (358.98) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | - | (51.57) | 51.57 | **-** |
| Dividends paid | - | - | - | - | - | - | (429.89) | **(429.89)** |
| Others | - | - | - | - | - | - | 6.51 | **6.51** |
| **Balance as at 31 March 2023** | **-** | **4,724.82** | **1,200.27** | **231.24** | **399.94** | **441.90** | **15,671.38** | **22,669.55** |
| Profit for the year | - | - | - | - | - | - | 6,676.92 | **6,676.92** |
| Re-measurement losses on defined benefit obligations (net of tax) | - | - | - | - | - | - | (88.91) | **(88.91)** |
| Exchange differences on translating foreign operations | - | - | - | - | 81.73 | - | - | **81.73** |
| Add: ESOP reserve on grant of ESOP's to employees | - | - | - | 74.05 | - | - | - | **74.05** |
| Less: Reversal of ESOP reserve on non exercise of shares by employees | - | - | - | (7.51) | - | - | - | **(7.51)** |
| Add: Security premium on issue of equity shares^ | - | 5,084.83 | - | - | - | - | - | **5,084.83** |
| Share Application money received for allotment of convertible shares warrant** | 114.56 | - | - | - | - | - | - | **114.56** |
| Transferred to SEZ re-investment reserve | - | - | - | - | - | 736.33 | (736.33) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | - | (90.33) | 90.33 | **-** |
| Dividends paid | - | - | - | - | - | - | (721.80) | **(721.80)** |
| **Balance as at 31 March 2024** | **114.56** | **9,809.65** | **1,200.27** | **297.78** | **481.67** | **1,087.90** | **20,891.59** | **33,883.42** |

* The Special Economic Zone (SEZ) reinvestment reserve has been created out of the profits of eligible SEZ units in terms of the provisions of Section 10AA(1)(ii) of Income Tax Act, 1961. The reserve utilised by the Company for acquiring new plant and machinery for the purpose of its business in the terms of section 10AA(2) of Income Tax Act, 1961. (Refer Note 56)

** During the year, the Company issued convertible share warrants aggregating to 29,999 share warrants to promoter and non-promoter share holder at INR 1,527.50 each. Out of the above, the Company has received 25% application money i.e INR 114.56 lakhs towards allotment of such share warrants.

^ The Company, has entered into a Share Purchase Agreement dated 03 October 2023 with Waterfront Fluid Controls Limited, Glasgow, Scotland, UK ("Waterfront"), to acquire 80% of shareholding from existing shareholders of Waterfront (total consideration being GBP 2,000,000 and out of which GBP 600,000 was paid in Cash and balance GBP 1,400,000 to be paid in terms of equity shares of the Company). During the year, the Company has paid an amount of INR 636.60 lakhs and issued 104,232 equity shares of INR 10/- each at a price of INR 1,362 per share amounting to INR 1,419.64 lakhs on preferential basis for consideration other than cash.

Additionally, the Company has made a preferential issue under Chapter V of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations") and in connection with the same, the Company has received consideration against which the Company has allotted 2,42,215 equity shares of INR 10/- each at a price of INR 1,527.50.

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place:** Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN: 00012072

**Dharmendra Jain**
Chief Financial officer

**Place:** Indore
**Date:** 09 May 2024

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

**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

## 1. Group overview

Jash Engineering Limited ('Jash Engineering' or 'the Holding Company') along with its subsidiaries and joint venture, collectively referred to as 'the Group'. The Holding Company is a public limited company domiciled in India and is incorporated on 29 September 1973. Its shares are listed on National Stock Exchange of India limited. The registered office of the Holding Company is situated at 31, Sector-C, Sanwer Road, Industrial Area, Indore - 452015, Madhya Pradesh.

The Group is engaged in the business of manufacturing and trading of varied engineering products for general engineering industry, water and wastewater industry and bulk solids handling industry as well as plant supply as a total system for water treatment, wastewater treatment and sewage treatment plants.

Following are the details of the subsidiaries and joint venture consolidated in these financial statements:

| Name of the entity | Principal activities | Country of Incorporation | % equity interest | |
|---|---|---|---|---|
| | | | 31 March 2024 | 31 March 2023 |
| Shivpad Engineers Private Limited | Trading business of equipment as well as plant supply | India | 100% | 100% |
| Jash USA Inc. | Manufacture and trading of measuring tools, machine tools, water control gates etc. | USA | 100% | 100% |
| Rodney Hunt Inc. | No transactions during the current year. . | USA | 100% | 100% |
| Mahr Maschinenbeau GmbH | Manufacture of other non-economic machines | Austria | 100% | 100% |
| Engineering and Manufacturing Jash Limited | Trading of engineered goods | Hong Kong | 100% | 100% |
| Jash Invent India Private Limited | Manufacture and trading of water treatment plant equipments. | India | 50% | - |
| Jash Group Employee ESOP Trust | To issue shares under ESOP Scheme 2019 to eligible employees | India | 100% | 100% |

The financial statements of the above entities (Subsidiaries and Joint Venture) are drawn up-to the same accounting period as that of the Group.

## 2. General information and statement of compliance with Ind AS

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

The consolidated financial statements for the year ended 31 March 2024 were authorized and approved for issue by the Board of Directors on 09 May 2024.

**Basis of preparation**

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





**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

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

- Certain financial assets which are measured at fair value;
- Defined benefit plans – plan assets measured at fair value
- Share based payments which are measured at fair value of the options; and
- Assets held for sale – measured at lower of carrying amount and fair value less cost to sell

**Basis of consolidation**

The consolidated financial statements comprises the financial statements of the Holding Company and its subsidiaries and Joint Venture. Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts at the date when control is lost
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Recognise that distribution of shares of subsidiary to Group in Group's capacity as owners
- Reclassifies the parent's share of components previously recognised in OCI to profit or loss or transferred directly to retained earnings, if required by other Ind ASs as would be required if the Group had directly disposed of the related assets or liabilities

**Functional and presentation currency**

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

## 3. Summary of material accounting policies and information

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

### 3.1 Property, plant and equipment

*Recognition and initial measurement*

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

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

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

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

Freehold land is not depreciated.

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

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

**3.3 Intangible assets**
*Recognition and initial measurement*
Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any. Goodwill is tested for impairment annually or when events or circumstances indicate that the implied fair value of goodwill is less than its carrying amount.

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

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

| Asset class | Useful life (years) |
|---|---|
| Technical know how | 10 to 15 |
| Computer Software | 3 to 6 |

**3.4 Goodwill**
Goodwill is initially recognised and measured as set out above.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the



Corporate Overview Statutory Reports Financial Statements

Jash Engineering Limited
Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024

recoverable amount of the cash-generating units is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill included in the determination of the profit or loss on disposal.

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

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

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

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

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

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

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

**Sale of services**
Revenue from sale of services in respect of ancillary field services relating to its products for which revenue is recognised when the performance obligation is completed.

**Export benefits**
Income from export incentives are accounted for on exports of goods if the entitlement can be estimated with reasonable accuracy and conditions precedent to claim are reasonable expected to be fulfilled.

**Interest income**
Interest income is recognised on time proportion basis considering the amount outstanding and rate applicable. For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e.

the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

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

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

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

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

**b) Lease liabilities**
At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.
In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

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

*Group as a lessor*
Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.
For operating leases, rental income is recognized on a straight-line basis over the term of the relevant lease.

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

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

- *Raw materials:* cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

- *Finished goods and work in progress:* cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity.







- *Goods purchased for resale (traded goods):* cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

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

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

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

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

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

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

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

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

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

*Subsequent recognition of balances*

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

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

*Foreign operations*
In the Group's financial statements, all assets, liabilities and transactions of the Group entities with functional currency other than the Indian Rupee are translated into Indian Rupee upon consolidation. The functional currency of the entities in the Group has remained unchanged during the reporting period. On consolidation, assets and liabilities have been translated into Indian Rupee at the closing rate at the reporting date. Fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Indian Rupee at the closing rate. Income and expenses have been translated into Indian Rupee at the average rate over the reporting period. Exchange differences are charged/ credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to the statement of profit or loss and are recognized as part of the gain or loss on disposal.

**3.11 Financial instruments**
A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

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

**Non-derivative financial assets**

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

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

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

*De-recognition of financial assets*
A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

**Non-derivative financial liabilities**

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

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortisation is included as finance costs in the statement of profit and loss.
*De-recognition of financial liabilities*
A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-



Corporate Overview Statutory Reports Financial Statements

Jash Engineering Limited
Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024

recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

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

**Offsetting of financial instruments**
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.
**3.12 Equity investment in Joint Venture**
Investments representing equity interest in joint ventures are initially measured at cost in accordance with Ind AS 111 "Joint Arrangements" and after initial recognition, the investment in the joint venture is accounted for using equity method as prescribed under IND AS 28 "Investments in Associates and Joint Ventures". The carrying amount is adjusted for the investor's share of the post-acquisition profits or losses of the joint venture. Any dividends received from the joint venture reduce the carrying amount of the investment. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the statement of profit and loss.

**3.13 Impairment of financial assets**
In accordance with Ind AS 109, the Group applies expected credit loss ('ECL') model for measurement and recognition of impairment loss for financial assets. ECL is provided for when there has been a significant increase in credit risk and then, factors historical trends and forward looking information. An impairment loss is recognised either based on the 12 months' probability of default or lifetime probability of default.

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

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

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

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

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively

enacted at the reporting date. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Indian Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. MAT credit entitlement has been presented as deferred tax asset in Balance Sheet. Significant management judgment is required to determine the probability of recognition of MAT credit entitlement.

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

**3.15 Dividend**

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

**3.16 Employee benefits**

*Short-term employee benefits*

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

*Defined contribution plan*

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

*Defined benefit plan*

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

*Other long-term employee benefits*

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







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

**3.17 Non-current assets held for sale and discontinued operations**

An entity shall classify a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset and its sale is highly probable. Management must be committed to sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets, assets arising from employee benefits and deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale. Profit or loss from discontinued operations comprise the post-tax profit or loss of discontinued operations and the post-tax gain or loss resulting from the measurement and disposal of assets classified as held for sale. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item, profit or loss from discontinued operations.

**3.18 Provisions, contingent liabilities and contingent assets**

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

**Onerous contracts:**

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

**Warranty provision:**

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

Contingent liability is disclosed for:

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

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

**3.19 Earnings per share**

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

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

**3.20 Share based payments**

**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

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

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

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

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

**3.21 Cash and cash equivalents**
Cash and cash equivalents comprises of cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

**3.23 Segment Reporting**
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors assess the financial performance and position of the Group and makes strategic decisions and therefore the board would be the chief operating decision maker. Refer note 53 for segment information presented.

**3.24 Exceptional items**
Exceptional items are transactions which due to their size or incidence are separately disclosed to enable a full understanding of the Group's financial performance.

**3.25 Cash flow statement**
Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. Cash and cash equivalents for the purpose of the statement of cash flows comprise cash and deposit with banks and financial institutions. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalent.

**3.26 Recent accounting pronouncement**
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 01 April 2024.

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





**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

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

*Significant management judgements*

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

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

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

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

*Significant estimates*

a) **Impairment of financial assets –** At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables and advances. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

b) **Fair value measurements** – Management applies valuation techniques to determine fair value of stock options. This involves developing estimates and assumptions around volatility, dividend yield which may affect the value of stock options. Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: inputs for assets or liabilities that are not based on observable market data (unobservable inputs)
The Company recognizes transfers between levels of fair value hierarchy at the end of reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 45 – Financial Instruments.

c) **Defined benefit obligation (DBO)** – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

d) **Useful lives of depreciable/amortisable assets** – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

e) **Impairment of Goodwill** – Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use.

**Jash Engineering Limited**
**Summary to the material accounting policies and other explanatory information for the year ended 31 March 2024**

The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill and other intangibles with indefinite useful lives recognised by the Group.

**f)** **Provision for non/ slow moving Inventory -** Management creates adequate provisions on the non-moving or slow-moving inventory in accordance with suitable policy to determine net realizable value of the Inventory. Inventory includes Raw material, finished goods and stock in trade. Inventories are measured at the lower of cost and net realizable value. Provision is made for slow moving and obsolete inventory in accordance with the policy of the Company. The Company's policy and provision for slow moving and obsolete inventory is reviewed periodically by the management.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**5 (a) Property plant and equipment**

| | Freehold land | Buildings | Plant and equipments | Computers | Furniture and fixtures | Vehicles | Office equipments | Total |
|---|---|---|---|---|---|---|---|---|
| **Gross carrying value** | | | | | | | | |
| **Balance as at 31 March 2022** | **589.65** | **5,134.93** | **6,301.75** | **334.68** | **397.81** | **204.70** | **246.70** | **13,210.22** |
| Additions during the year* | 365.62 | 44.38 | 308.22 | 45.84 | 9.75 | 95.90 | 34.10 | 903.81 |
| Disposals/adjustment during the year | - | - | (56.35) | (9.15) | - | (13.83) | (19.58) | (98.92) |
| Exchange differences | - | 35.84 | 18.73 | 1.99 | - | - | 6.47 | 63.03 |
| **Balance as at 31 March 2023** | **955.27** | **5,215.15** | **6,572.34** | **373.36** | **407.56** | **286.77** | **267.69** | **14,078.14** |
| Additions during the year* | - | 921.16 | 563.93 | 57.45 | 70.91 | 244.68 | 36.38 | 1,894.51 |
| Disposals/adjustment during the year | - | - | (9.62) | (10.78) | (0.60) | (9.86) | (9.67) | (40.53) |
| Exchange differences | - | 11.62 | 10.46 | 0.51 | - | - | 1.13 | 23.72 |
| **Balance as at 31 March 2024** | **955.27** | **6,147.93** | **7,137.11** | **420.54** | **477.87** | **521.59** | **295.53** | **15,955.84** |
| | | | | | | | | |
| **Accumulated depreciation** | | | | | | | | |
| **Balance as at 31 March 2022** | **-** | **1,522.30** | **3,394.16** | **279.20** | **307.85** | **141.95** | **153.13** | **5,798.59** |
| Depreciation charge for the year | - | 200.75 | 482.99 | 38.59 | 18.31 | 24.24 | 26.88 | 791.76 |
| Reversal on disposal/adjustment of assets | - | - | (54.46) | (8.12) | - | (13.13) | (18.09) | (93.80) |
| Exchange differences | - | 14.39 | (4.91) | 1.29 | - | - | 4.79 | 15.56 |
| **Balance as at 31 March 2023** | **-** | **1,737.44** | **3,817.78** | **310.96** | **326.16** | **153.06** | **166.71** | **6,512.11** |
| Depreciation charge for the year | - | 209.85 | 442.09 | 38.35 | 17.33 | 27.68 | 24.23 | 759.53 |
| Reversal on disposal/adjustment of assets | - | - | (6.42) | (5.32) | (0.12) | (9.36) | (9.67) | (30.89) |
| Exchange differences | - | 4.81 | 7.86 | 1.26 | - | - | 1.87 | 15.80 |
| **Balance as at 31 March 2024** | **-** | **1,952.10** | **4,261.31** | **345.25** | **343.37** | **171.38** | **183.14** | **7,256.55** |
| | | | | | | | | |
| **Net block** | | | | | | | | |
| **Balance as at 31 March 2023** | **955.27** | **3,477.71** | **2,754.56** | **62.40** | **81.40** | **133.71** | **100.98** | **7,566.03** |
| **Balance as at 31 March 2024** | **955.27** | **4,195.83** | **2,875.80** | **75.29** | **134.50** | **350.21** | **112.40** | **8,699.29** |

**Notes:**

**(i)** **Contractual obligations**
Refer note 43 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

**(ii)** **Property, plant and equipment pledged as security**
Refer note 23 (a) and 23 (b) for information on property, plant and equipment pledged as security by the Group.

**(iii)** * During the financial year, the Company utilized INR 90.33 Lakhs (31 March 2023 INR 51.57 Lakhs) to acquire new eligible plant and machinery in SEZ Unit I to fulfill the conditions of Section 10AA of Income Tax Act, 1961. (Refer Note 56)

**(iv)** A building with a carrying value of INR 198.12 lakhs (USD 237,629) (31 March 2023 INR 244.74 lakhs (USD 293,541)) has been given on lein to Clark Construction Group LLC (Contractor) as per terms and conditions of the purchase order. The company is not allowed to sell/transfer without notifying the contractor till the time of completion of the project (sales as per purchase order). This project is expected to be completed in August 2024.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| 5 (b) Right of use assets | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Gross carrying value at the beginning of the year** | **1,468.25** | **1,025.91** |
| Additions during the year | 281.58 | 426.10 |
| Disposals/adjustment during the year | (9.38) | - |
| Exchange differences | 5.13 | 16.24 |
| **Balance as at reporting date** | **1,745.58** | **1,468.25** |
| | | |
| **Accumulated depreciation at the beginning of the year** | **425.69** | **310.22** |
| Depreciation charge for the year | 127.86 | 105.81 |
| Reversal on disposal/adjustment of assets | - | - |
| Exchange differences | 2.76 | 9.66 |
| **Balance as at reporting date** | **556.31** | **425.69** |
| | | |
| **Net balance as at reporting date** | **1,189.27** | **1,042.56** |

Refer note 49 for contractual commitments for lease payments.

| 6 Capital work in progress | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Capital work in progress* | 553.93 | 353.98 |

*Capital work in progress represents certain projects under construction.

**CWIP ageing schedule as on 31 March 2024**

| Capital Work in Progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress | 502.95 | 50.98 | - | | 553.93 |
| Project temporarily suspended | - | - | - | | - |
| **Total** | **502.95** | **50.98** | **-** | **-** | **553.93** |

**CWIP ageing schedule as on 31 March 2023**

| Capital Work in Progress | Amount in CWIP for a period of | | | | Total |
|---|---|---|---|---|---|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Project in progress | 293.11 | - | 60.87 | - | 353.98 |
| Project temporarily suspended | - | - | - | - | - |
| **Total** | **293.11** | **-** | **60.87** | **-** | **353.98** |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

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

| | Capital WIP |
|---|---|
| **As at 01 April 2022** | **88.04** |
| Additions during the year | 428.79 |
| Disposal during the year | 10.35 |
| Transferred to Property, plant and equipment | 152.50 |
| **As at 31 March 2023** | **353.98** |
| Additions during the year | 1,486.14 |
| Disposal during the year | - |
| Transferred to Property, plant and equipment | 1,286.19 |
| **As at 31 March 2024** | **553.93** |

*(This space has been intentionally left blank)*

## 7 Intangible asset

| | Technical know how and Trademarks | Computer software | Total |
|---|---|---|---|
| **Gross carrying value** | | | |
| **Balance as at 31 March 2022** | **1,431.80** | **435.65** | **1,867.45** |
| Additions during the year | - | 16.00 | 16.00 |
| Exchange differences | 92.94 | - | 92.94 |
| **Balance as at 31 March 2023** | **1,524.74** | **451.65** | **1,976.39** |
| Additions during the year | - | 18.74 | 18.74 |
| Exchange differences | 16.78 | - | 16.78 |
| **Balance as at 31 March 2024** | **1,541.52** | **470.39** | **2,011.91** |
| **Accumulated amortisation** | | | |
| **Balance as at 31 March 2022** | **644.35** | **264.63** | **908.98** |
| Amortisation for the year | 140.92 | 44.32 | 185.24 |
| Exchange differences | 48.94 | - | 48.94 |
| **Balance as at 31 March 2023** | **834.21** | **308.95** | **1,143.16** |
| Amortisation for the year | 144.23 | 45.21 | 189.44 |
| Exchange differences | 10.91 | - | 10.91 |
| **Balance as at 31 March 2024** | **989.35** | **354.16** | **1,343.51** |
| **Net block** | | | |
| **Balance as at 31 March 2023** | **690.53** | **142.70** | **833.23** |
| **Balance as at 31 March 2024** | **552.17** | **116.23** | **668.40** |

## 8 Goodwill on consolidation

| | Goodwill |
|---|---|
| **Gross carrying value** | |
| **As at 31 March 2022** | **2,074.75** |
| Exchange differences | 95.22 |
| **As at 31 March 2023** | **2,169.97** |
| Exchange differences | 11.74 |
| **As at 31 March 2024** | **2,181.71** |

***(i) Impairment tests for goodwill***

Goodwill is monitored by management at the level of the different cash generating units as follows:

| Goodwill | Trading operations under Shivpad Engineers Private Limited | Manufacturing of industrial components* | Total |
|---|---|---|---|
| **31 March 2024** | 445.42 | 1,736.29 | **2,181.71** |
| **31 March 2023** | 445.42 | 1,724.55 | **2,169.97** |

*As at 31 March 2024, the Group has recognised goodwill on consolidation amounting to INR 1,736.29 lakhs (31 March 2023: INR 1,724.55 lakhs lakhs) related to its earlier acquisition of Mahr Maschinenbau GmbH ( 'Mahr') in these consolidated financial statements.

Considering, the net assets in Mahr do not collectively fall into the definition of separate cash-generating unit ('CGU') as specified in Ind AS 36, Impairment of Assets as they are significantly integrated with Holding Company's manufacturing process, therefore, for the purposes of impairment testing as per Ind AS 36, the carrying amount of goodwill mentioned above has been allocated to the net assets of the larger CGU in which the Group operates i.e. "Manufacturing of industrial components. Based on assessment carried out by the management of the Group, there is no impairment of goodwill as at 31 March 2024 and 31 March 2023.

***(ii) Significant estimate: key assumptions used for value-in-use calculations***

Pursuant to Ind AS-36, Impairment of Assets, the Group tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of the cash generating units (CGUs) was determined based on amounts of value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period.

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Cash flows beyond the five-year period are extrapolated using the estimated growth rates (normalised) stated below.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them:

| Particulars | Trading operations under Shivpad Engineers Private Limited | Manufacturing of industrial components |
|---|---|---|
| **31 March 2024** | | |
| Growth rate | 2.50% | 5.00% |
| Pre-tax discount rate (%) | 22.91% | 16.78% |
| **31 March 2023** | | |
| Growth rate | 2.50% | 5.00% |
| Pre-tax discount rate (%) | 22.91% | 16.78% |

Management has determined the values assigned to each of the above key assumptions as follows:

| Assumption | Approach used to determining values |
|---|---|
| Growth rate | Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development. |
| Pre-tax discount | Reflect specific risks relating to relevant businesses in which they operate. |

The management have considered and assessed reasonably possible parameters and other key assumptions and have not identified any instances that could cause the carrying amount of the CGU to exceed its recoverable amount.

***(iii) Sensitivity analysis***

The Group has conducted an analysis of the sensitivity of the impairment test to changes in the key assumptions used to determine the recoverable amount for each of the group of CGUs to which goodwill is allocated. The directors believe that any reasonably possible change in the key assumptions on which the recoverable amount of Trademark is based would not cause the aggregate carrying amount to exceed the aggregate recoverable amount of the related CGUs.

*(This space has been intentionally left blank)*

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**9 (a) Non-current investments**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Investment in equity instruments (unquoted, at cost)** | | |
| **Investment in Joint Ventures:** | | |
| Jash Invent India Private Limited | 50.00 | - |
| 500,000 (31 March 2023 - Nil) equity shares (fully paid up) of INR 10 each | | |
| Less: Share of loss of a joint venture | (12.27) | - |
| | **37.73** | **-** |
| **Aggregate amount of unquoted investments** | **37.73** | **-** |
| **Aggregate amount of impairment in the value of investments** | **-** | **-** |

**9 (b) Other financial assets**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Government grant receivable* | - | 22.71 |
| (refer note 59) | **-** | **22.71** |

* Pursuant to sanction letter received from District Trade and Industries Centre, Pithampur Madhya Pradesh in relation to Micro, Small and Medium Enterprises policy, 2019 and Micro, Small and Medium Enterprises policy, 2017, the Company is entitled to subsidy of INR 90.86 lakhs in equal 4 installments and INR 57.30 lakhs in 5 equal installments for SEZ Unit 1 and SEZ Unit 2 respectively on admissible value of plant and machinery.

**10 Non-current tax assets (net)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Income tax assets* | 217.88 | 101.63 |
| | **217.88** | **101.63** |

*Net of provision for income taxes INR 1,092.14 lakhs (31 March 2023: INR 168.38 lakhs)

**11 Deferred tax (net)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Deferred tax liability arising on account of :** | | |
| Temporary difference on account of property, plant and equipment and intangibles assets | 627.01 | 609.85 |
| Tax effect of adjustments | (6.46) | (6.42) |
| Financial assets and liabilities at amortised cost | (0.91) | (1.25) |
| **Deferred tax asset arising on account of :** | | |
| Provision for employee benefits | 175.43 | 161.44 |
| MAT credit entitlement | 647.98 | 569.03 |
| Financial assets and liabilities at amortised cost | 0.01 | 0.02 |
| Provisions (expected credit loss and warranty) | 317.70 | 181.61 |
| Right of use asset and related liabilities | 58.31 | 51.20 |
| Others | 43.34 | 514.32 |
| **Net deferred tax assets/(liabilities)** | **623.13** | **875.44** |
| **Disclosed in financial statements:** | | |
| Deferred tax assets | 623.13 | 875.44 |
| Deferred tax liabilities | - | - |

**Movement in deferred tax liabilities for the year ended 31 March 2024**

| Particulars | Deferred tax assets as at 01 April 2023 | Deferred tax liabilities as at 01 April 2023 | Deferred tax charge/credit in profit and loss | Deferred tax charge/credit in other comprehensive income | Deferred tax liabilities as at 31 March 2024 | Deferred tax assets as at 31 March 2024 |
|---|---|---|---|---|---|---|
| **Deferred tax asset/(liability) arising on account of :** | | | | | | |
| Temporary difference on account of property, plant and equipment and intangibles assets | (609.85) | - | (17.16) | - | - | (627.01) |
| Tax effect of adjustments | 6.42 | - | 0.04 | - | - | 6.46 |
| Financial assets and liabilities at amortised cost | 1.25 | - | (0.34) | - | - | 0.91 |
| Provision for employee benefits | 161.44 | - | (22.67) | 36.66 | - | 175.43 |
| MAT credit entitlement | 569.03 | - | 78.95 | - | - | 647.98 |
| Financial assets and liabilities at amortised cost | 0.02 | - | (0.01) | - | - | 0.01 |
| Provisions (expected credit loss and warranty) | 181.61 | - | 136.09 | - | - | 317.70 |
| Right of use asset and related liabilities | 51.20 | - | 7.11 | - | - | 58.31 |
| Others | 514.32 | - | (470.98) | - | - | 43.34 |
| **Net deferred tax assets/(liabilities)** | **875.44** | **-** | **(288.97)** | **36.66** | **-** | **623.13** |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**Movement in deferred tax liabilities for the year ended 31 March 2023**

| Particulars | Deferred tax assets as at 01 April 2022 | Deferred tax liabilities as at 01 April 2022 | Deferred tax charge/credit in profit and loss | Deferred tax charge/credit in other comprehensive income | Deferred tax liabilities as at 31 March 2023 | Deferred tax assets as at 31 March 2023 |
|---|---|---|---|---|---|---|
| **Deferred tax asset/(liability) arising on account of :** | | | | | | |
| Temporary difference on account of property, plant and equipment and intangibles assets | (363.20) | - | (246.65) | - | - | (609.85) |
| Tax effect of adjustments | 12.11 | | (5.71) | | - | 6.42 |
| Financial assets and liabilities at amortised cost | 0.04 | - | 1.21 | - | - | 1.25 |
| Provision for employee benefits | 129.61 | - | 7.30 | 24.53 | - | 161.44 |
| MAT credit entitlement | 326.22 | - | 242.81 | | - | 569.03 |
| Financial assets and liabilities at amortised cost | 1.35 | - | (1.33) | - | - | 0.02 |
| Provisions others | 141.07 | - | 40.54 | - | - | 181.61 |
| Right of use asset and related liabilities | 47.17 | - | 4.04 | - | - | 51.20 |
| Others | - | - | 514.32 | - | - | 514.32 |
| **Net deferred tax assets/(liabilities)** | **294.37** | **-** | **556.53** | **24.53** | **-** | **875.44** |

**12 Other non-current assets**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Capital advances | 56.78 | 54.26 |
| Advance for investment in equity shares of company* | 2,056.24 | - |
| Balance with government authorities | 6.79 | 41.68 |
| Prepaid expenses | 10.21 | 107.97 |
| Security deposits | 104.17 | 77.09 |
| | **2,234.19** | **281.01** |

* The Company has paid an amount of INR 636.60 lakhs and issued 104,232 equity shares of value amounting to INR 1,419.64 lakhs to acquire 80% stake in Waterfront Fluid Controls Limited, UK. The aggregate amount of INR 2,056.24 lakhs is disclosed as advances for pending issue and allotment of the said equity shares by Waterfront Fluid Controls Limited, UK.

**13 Inventories**

| **(Valued at lower of cost and net realisable value, unless otherwise stated)** | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Raw material | 7,214.92 | 5,452.73 |
| Work-in-progress | 5,497.78 | 3,284.48 |
| Finished goods | 2,961.36 | 1,936.47 |
| Stock-in-trade | 254.41 | - |
| Stores, spares and other consumables | 194.02 | 129.81 |
| Goods in transit | - | 395.41 |
| | **16,122.49** | **11,198.90** |

Refer note 23 (a) and 23 (b) for details of inventories pledged against borrowings by the Company.
Write-down of inventories to net realisable value amounting to INR 691.08 lakhs (31 March 2023: INR 1000.76 lakhs). These are recognised as an expense during the year and included in changes in value of inventories.

**14 Current investments**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Investment in equity instruments(quoted)** | | |
| Ramky Infrastructure Limited | 2.38 | 1.43 |
| 489 (31 March 2023: 489) equity shares (fully paid up) of INR 10 each | | |
| VA Tech Wabag Limited | 0.11 | 0.04 |
| 12 (31 March 2023: 12) equity shares (fully paid up) of INR 10 each | | |
| Investment in Mutual funds **(quoted)** | 600.08 | - |
| | **602.57** | **1.47** |
| **Note:** The carrying amount of the above quoted investments represents the current market value. | | |
| **Aggregate carrying amount of quoted investments** | **602.57** | **1.47** |
| **Aggregate market value of quoted investments** | **602.57** | **1.47** |

**15 Trade receivables***

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Unsecured, considered good | 15,738.71 | 15,598.98 |
| Unsecured, credit impaired | 1,030.27 | 1,158.86 |
| Less: Allowance for expected credit loss | (1,030.27) | (1,158.86) |
| | **15,738.71** | **15,598.98** |
| **Due from related parties**** | **1.43** | **8.07** |
| **Due from others** | **15,737.29** | **15,590.91** |

*Refer note 23 (a) & 23 (b) for information on trade receivables pledged as security by the Group.
**Refer note 48 for receivables from related parties included in trade receivables.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**Trade receivables ageing schedule as on 31 March 2024**

| Particulars | As at 31 March 2024 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 | 6 months - 1 | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 6,957.97 | 7,302.82 | 813.90 | 464.31 | 13.11 | 186.60 | 15,738.71 |
| (ii) Undisputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 0.13 | 8.07 | 291.66 | 151.21 | 221.66 | 357.54 | 1,030.27 |
| (iv) Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **6,958.10** | **7,310.89** | **1,105.56** | **615.52** | **234.77** | **544.14** | **16,768.98** |

**Trade receivables ageing schedule as on 31 March 2023**

| Particulars | As at 31 March 2023 | | | | | | |
|---|---|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | | | |
| | Not Due | Less than 6 | 6 months - 1 | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade receivables – considered good | 7,350.11 | 7,366.42 | 296.50 | 317.63 | 38.81 | 229.51 | 15,598.98 |
| (ii) Undisputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (iii) Undisputed Trade Receivables – credit impaired | 16.44 | - | 38.10 | 548.82 | 63.30 | 492.20 | 1,158.86 |
| (iv) Disputed Trade receivables – considered good | - | - | - | - | - | - | - |
| (v) Disputed Trade Receivables – Significant increase in credit risk | - | - | - | - | - | - | - |
| (vi) Disputed Trade Receivables – credit impaired | - | - | - | - | - | - | - |
| **Total** | **7,366.55** | **7,366.42** | **334.60** | **866.45** | **102.11** | **721.71** | **16,757.83** |

**16 Cash and cash equivalents**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Balances with banks: | | |
| - in current and cash credit accounts* | 1,107.07 | 848.52 |
| - to the extent held as margin money** | 1,556.97 | - |
| Cash on hand | 23.67 | 38.89 |
| Remittance in transit*** | 416.41 | - |
| | **3,104.12** | **887.41** |

*The amount in FY 2023-24 includes INR 5.03 lakhs and INR 4.52 lakhs earmarked balances with banks held for unpaid dividend and CSR respectively pertains to previous years.
**The deposits amounting to INR 1,556.97 lakhs (31 March 2023 - Nil) are pledged against guarantees for cash credit/letter of credit and other facilities.
***The principal amount of USD 500,000 repaid by Jash USA Inc. was received in Jash Engineering Limited's SBI inter bank A/c before 31 March 2024 as per receipt advice of the bank to the Company (credited on 04 April 2024), accordingly considered as remittance in transit.

**17 Other bank balances**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Fixed Deposits* | 6,371.09 | 2,239.64 |
| Accrued Interest & Interest Receivable | 82.12 | 216.14 |
| | **6,453.21** | **2,455.78** |

* The deposits amounting to INR 1,781.14 lakhs (31 March 2023 - INR 1,462.02 lakhs) are pledged against bank guarantees, for cash credit/ letter of credit facilities and other banking facilities.

**18 Other financial assets (current)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Security deposits | 2.14 | 6.94 |
| Tender fee and earnest money deposit | 4.31 | 4.09 |
| Government grant receivable* (refer note 59) | 22.72 | 34.18 |
| Other receivables | 22.56 | 0.70 |
| Derivative assets** | 0.77 | 8.11 |
| | **52.50** | **54.02** |

* Pursuant to sanction letter received from District Trade and Industries Centre, Pithampur Madhya Pradesh in relation to Micro, Small and Medium Enterprises policy, 2019 and Micro, Small and Medium Enterprises policy, 2017, the Company is entitled to subsidy of INR 90.86 lakhs in equal 4 installments and INR 57.30 lakhs in 5 equal installments for SEZ Unit 1 and SEZ Unit 2 respectively on admissible value of plant and machinery. Above INR 22.72 lakhs is for SEZ Unit 1 which will be receivable as next (last) installment in the next 12 months.

** Derivatives are forward exchange contracts measured at fair value and are carried as asset when their fair value is positive and are carried as liability when their fair value is negative. The above derivative is a currency derivative pertaining to a forward exchange contract. This contract is entered into by the company to mitigate the risk invloved in expected foreign currency cash inflows and outflows.





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**19 Other current assets**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Advances to suppliers | 725.24 | 380.74 |
| Balances with government authorities | 119.51 | 108.53 |
| Prepaid expenses | 123.63 | 33.59 |
| Advances given to employees | 102.61 | 22.60 |
| | **1,070.99** | **545.46** |

**20 Asset held for sale**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Tangible assets held for sale* | | |
| - Land and factory shed | 875.43 | 863.28 |
| | **875.43** | **863.28** |

*The Company vide an agreement dated 25 July 2017, acquired factory shed and land from VAG USA LLC. Out of the assets acquired from VAG USA LLC., the Company intends to sell about 40 acres of land and factory shed. A proposal for the same has been given to Orange town committee to construct homes, subject to approval from committee. The company expects to complete the sale by 31 March 2025. The assets held for sale are valued at realizable value as on 31 March 2023.The proceeds of disposal are expected to substantially exceed the carrying amount of the related net assets and accordingly, no impairment losses have been recognized on the classifcation of these operations as held for sale.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| 21 Equity share capital | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number of shares | Amount | Number of shares | Amount |
| **Authorised share capital** | | | | |
| Equity shares of INR 10 each | 1,34,90,000 | 1,349.00 | 1,34,90,000 | 1,349.00 |
| Preference shares of INR 10 each | 5,10,000 | 51.00 | 5,10,000 | 51.00 |
| | **1,40,00,000** | **1,400.00** | **1,40,00,000** | **1,400.00** |
| **Issued, subscribed and fully paid up** | | | | |
| Equity Shares of INR 10 each | 1,23,76,405 | 1,237.64 | 1,20,29,858 | 1,202.99 |
| | **1,23,76,405** | **1,237.64** | **1,20,29,858** | **1,202.99** |

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

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Balance at the beginning of the year | 1,202.99 | 1,194.13 |
| Add: shares issued during the year | 34.65 | 8.86 |
| Balance at the end of the year | **1,237.64** | **1,202.99** |

**b) Note for shares held under ESOP Trust:**
The ESOP trust has been treated as an extension of the Company and accordingly shares held by ESOP Trust are netted off from the total share capital. Shares held by the Trust are Nil as of 31 March 2024 (31 March 2023: Nil). Consequently, all the assets, liabilities, income and expenses of the trust are accounted for as assets and liabilities of the Company. The financial statements of the Trust have been audited by an independent other auditor.
For the details of shares reserved for issue under the Employee Stock Option Plan (ESOP) of the Company refer note 51.

**c) Details of shareholders holding more than 5% of the shares of the Group**

| | As at 31 March 2024 | | As at 31 March 2023 | |
|---|---|---|---|---|
| | Number of shares | % of holding | Number of shares | % of holding |
| Mr. Pratik Patel | 14,11,921 | 11.41% | 14,11,921 | 11.74% |
| Mr. Axel Schutte | 7,92,807 | 6.41% | 7,92,807 | 6.59% |
| Mrs. Bhairvi Patel | 7,52,308 | 6.08% | 7,52,308 | 6.25% |

**d) Details of Shares held by promoters and promoter group at the end of current year and previous year**

| Promoter Name | As at 31 March 2024 | | | As at 31 March 2023 | | |
|---|---|---|---|---|---|---|
| | No. of Shares | % of total shares | % Change during the year | No. of Shares | % of total shares | % Change during the year |
| Pratik Patel | 14,11,921 | 11.41% | (0.33%) | 14,11,921 | 11.74% | (0.77%) |
| Harsh Patel | 4,17,500 | 3.37% | (0.10%) | 4,17,500 | 3.47% | (0.30%) |
| Laxminandan Amin | - | 0.00% | 0.00% | - | 0.00% | (0.73%) |
| Bhairavi Patel | 7,52,308 | 6.08% | (0.18%) | 7,52,308 | 6.25% | (0.05%) |
| Rasesh Amin | 3,32,305 | 2.68% | (0.17%) | 3,43,242 | 2.85% | 0.28% |
| Pallavi U Patel | 4,23,772 | 3.42% | (0.10%) | 4,23,772 | 3.52% | (0.03%) |
| Girish Patel . | 4,01,603 | 3.24% | (0.09%) | 4,01,603 | 3.34% | (0.02%) |
| Suresh Patel | 4,18,383 | 3.38% | (0.10%) | 4,18,383 | 3.48% | (0.03%) |
| Pravin Patel | - | 0.00% | (3.16%) | 3,79,875 | 3.16% | (0.02%) |
| Laxmi Nandan Amin Huf (Rasesh Amin) | 58,568 | 0.47% | (0.01%) | 58,568 | 0.49% | 0.00% |
| Geeta Patel | 1,25,491 | 1.01% | (0.03%) | 1,25,491 | 1.04% | (0.01%) |
| Rohit Arvindbhai Patel | 88,913 | 0.72% | (0.02%) | 88,913 | 0.74% | (0.01%) |
| Kartik Amin | 44,921 | 0.36% | (0.04%) | 48,221 | 0.40% | 0.28% |
| Pratik N Patel Huf (Pratik Patel) | 57,500 | 0.46% | (0.01%) | 57,500 | 0.48% | 0.00% |
| Rahul U Patel | 71,417 | 0.58% | (0.02%) | 71,417 | 0.59% | 0.00% |
| Rekha Patel | 53,921 | 0.44% | (0.01%) | 53,921 | 0.45% | 0.00% |
| Ekta Patel | 52,691 | 0.43% | (0.01%) | 52,691 | 0.44% | 0.00% |
| Shakuntla Ben Patel | 44,250 | 0.36% | (0.01%) | 44,250 | 0.37% | 0.00% |
| Tejal Jaydeep Desai | 49,500 | 0.40% | (0.01%) | 49,500 | 0.41% | 0.00% |
| Chintan Patel | 2,26,796 | 1.83% | 1.53% | 36,859 | 0.31% | 0.00% |
| Archana Rasesh Amin | 26,900 | 0.22% | (0.01%) | 26,900 | 0.22% | (0.01%) |
| Rhutvik Patel | 21,963 | 0.18% | (0.01%) | 21,963 | 0.18% | 0.00% |
| Rohan R Patel | 20,000 | 0.16% | (0.01%) | 20,050 | 0.17% | 0.00% |
| Swati Desai | 39,330 | 0.32% | (0.01%) | 39,330 | 0.33% | 0.00% |
| Shreedevi R Patel | 20,032 | 0.16% | 0.00% | 20,032 | 0.17% | 0.00% |
| Jesal Patel | 10,750 | 0.09% | 0.00% | 10,750 | 0.09% | 0.00% |
| G J Patel Huf (Girish Patel) | 4,500 | 0.04% | 0.00% | 4,500 | 0.04% | 0.00% |
| Kruti Patel | 3,000 | 0.02% | 0.00% | 3,000 | 0.02% | 0.00% |
| Kajal Patel | 2,917 | 0.02% | 0.00% | 2,917 | 0.02% | 0.00% |
| Payal R Patel | 2,917 | 0.02% | 0.00% | 2,917 | 0.02% | 0.00% |
| Mitali Amin | 500 | 0.00% | 0.00% | 500 | 0.00% | 0.00% |
| Patamin Investments Private Limited | 5,22,800 | 4.22% | (0.20%) | 5,31,800 | 4.42% | (0.03%) |
| Avani Patel | 1,63,657 | 1.32% | (0.06%) | 1,66,657 | 1.39% | (0.01%) |
| Utpal Patel | 2,47,938 | 2.00% | 1.52% | 58,000 | 0.48% | 0.00% |
| **Total** | **61,18,964** | **49.44%** | **(1.64%)** | **61,45,251** | **51.1%** | **(1.49%)** |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

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

**f) Shares reserved for issue under options**
Information relating to Jash Engineering Employee Stock Option Scheme, including the details of options granted during the financial year and options outstanding at the end of reporting period are specified in note 51.

**g) 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**
During the year, the Company has issued 104,232 equity shares of INR 10/- each at fair value of INR 1,362 per share towards acquisition of 80% stake in Waterfront Fluid Controls Limited, UK. The issue of shares (including security premium) amounts to INR 1,419.64 lakhs.

**22 Other equity**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Securities premium | 9,809.65 | 4,724.82 |
| General reserve | 1,200.27 | 1,200.27 |
| ESOP reserve (refer note 51) | 297.78 | 231.24 |
| Foreign currency translation reserve | 481.67 | 399.94 |
| SEZ Investment Reserve (refer note 56) | 1,087.90 | 441.90 |
| Retained earnings | 20,891.59 | 15,671.38 |
| Application money received towards convertible share warrants | 114.56 | - |
| | **33,883.42** | **22,669.55** |

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**Jash Engineering Limited**

**Movement of changes In Other Equity for the year ended 31 March 2024**

*(All amount in INR lakhs unless stated otherwise)*

| | Share application money pending allotment | Securities premium | General reserve | ESOP reserve | Foreign currency translation reserve | SEZ Investment Reserve* | Retained earnings | Total |
|---|---|---|---|---|---|---|---|---|
| **Balance as at 01 April 2022** | **-** | **4,628.53** | **1,200.27** | **190.03** | **27.79** | **134.49** | **11,291.70** | **17,472.81** |
| Profit for the year | - | - | - | - | - | - | 5,170.12 | **5,170.12** |
| Re-measurement losses on defined benefit obligations (net of tax) | - | - | - | - | - | - | (59.66) | **(59.66)** |
| Exchange differences on translating foreign operations | - | - | - | - | 372.15 | - | - | **372.15** |
| ESOP reserve on grant of ESOP's to employees | - | - | - | 41.21 | - | - | - | **41.21** |
| Security premium on shares issued under ESOP Scheme | - | 96.29 | - | - | - | - | - | **96.29** |
| Transferred to SEZ re-investment reserve | - | - | - | - | - | 358.98 | (358.98) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | - | (51.57) | 51.57 | **-** |
| Dividends paid | - | - | - | - | - | - | (429.89) | **(429.89)** |
| Others | - | - | - | - | - | - | 6.51 | **6.51** |
| **Balance as at 31 March 2023** | **-** | **4,724.82** | **1,200.27** | **231.24** | **399.94** | **441.90** | **15,671.38** | **22,669.55** |
| Profit for the year | - | - | - | - | - | - | 6,676.92 | **6,676.92** |
| Re-measurement losses on defined benefit obligations (net of tax) | - | - | - | - | - | - | (88.91) | **(88.91)** |
| Exchange differences on translating foreign operations | - | - | - | - | 81.73 | - | - | **81.73** |
| ESOP reserve on grant of ESOP's to employees | - | - | - | 74.05 | - | - | - | **74.05** |
| Reversal of ESOP reserve on non exercise of shares by employees | - | - | - | (7.51) | - | - | - | **(7.51)** |
| Security premium on issue of equity shares | - | 5,084.83 | - | - | - | - | - | **5,084.83** |
| Share Application money received for allotment of convertible shares warrant | 114.56 | - | - | - | - | - | - | **114.56** |
| Transferred to SEZ re-investment reserve | - | - | - | - | - | 736.33 | (736.33) | **-** |
| Transferred from SEZ re-investment reserve on utilisation | - | - | - | - | - | (90.33) | 90.33 | **-** |
| Dividends paid | - | - | - | - | - | - | (721.80) | **(721.80)** |
| **Balance as at 31 March 2024** | **114.56** | **9,809.65** | **1,200.27** | **297.79** | **481.67** | **1,087.90** | **20,891.59** | **33,883.42** |

The Board of Directors of the Company, in their meeting held on 09 May 2024, recommended a final dividend of INR 7.20 per fully paid-up equity share of Rs. 10/- each, for the year ended 31 March 2024, subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

**Nature and purpose of reserves:**

**Securities premium:** 'Securities premium represents premium received on issue of shares. The reserve is being utilised in accordance with the provisions of the Companies Act, 2013.

**General reserve:** General reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes. General reserve is created by a transfer from one component of equity to another.

**ESOP reserve:** This reserve represents recognition of the grant date value of options issued to employees under Employee stock option plan and adjusted as and when such options are exercised or otherwise expire.

**SEZ Re-investment Reserve:** This reserve created for to avail tax benefit u/s 10AA. 50% of profit has been transferred in SEZ reserve and can be utilized for eligible plant and machinery. During the year, amounts equivalent to 50% profits of SEZ Unit I, INR 736.33 lakhs for financial year 2023-24 and INR 358.98 lakhs for financial year 2022-23 has been transferred to this reserve. During the financial year 2023-24 and 2022-23 INR 90.33 lakhs and INR 51.57 lakhs respectively utilised for invest in eligible new plant and machinery specified under section 10AA of the Income tax act, 1961.

**Application money towards share warrants:** During the year, the Company issued convertible share warrants aggregating to 29,999 share warrants to promoter and non-promoter share holder at INR 1,527.50 each. Out of the above, the Company has received 25% as application money i.e INR 114.56 lakhs towards allotment of such share warrants.





**Jash Engineering Limited**

**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**

*(All amount in INR lakhs unless stated otherwise)*

**23 (a) Non-current borrowings**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Secured** | | |
| **Loans** | | |
| -Term loans from banks (refer note (i) below)* | 1,479.53 | 1,092.48 |
| -Foreign currency loans from banks (refer note (i) below)* | - | 252.30 |
| -Loans from financial institutions (refer note (ii) below)* | - | 52.18 |
| Vehicle loans from banks (refer note (iii) below) | 288.29 | 88.37 |
| | **1,767.82** | **1,485.33** |
| Less : Current maturities of other non-current borrowings (refer 23 (b)). | (561.44) | (610.45) |
| | **1,206.38** | **874.88** |

***Details of guarantee for each type of borrowings**

| | | |
|---|---|---|
| **Guaranteed by directors and related parties** | | |
| Term loans from banks and financial institutions | **1,479.53** | **1,485.33** |

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

**i) Term loans from banks**

1) The Company availed loan against property facility from HDFC Bank amounting to INR 385.00 lakhs at rate of interest of over 0.85% of MCLR rate p.a. Repayment of term loan is to be done in 119 monthly installments of INR 5.02 lakhs with last installment falling due in year 2029-30. The entire amount of loan has been repaid in FY 2023-24. Outstanding book balance of term loan is INR Nil lakhs (31 March 2023: INR 270.81 lakhs).

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

Personal guarantee by Mr. Suresh Patel and Mr. Pratik Patel.

2) The Company availed term loan facility from Axis Bank amounting to INR 918.94 lakhs payable in 55 equal installment of 16.70 lakhs starting from October 2019 at rate of interest of over 3% on repo rate. The company paid 3 installments amounting to INR 50.12 Lakhs and subsequently in January 2020 company has converted its rupee term loan into foreign currency loan amounting to INR 852.10 Lakhs ((USD 12,17,291.42 (excluding last installment amounting to INR 16.70 Lakhs)). The converted loan is to be repaid in 51 monthly installments from February 2020 but the company has repaid the entire outstanding amount in FY 2023-24. The Outstanding rupee term loan as at 31 March 2024 is INR Nil (31 March 2023: INR 16.70 lakhs) and outstanding foreign currency loan is INR Nil (USD Nil) (31 March 2023: INR 252.30 lakhs (USD 306,871.93)).

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

(a) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over factory land and building of the Company situated at Plot No. M-19, SEZ Phase II, Pithambur admeasuring total area 8661.67 square meter in the name of the Company.

(b) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of hypothecation of plant and machinery situated at at Plot No. M-19, SEZ Phase II

3) The Company has availed working capital term loan from Axis Bank of amounting to INR 755.00 lakhs at rate of interest of over 3.35% of repo rate p.a. Repayment of working capital term loan in 48 equal monthly principal instalments of INR 15.73 lakhs and moratarium period of 12 months from the date of first disbursement. Outstanding book balance of working captial term loan is INR 346.04 lakhs (31 March 2023: INR 534.79 lakhs).

**The aforesaid Working capital loan facility is secured by way of :**

**Primary:**

First pari passu charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at 18A, 18B, 18C, 19, 29-31, 32B Sector C, Industrial area, Sanwer Road, Indore Plot No. 1M-11, Misc. zone Phase-II SEZ, Pithampur dist. Dhar, and survey no. 74/1, 74/2/1, 74/2/2, 76/1/3 (now 76/1/4), 76/1 (now 76/1/1), 76/1/3 (now 76/1/5) PH No. 19, Bardari Tehsil, dist Sanwer, Indore survey no. 77 (now 77/1), PH no. 36, Bardari Tehsil, sanwer district, Indore Plot no. 19SEZ Phase-II, pithampur and at such other places approved by the Bank including good in transit/shipment in the name of Company.

4) The Company also availed working capital term loan from HDFC Bank of amounting to INR 350.00 lakhs at rate of interest of over 1% of RBI reference rate p.a. Repayment of working capital term loan in 48 equal monthly princial instalments of INR 7.29 lakhs and moratarium period of 12 months from the date of disbursement. Outstanding book balance of working capital term loan is INR 175.00 lakhs (31 March 2023: INR 262.50 lakhs)

**The aforesaid working capital loan facility is secured by way of :**

**Primary:**

(a) First pari passu charge over Company's entire current assets

(b) Pari passu charge on entire fixed asset of the Company.

**Collateral:**

(a) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over land and building of the Company situated at Plot No. M-19, SEZ Phase II, Pithambur admeasuring total area 8661.67 square meter in the name of the Company.

(b) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 29, 30, Industrial Area Sanwer Road, District-Indore admesuring 1,20,000 Sq. ft in the name of the Company.

(c) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18 C, 31, 32 B Industrial Area Sanwer Road, District-Indore admesuring 87,270 Sq. ft in the name of the Company.

(d) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. M-11, Special Economic Zone-II, Pithampur Industrial Area, District-Dhar admesuring 12,035 Sq. Mtr in the name of the Company.

(e) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Survey No. 74/2/2, patwari halka No. 19 admeasuring 1.179 Hec. situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(f) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 74/1 (0.866 Hec) & 74/2/1 (0.313 Hec) total admeasuring 1.179 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(g) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/2 total admeasuring 0.567 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(h) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1/3 new Survey no. 76/1/4 total admeasuring 0.425 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(i) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 77 new Survey no. 77/1 total admeasuring 0.125 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(j) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/1 total admeasuring 0.243 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(k) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted land of Survey No. 76/1/3 new Survey no. 76/1/5 total admeasuring 0.183 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore. in the name of the Patamin Investments Private Limited..

(l) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-A & 19, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 70,500 Sq. Ft in the name of the Company.

(m) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-B, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 6050 Sq. Ft in the name of the Company.

(n) First pari passu charged with HDFC, SBI, Kotak Mahindra and Axis bank of pledge of 30% (No. 40,509 ) shares of Shivpad Engineers Private Limited.

**Also secured by way of guarantees from:**
Mr. Suresh Patel
Mr. Pratik Patel
Patamin Investments Private Limited (except for HDFC Bank)

5) The Company availed term loan facility from HDFC Bank amounting to INR 1000.00 lakhs at rate of interest of 8.60% p.a linked to 3M T-Bill. Repayment of term loan is to be done in 20 quarterly installments of INR 50 lakhs with last installment falling due in year 2029-30. Outstanding book balance of term loan is INR 950 lakhs (31 March 2023: Nil lakhs).

**The aforesaid working capital loan is secured by way of :**

(a) First Pari Passu Charge on Fixed Assets of Unit 1 and SEZ. WDV as per B/s of Jash as on 31.03.2022- 311 millions

(b) First Pari Passu Charge on Entire Fixed Assets of Unit 2 and SEZ. WDV as per B/s of Jash as on 31.03.2022- 508 millions

(c) First Pari Passu on Patamin Investment Land- Rs. 40 millions Details of Property as follows:

i) Plot No. 18/A and 19, Sector C, Industrial Area, Sanwer Road Distt. Indore admeasuring 70,500 Sq Ft along with Plot No. 18/B and 19, Sector C, Industrial Area, Sanwer Road Distt. Indore admeasuring 6050Sq Ft along with Plot No. 18C, 31, 32 B, Industrial Area, Sanwer Road Distt. Indore admeasuring 87270 Sq Ft along with Plot No.29 and 30, Industrial Area, Sector C, Sanwer Road, District Indore. M.P. admeasuring 1,20,000 Sq. Ft.

ii) Industrially diverted piece of land bearing Survey no. 74/1 having area 0.866 Hc & Survey no. 74/2/1 having area 0.313 Hc (Total Area- 1.179 Hc) of Village- Bardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 76/1 (now 76/1/2) having area 0.567 Hc of VillageBardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 76/1/3 part (now 76/1/4) having area 0.425 Hc of VillageBardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 77 (now 77/1) having area 0.125 Hc of Village- Bardari Tehsil - Sanwer, Distt. Indore along with Survey No. 74/2/2, Patwari Halka No. 19 Bardari Gram, Sanwer, Indore admeasuring 1.179 Hectare along with Industrially diverted piece of land bearing Survey no. 76/1 (now 76/1/1) having area 0.243 Hectare of Village- Bardari Tehsil - Sanwer, Distt. Indore along with Industrially diverted piece of land bearing Survey no. 76/1/3 part (now 76/1/5) having area 0.183 Hectare of Village- Bardari Tehsil - Sanwer, Distt. Indore

iii) Plot No. M 19, SEZ Industrial Area, Pithampur, Dist. Dhar admeasuring 8661.67 Sq. Mtr

iv) Plot No. M-11, Phase-II, Misc. Zone, Special Economic Zone, Pithampur, Indore admeasuring 12035 Sq. Mts

(d) Equity Shares - First Pari Passu Charge on Pledge of 30%( No of Shares under various Portfolios put together: 40496) shares of Shivpad Engineers Private Limited.

(e) Current Assets - First Pari Passu Charge on all current assets

**Also secured by way of guarantees from:**
Mr. Suresh Patel
Mr. Pratik Patel

6) The Subsidiary Company Shivpad Engineers Pvt Ltd obtained a term loan from Axis Bank Bank, amounting to INR 925.00 lakhs on 30 September 2022 at interest rate over 2.1% on repo rate p.a repayment of term loan in 65 equal monthly princial installments of INR 14 lakhs and last 66th installment of INR 15 lakhs and moratarium period of 18 months from the date of disbursement. The loan has been disbursed and repaid during this financial year. Outstanding book balance of working capital term loan is INR Nil lakhs (31 March 2023: INR Nil lakhs).

**ii) Loans from financial Institution**

7) The Subsidiary Jash USA Inc. obtained a two loan from CIT Finance, One loan is of amounting to USD 26,999 on 19 August 2022 at 8.54% and another loan is of amounting to USD 40,749 on 09 March 2023 at 7.71% p.a. Repayment of both the loan in 60 equal monthly princial instalments of USD 642.03 and USD 940.80 respectively. The entire amount of loan has been repaid in FY 2023-24. Outstanding book balance of both the loan is USD Nil (31 March 2023: USD 23,399 and USD 40,069 respectively).

**The aforesaid loan is secured by way of :**

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

**iii) Vehicle loans from banks**

| As at 31 March 2024 | Principal amount | Amount outstanding | No. of remaining instalments | Instalment amount | Date of loan | Rate of interest |
|---|---|---|---|---|---|---|
| Vehicle loan | 19.77 | 13.10 | 30.00 | 0.48 | 31-Aug-22 | 8.15% |
| Vehicle loan | 22.00 | 14.55 | 31.00 | 0.54 | 31-Aug-22 | 7.90% |
| Vehicle loan | 24.50 | 16.71 | 31.00 | 0.60 | 26-Sep-22 | 7.90% |
| Vehicle loan | 27.70 | 20.41 | 34.00 | 0.68 | 20-Feb-23 | 8.52% |
| Vehicle loan | 28.92 | 24.23 | 39.00 | 0.72 | 25-May-23 | 8.70% |
| Vehicle loan | 27.50 | 27.50 | 48.00 | 0.68 | 07-Mar-24 | 9.05% |
| Vehicle loan | 177.00 | 171.79 | 38.00 | 5.21 | 19-Mar-24 | 8.53% |

| As at 31 March 2023 | Principal amount | Amount outstanding | No. of remaining instalments | Instalment amount | Date of loan | Rate of interest |
|---|---|---|---|---|---|---|
| Vehicle loan | 11.86 | 2.37 | 7.00 | 0.35 | 29-Jun-20 | 8.20% |
| Vehicle loan | 19.77 | 17.64 | 42.00 | 0.48 | 31-Aug-22 | 8.15% |
| Vehicle loan | 22.00 | 19.61 | 43.00 | 0.54 | 31-Aug-22 | 7.90% |
| Vehicle loan | 24.50 | 22.30 | 43.00 | 0.60 | 26-Sep-22 | 7.90% |
| Vehicle loan | 27.70 | 26.45 | 46.00 | 0.68 | 20-Feb-23 | 8.52% |

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







**26 (a) Lease liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Lease liabilities (refer note 49) | 809.09 | 635.88 |
| Less : Current maturities of lease liabilities (refer note 26 (b)) | (176.19) | (142.68) |
| | **632.90** | **493.20** |

**24 Provisions (non-current)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Provision for employee benefits* | | |
| Gratuity | 9.67 | 179.65 |
| Leave encashment | 206.43 | 155.31 |
| | **216.10** | **334.96** |

* Refer note 44 for details

**25 Other non-current liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Deferred government grant * | 94.95 | 107.20 |
| | **94.95** | **107.20** |

* Deferred government grant is the subsidy received in respect of plant and machinery from District Trade and Industries Centre pursuant to Micro, Small and Medium Enterprises policy, 2017 and Micro, Small and Medium Enterprises policy, 2019.

**23 (b) Current borrowings**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Secured** | | |
| Cash credits facilities from bank (refer note (i),(ii), (iii) and (iv) below) | 4,295.31 | 3,497.66 |
| Short term loan from bank (refer note (i) below) | 1,000.00 | 2,300.00 |
| Foreign currency loans from banks (refer note (iii) below) | 135.33 | 268.82 |
| Current maturities of long-term debts (refer note 23 (a)) | | |
| -Loans from banks | 476.25 | 336.46 |
| -Foreign currency loans from banks | - | 232.89 |
| -Loans from financial institutions | - | 11.14 |
| -Vehicle loan | 85.19 | 29.97 |
| | **5,992.08** | **6,676.94** |

**Notes:**

**A) Details of working capital facility :**

(i) Fund based credit facility of INR 3,000 lakhs (31 March 2023: INR 3,000 lakhs) sanctioned to the Company from HDFC Bank. It comprises of Cash Credit ('CC') facility including sub-limit of short term loan facility at annual rate of interest of 8.9% linked with 1Y-MCLR and and export packing credit ('EPC') within CC limit at an annual rate of interest 0.55% above 6M MCLR. Outstanding book balance for CC account from HDFC as on 31 March 2024 is INR 217.66 lakhs (31 March 2023 is INR 206.13 lakhs), EPC account as on 31 March 2024 is INR 1301.14 lakhs (31 March 2023: INR Nil ) and outstanding book balance of short term loan account is INR 1,000 lakhs (31 March 2023: INR 2,300 lakhs).

ii) Fund based credit facility sanctioned from State Bank of India comprise of cash credit facility amounting to INR 2,400 lakhs (31 March 2023: INR 2,400 lakhs) at an annual rate of interest 1% above 6M MCLR and export packing credit ('EPC') within CC limit amounting to INR 2,100 lakhs (31 March 2023: INR 2,100 lakhs) at an annual rate of interest 0.55% above 6M MCLR. Outstanding book balance for CC account as on 31 March 2024 is INR 127.43 lakhs (31 March 2023 : INR 237.89 lakhs), EPC account as on 31 March 2024 is INR 266.78 lakhs (31 March 2023: INR 617.79 lakhs) and overdraft book balance is INR 1340.17 lakhs (31 March 2023: INR 1045.67 lakhs).

iii) Fund based credit facility sanctioned from Axis Bank during the year comprise of cash credit ('CC') facility of INR 1,050 lakhs (31 March 2023: INR 1,050 lakhs) at annual rate of interest of 3.00% above Repo rate. Outstanding Book balance for CC account as on 31 March 2024 is INR 353.10 lakhs (31 March 2023: INR 889.55 lakhs). Outstanding Book balance for foreign currency demand loan as on 31 March 2024 is INR Nil lakhs (31 March 2023: INR Nil lakhs).

During the year the Company availed buyer's credit in form of Foreign Bank Guarantee Loan facility of Euro 150,000 repayable in one year. The outstanding balance as of 31 March 2024 is INR 135.33 lakhs (31 March 2023: INR 268.82 lakhs).

iv) Fund based credit facility sanctioned from Kotak Mahindra Bank Limited comprise of cash credit facility amounting to INR 1,000 lakhs (31 March 2023: INR 1,000 lakhs) at an annual rate of interest 2.6% above Repo Rate and export packing credit ('EPC') within CC limit amounting to INR 1,000 lakhs (31 March 2023: INR 1,000 lakhs). Outstanding book balance for CC account as on 31 March 2024 is INR 189.04 lakhs (31 March 2023 : INR 500.62 lakhs), EPC account as on 31 March 2024 is INR 500 lakhs (31 March 2023: INR Nil lakhs).

**The aforesaid Working capital loan facility is secured by way of :**
**Primary for SBI and Axis Bank:**

First pari passu charge over Company's entire stocks comprising raw materials, stock in process, finished goods, consumable stores and spares and receivables at 18A, 18B, 18C, 19, 29-31, 32B Sector C, Industrial area, Sanwer Road, Indore Plot No. 1M-11, Misc. zone Phase-II SEZ, Pithampur dist. Dhar, and survey no. 74/1, 74/2/1, 74/2/2, 76/1/3 (now 76/1/4), 76/1 (now 76/1/1), 76/1/3 (now 76/1/5) PH No. 19, Bardari Tehsil, dist Sanwer, Indore survey no. 77 (now 77/1), PH no. 36, Bardari Tehsil, sanwer district, Indore Plot no. 19SEZ Phase-II, pithampur and at such other places approved by the Bank including good in transit/shipment in the name of Company.

**Primary for Kotak Bank:**

First pari passu hypothecation charge to be shared with Axis Bank, HDFC Bank and State Bank of India on all existing and future current assets and Movable fixed Assets.

**Primary for HDFC Bank:**

(a) First pari passu charge over Company's entire current assets

'(b) Pari passu charge on entire fixed asset of the Company.

**Collateral for all the banks:**

(a) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over land and building of the Company situated at Plot No. M-19, SEZ Phase II, Pithambur admeasuring total area 8661.67 square meter in the name of the Company.

(b) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 29, 30, Industrial Area Sanwer Road, District-Indore admesuring 1,20,000 Sq. ft in the name of the Company.

(c) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18 C, 31, 32 B Industrial Area Sanwer Road, District-Indore admesuring 87,270 Sq. ft in the name of the Company.

(d) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. M-11, Special Economic Zone-II, Pithampur Industrial Area, District-Dhar admesuring 12,035 Sq. Mtr in the name of the Company.

(e) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Survey No. 74/2/2, patwari halka No. 19 admeasuring 1.179 Hec. situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(f) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 74/1 (0.866 Hec) & 74/2/1 (0.313 Hec) total admeasuring 1.179 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(g) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/2 total admeasuring 0.567 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(h) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1/3 new Survey no. 76/1/4 total admeasuring 0.425 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(i) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 77 new Survey no. 77/1 total admeasuring 0.125 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Company.

(j) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted Land of Survey No. 76/1 Paiki new Survey no. 76/1/1 total admeasuring 0.243 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore in the name of the Patamin Investments Private Limited.

(k) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over industrially diverted land of Survey No. 76/1/3 new Survey no. 76/1/5 total admeasuring 0.183 Hec situated at Village Bardari, Tehsil Sanwer, District-Indore. in the name of the Patamin Investments Private Limited..

(l) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-A & 19, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 70,500 Sq. Ft in the name of the Company.

(m) First pari passu charge with HDFC, SBI, Kotak Mahindra and Axis bank by way of mortgage over Plot No. 18-B, Sector-C, Industrial Area, Sanwer Road, Tehsil & Distt. Indore admesuring 6050 Sq. Ft in the name of the Company.

(n) First pari passu charged with HDFC, SBI, Kotak Mahindra and Axis bank of pledge of 30% (No. 40,509 ) shares of Shivpad Engineers Private Limited.

**Also secured by way of guarantees from:**
Mr. Suresh Patel
Mr. Pratik Patel
Patamin Investments Private Limited (except for HDFC Bank)

**(iii) Reconciliation of liabilities arising from financing activities**

| | Non-current borrowings and Current maturities of non-current borrowings | Current borrowings | Total |
|---|---|---|---|
| **As at 01 April 2022** | **2,503.60** | **5,864.25** | **8,367.85** |
| **Cash flows:** | | | |
| Proceeds from borrowings (net) | 127.05 | 273.18 | 400.23 |
| Repayment of long term borrowings | (591.58) | - | (591.58) |
| Repayment of principal component of lease obligation | (1.96) | - | (1.96) |
| **Non-cash:** | | | - |
| Others | - | 13.15 | 13.15 |
| **As at 31 March 2023** | **2,037.12** | **6,150.57** | **8,187.69** |
| **Cash flows:** | | | |
| Proceeds from borrowings (net) | 2,825.41 | (716.67) | 2,108.74 |
| (Repayment) of long term borrowings (net) | (2,499.92) | - | (2,499.92) |
| Proceeds/ (Repayment) of principal component of lease obligation (net) | 173.21 | - | 173.21 |
| **Non-cash:** | | | - |
| Others | (696.54) | 734.37 | 37.83 |
| **As at 31 March 2024** | **1,839.28** | **6,168.27** | **8,007.55** |

**26 (b) Lease liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Lease liability (refer note 26 (a)) | 176.19 | 142.68 |
| | **176.19** | **142.68** |

*(This space has been intentionally left blank)*





Jash Engineering Limited
Summary of material accounting policies and other explanatory information for the year ended 31 March 2024
*(All amount in INR lakhs unless stated otherwise)*

**27 Trade payables**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| (a) total outstanding dues of micro enterprises and small enterprises; and | 1,185.97 | 773.77 |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises | 5,769.92 | 5,105.04 |
| | **6,955.89** | **5,878.81** |
| **Due to related parties*** | **3.07** | **13.01** |
| **Due to others** | **6,952.82** | **5,865.78** |

*Refer note 48 for details about related party trade payables

**(i) Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006**
On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act ,2006 (MSMED Act, 2006) and based on the information available with the Group, the following are the details:

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Principal amount remaining unpaid | 1,185.97 | 773.69 |
| Interest accrued and due thereon remaining unpaid | - | 0.08 |
| Interest paid by the Group in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year. | - | - |
| Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year ), but without adding the interest specified under MSMED Act, 2006. | - | - |
| Interest accrued and remaining unpaid as at the end of the year | - | - |
| Further interest remaining due and payable even in the succeeding years ,until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006. | - | - |
| | **1,185.97** | **773.77** |

**Trade payables ageing schedule as on 31 March 2024:**

| Particulars | As at 31 March 2024 | | | | |
|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro small and medium enterprises | 1,185.97 | - | - | - | **1,185.97** |
| (ii) Others | 5,725.57 | 29.27 | 15.08 | - | **5,769.92** |
| (iii) Disputed dues- MSME | - | - | - | - | **-** |
| (iv) Disputed dues- others | - | - | - | - | **-** |
| **Total** | **6,911.54** | **29.27** | **15.08** | **-** | **6,955.89** |

**Trade payables ageing schedule as on 31 March 2023:**

| Particulars | As at 31 March 2023 | | | | |
|---|---|---|---|---|---|
| | Outstanding for following periods from due date of payment | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Micro small and medium enterprises | 773.77 | - | - | - | **773.77** |
| (ii) Others | 5,052.73 | 18.92 | 33.39 | - | **5,105.04** |
| (iii) Disputed dues- MSME | - | - | - | - | **-** |
| (iv) Disputed dues- others | - | - | - | - | **-** |
| **Total** | **5,826.50** | **18.92** | **33.39** | **-** | **5,878.81** |

**28 Other financial liabilities (current)**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Interest accrued but not due on borrowings | 22.50 | 21.66 |
| Employee related payables* | 938.59 | 530.03 |
| Bank overdraft | - | 0.66 |
| Expenses payable | 128.87 | 193.36 |
| Capital creditors | 69.12 | 34.89 |
| Employee ESOP Obligation** | 273.84 | - |
| Unclaimed Dividend*** | 5.03 | 4.29 |
| Security deposit | 29.78 | 27.90 |
| | **1,467.73** | **812.79** |
| *Includes related party payables, refer note 48 | **9.23** | **4.46** |

**It represents amount received from employees in ESOP trust against which shares have not been issued to employees till 31 March 2024.
***The Unclaimed Dividend of INR 5.03 lakhs pertain to Financial year 2016-17 to 2022-23.

**29 Other current liabilities**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Advance from customers (refer note 50 for details) | 7,489.34 | 4,814.28 |
| Payable to statutory authorities | 290.96 | 169.49 |
| Deferred government grant* | 9.89 | 9.89 |
| | **7,790.29** | **4,993.66** |

* Deferred government grant is the subsidy received in respect of plant and machinery from District Trade and Industries Centre pursuant to Micro, Small and Medium Enterprises policy, 2017 and Micro, Small and Medium Enterprises policy, 2019.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 30 Provisions (current)

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Provision for employee benefits* | | |
| Gratuity | 300.52 | 152.24 |
| Leave encashment | 147.19 | 40.16 |
| Provision for warranty** | 194.94 | 199.13 |
| Provision for litigation*** | - | 6.30 |
| | **642.65** | **397.83** |

* Refer note 44 for details
** A provision for warranty for expected claims/ expenditure is based on past experiences of the Company of the level of claims/ expense incurred in the past. The Group expects significant portion of the cost will have to be incurred in next financial year, therefore, has accordingly classified the entire amount as current provision.
***Provisions for litigations relate to the estimated outflow in connection with pending C-forms.

**i) Provision for warranty**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| At the beginning of the year | 199.13 | 59.92 |
| Arising during the year | - | 139.21 |
| Utilised during the year | 4.19 | - |
| **At the end of the year** | **194.94** | **199.13** |

**ii) Provision for litigation**

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| At the beginning of the year | 6.30 | 6.30 |
| Arising during the year | - | - |
| Utilised during the year | 6.30 | - |
| **At the end of the year** | **-** | **6.30** |

## 31 Current tax liabilities (net)

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Provision for tax (net)* | 128.93 | 266.37 |
| | **128.93** | **266.37** |

*Amount of advance tax paid INR Nil lakhs (31 March 2023: INR 602.45 lakhs)

*(This space has been intentionally left blank)*





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 32 Revenue from operations

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Operating revenue*** | | |
| Sale of products | 50,650.20 | 39,365.83 |
| Sale of services | 184.92 | 129.33 |
| **Other operating revenues** | | |
| Scrap sales | 731.86 | 686.03 |
| Export incentives | - | 17.43 |
| | **51,566.98** | **40,198.62** |

*Refer note 50 for revenue related disclosure.

## 33 Other income

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest from | | |
| Bank deposits | 218.85 | 96.84 |
| Other financial assets carried at amortised cost | 13.91 | 12.66 |
| Interest on Income Tax refund | - | 1.14 |
| Rental income | 5.36 | 49.95 |
| Net gain on foreign currency | 194.72 | 516.02 |
| Profit on sale of property, plant and equipment (net) | 0.43 | 2.46 |
| Government grant income | 14.39 | 14.56 |
| Sundry credit balances written back | 26.46 | 13.27 |
| Covid relief grant* | - | 428.55 |
| Provision reversal (warranty) | 74.07 | - |
| Miscellaneous income | 81.51 | 186.70 |
| | **629.70** | **1,322.15** |

*In FY 2022-23, The Subsidiary company Jash USA Inc., applied under employee retention credit program by US department of treasury and received successfully an amount of INR 428.55 lakhs (USD 532,265). This amount is non refundable and granted for not laying off any employee due to Covid downfall.

## 34 Cost of materials consumed

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Opening stock** | | |
| Raw material | 5,452.73 | 3,974.98 |
| Add: Purchases made during the year | 24,858.08 | 18,881.73 |
| | **30,310.81** | **22,856.71** |
| **Less: Closing stock** | | |
| Raw material | 7,214.92 | 5,452.73 |
| | **23,095.89** | **17,403.98** |
| Exchange differences | 18.85 | 71.00 |
| | **23,114.74** | **17,474.98** |

## 35 Purchase of stock in trade

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Purchase of traded goods | 1,063.76 | 1,670.03 |
| | **1,063.76** | **1,670.03** |

## 36 Changes in inventories of finished goods, work-in-progress, stock-in-trade and Goods in transit

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Opening stock** | | |
| Work-in-progress | 3,284.48 | 1,691.37 |
| Finished goods | 1,936.47 | 1,350.31 |
| Goods in transit | 395.41 | 535.88 |
| | **5,616.36** | **3,577.56** |
| **Closing stock** | | |
| Work-in-progress | (5,497.78) | (3,284.48) |
| Finished goods | (2,961.36) | (1,936.47) |
| Stock-in-trade | (254.41) | |
| Goods in transit | - | (395.41) |
| | **(8,713.55)** | **(5,616.36)** |
| Exchange differences | 12.39 | 87.61 |
| | **(3,084.80)** | **(1,951.19)** |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 37 Employee benefits expense

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Salary, wages and bonus* | 8,073.05 | 6,699.88 |
| Contribution to provident and other funds* | 587.29 | 527.44 |
| Share based payments to employees (refer note 51) | 66.49 | 44.48 |
| Staff welfare expenses | 716.26 | 312.96 |
| | **9,443.09** | **7,584.76** |

*Refer note 44 for details

## 38 Finance costs

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Interest on | | |
| Term loans/ working capital loans | 730.88 | 621.15 |
| Income tax delays | 11.82 | 22.58 |
| Lease obligations | 62.32 | 66.17 |
| Loan from others | 32.79 | - |
| Other borrowing costs | 265.22 | 283.16 |
| | **1,103.03** | **993.06** |

## 39 Depreciation and amortisation expense

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Depreciation of property, plant and equipment (refer note 5 (a)) | 759.52 | 747.83 |
| Depreciation of right-of-use assets (refer note 5 (b)) | 127.86 | 105.81 |
| Amortisation of intangible assets (refer note 7) | 189.44 | 211.05 |
| | **1,076.82** | **1,064.68** |

## 40 Other expenses

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Advertisement and sales promotion expenses | 318.80 | 248.05 |
| Corporate Social Responsibility (CSR) expense (refer note 40.1(iii)) | 101.47 | 54.80 |
| Donation | 0.07 | 26.95 |
| Commission and brokerage | 950.63 | 694.22 |
| Communication expenses | 56.43 | 51.17 |
| Consumption of stores and spare parts | 1,573.16 | 1,299.03 |
| Conveyance expenses | 50.24 | 34.84 |
| Drawing, designing and pattern charges | 59.06 | 66.78 |
| Mark-to-Market loss on derivative contracts | 7.34 | 4.21 |
| Freight expenses | 1,480.89 | 1,449.39 |
| Housekeeping and security expense | 80.92 | 54.71 |
| Insurance expenses | 273.57 | 249.67 |
| Job work charges | 806.44 | 398.79 |
| Payment to auditors (refer note 40.1(ii)) | 62.52 | 45.53 |
| Legal and professional fees | 632.99 | 340.12 |
| Power, fuel and water charges | 490.30 | 505.80 |
| Rates and taxes | 373.15 | 276.55 |
| Rent | 8.72 | 7.40 |
| Repairs and maintenance | | |
| on buildings | 164.37 | 27.08 |
| on others | 196.55 | 272.49 |
| Balances written-off/ bad-debts | 19.08 | 184.56 |
| Reversal/ provision for expected credit losses | 506.20 | 587.35 |
| Royalty | 7.01 | 1.86 |
| Sub-contracting and manpower charges | 1,625.70 | 1,364.29 |
| Travelling expenses | 450.56 | 351.15 |
| Vehicle running and maintenance | 14.12 | 20.92 |
| Warranty expenses (refer note 40.1(i)) | 442.95 | 139.21 |
| Loss on sale of property, plant and equipment | 0.44 | - |
| Miscellaneous expenses | 391.51 | 278.17 |
| | **11,145.19** | **9,035.09** |

**40.1 Notes**

i) Warranty expense includes expenses related to re-work, designing or drawing charges

**ii) Payment to the statutory auditor**

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| For statutory audit | 39.00 | 29.00 |
| For certification services | 2.10 | 0.35 |
| For reimbursement of expenses | 1.42 | 1.18 |
| For other services (attest) | 20.00 | 15.00 |
| **Total** | **62.52** | **45.53** |

Note: The above amounts are exclusive of goods and service tax.





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**iii) Disclosure relating to Corporate Social Responsibility (CSR) expenditure**

In light of Section 135 of the Companies Act 2013, the Company has incurred INR 81.43 lakhs (31 March 2023: INR 54.80 lakhs) during the current year on Corporate Social Responsibility (CSR) towards health, education, rural development and environmental sustainability.

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Gross amount required to be spent by the Group during the year | 80.91 | 58.79 |
| Amount spent during the year | 81.43 | 54.80 |
| Unspent/ (Excess spent) at the end of the year | (0.52) | 3.99* |
| Total of previous years shortfall | - | - |
| Reason for shortfall | Not Applicable | Not Applicable |
| Amount spent during the year on health care, education, rural development and environmental sustainability | 81.43 | 54.80 |
| Details of related party transactions, i.e., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard. | Not Applicable | Not Applicable |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately. | Not Applicable | Not Applicable |

* In compliance of section 135 of the Companies Act company is obligated to transfer this amount to any fund included in schedule VII of the act within 6 months from the end of the financial year.

## 41 Tax expense

**The income tax expense consists of the following:**

| **Particulars** | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Current tax expense | 1,350.91 | 1,003.17 |
| *Tax expense for current year* | 1,392.55 | 1,003.17 |
| *(Excess)/short provision of tax relating to earlier years* | (41.64) | - |
| Deferred tax expense / (credit) | 294.75 | (523.93) |
| **Total tax expense** | **1,645.66** | **479.24** |

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 29.12% (previous year: 29.12%) and the reported tax expense in profit or loss are as follows:

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Accounting profit before income tax** | 8,322.58 | 5,649.36 |
| At India's statutory income tax rate of 29.12% (31 March 2023: 29.12%) | 2,423.49 | 1,645.09 |
| **Tax effect of amounts which are not deductible (taxable) in calculating taxable income:** | | |
| Tax impact of exempted income | (58.97) | (58.97) |
| Effect of tax incentive u/s 10AA (refer note 56) | (720.80) | (719.19) |
| Tax impact of expenses which will never be allowed | 22.99 | (59.81) |
| Effect of different tax rate of subsidiaries | (198.78) | (71.33) |
| Earlier years tax adjustments | 5.84 | 0.26 |
| Items on which deferred tax was not created | 42.41 | (424.10) |
| Others* | 129.48 | 167.29 |
| **Income tax expense** | **1,645.66** | **479.24** |

* Others includes impact of allowances/disallowances of A.Y. 2023-24 considered at the time of filing income tax return.

**Unused tax losses**

a) In Jash USA INC, total accumulated net operating tax losses as at 31 March 2024 amounts to INR Nil (31 March 2023: INR 969.93 lakhs) at federal level. The net opperating losses amounting to INR Nil (31 March 2023: INR 969.93 lakhs) generated from the year 2018-19 onwards is allowed to be carried forward indefinitely.

b) In Jash USA INC, total accumulated net operating tax losses as at 31 March 2024 amounts to INR 323.64 lakhs (31 March 2023: INR 319.40 lakhs) at state level which if unutilized will expire based on the statute of the states.

c) In Jash USA INC, based on the recent history of profitability and future profitability projections, the management believes that the deferred tax assets will be realized during the foreseeable future. However, considering the prior year losses, the management has taken a prudent approach to recognize deferred tax asset of 31 March 2024 INR Nil lakhs (31 March 2023: INR 313.67 lakhs) has been recognized.

d) In Mahr Maschinenbau GmbH, the amount of assessed unused tax losses as at the end of reporting period amounts to INR 980.49 lakhs (31 March 2023: INR 872.89 lakhs) and the Group expects that these losses shall be settled in the next accounting period on liquidation of this entity.

**Unrecognised temporary differences**

A subsidiary of the Group have undistributed earnings of INR 1,534.41 lakhs (31 March 2023: INR 1,544.41 lakhs) which, if paid out as dividends, would be subject to tax in the hand of the recipient. An assessable temporary differences exists, but no deferred tax liability has been recognised as the Holding company is able to control the timings of the distributions from this subsidiary and is not expected to distribute these profits in the foreseeable future.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 42 Earnings per equity share

| | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| a) Net profit attributable to equity shareholders | 6,676.92 | 5,170.12 |
| b) Weighted average number of common equity shares for basic EPS | 1,20,60,541 | 1,19,48,855 |
| c) Weighted average number of common and dilutive common equivalent shares* | 1,22,40,222 | 1,21,41,329 |
| d) Nominal value of shares | 10.00 | 10.00 |
| d) Earnings per share | | |
| Basic earnings per share | 55.36 | 43.27 |
| Diluted earnings per share* | 54.55 | 42.58 |

*The Company had granted employee stock option during the year 2019-20, with a vesting schedule of four years, beginning from 13 February 2021 to 13 February 2024. Accordingly, in addition to common shares, 95,983 shares (31 March 2023: 1,92,473 shares) dilutive shares have been considered for computing diluted earning per share.

The Company had also granted employee stock option during the year 2023-24, with a vesting schedule of four years, beginning from 04 February 2024 to 04 February 2027. Accordingly, in addition to common shares, 53,700 shares (31 March 2023: Nil shares) dilutive shares have been considered for computing diluted earning per share.

The company had also issued 29,999 convertible equity share warrants during the year 2023-24. Accordingly in addition to common shares, 29,999 convertible equity share warrants consider a potental equity shares for computing diluted earning per share.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 43 Contingent liabilities and other matters

| | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **a) Contingent liabilities (under litigation), not acknowledged as debt, include:** | | |
| Demand for central sales tax* | | |
| *Financial year 2016-17* | - | 124.92 |
| *Financial year 2017-18* | - | 42.20 |
| Demand for goods and service tax** | | |
| *Financial year 2017-18* | 16.25 | - |
| *Financial year 2018-19* | 18.23 | - |
| *Financial year 2018-19* | 246.71 | - |
| Demand for income tax^^ | | |
| *Financial year 2016-17* | 2.13 | 2.13 |
| *Financial year 2017-18* | 3.85 | 3.85 |
| *Financial year 2018-19* | - | 2.19 |
| *Financial year 2019-20* | 27.80 | - |
| | **314.97** | **175.29** |

*includes demand raised by Sales tax authorities against pending C Forms to be submitted by the Company (amount deposited under protest INR 56.72 lakhs.

**The demand of Goods and Service Tax (amount deposited under protest INR 1.90 lakhs (previous year INR Nil))
^includes demand raised by Income tax authorities on account of certain disallowances in tax assessment.
Note: The Company has certain litigations involving vendor and work contractor. Based on legal advice of in-house legal consultants, the management believes that no material liability will devolve on the Company in respect of these litigations

| | | |
|---|---|---|
| **b) Commitments** | | |
| Estimated amount of contracts remaning to be executed on capital accounts and not provided for (net of advances INR 56.78 lakhs (31 March 2023: INR 49.03 lakhs) | **551.95** | **220.47** |
| **c) Bank Guarantees** | | |
| State bank of India | 757.48 | 1,206.38 |
| Axis Bank Limited | 811.15 | 526.52 |
| HDFC Bank limited | 4,412.00 | 4,321.87 |
| | **5,980.63** | **6,054.77** |
| **d) Guarantees*** | | |
| Great Midwest Insurance Company | 3,384.98 | - |
| Hancock Whitney Bank | 287.93 | - |
| | **3,672.91** | **-** |

* Project guarantees are backed by two fixed deposits of amounting to INR 1,691.47 lakhs (USD 2,028,775).

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 44 Employee benefits

### A Gratuity (funded)

The Company has an obligation towards gratuity, a funded defined benefit retirement plan covering eligible employees. The plan provides for lump sum payment to vested employees at retirement, on death while in employment or on termination of the employment in terms of the provisions of the Payment of Gratuity Act, 1972 or as per the Company's Scheme, as applicable. Vesting occurs upon completion of five years of service. The Company makes annual contributions to gratuity fund established with the insurance. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

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

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Gratuity | 300.52 | 9.67 | 152.24 | 179.65 |

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

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Current service cost | 123.23 | 99.84 |
| Net interest cost | 24.28 | 21.67 |
| **Net impact on profit (before tax)** | **147.51** | **121.51** |
| Actuarial loss/(gain) recognised during the year | 125.43 | 80.86 |
| **Amount recognised in the statement of profit and loss** | **272.94** | **202.37** |

(iii) **Movement in the present value of defined benefit obligation recognised in the balance sheet is as under:**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Present value of defined benefit obligation as at the start of the year** | **1,103.51** | **929.30** |
| Current service cost | 123.23 | 99.84 |
| Interest cost | 79.25 | 65.58 |
| Actuarial loss/(gain) recognised during the year | 125.43 | 80.86 |
| Benefits paid | (51.08) | (72.07) |
| **Present value of defined benefit obligation as at the end of the year** | **1,380.34** | **1,103.51** |

(iv) **Movement in the plan assets recognised in the balance sheet is as under:**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Fair value of plan assets at beginning of year** | **771.63** | **625.27** |
| Actual return on plan assets | 54.85 | 41.76 |
| Employer's contribution | 296.66 | 174.38 |
| Fund management charges | - | 2.29 |
| Benefits paid | (51.08) | (72.07) |
| **Fair value of plan Assets at the end of the year** | **1,072.06** | **771.63** |

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

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Actuarial (gain)/loss on arising from change in demographic assumption | 8.25 | (69.04) |
| Actuarial (gain)/loss on arising from change in financial assumption | 81.67 | 135.93 |
| Actuarial (gain)/loss on arising from experience adjustment | 35.54 | 14.01 |
| Return on plan assets excluding amounts included in interest income | (0.03) | (0.04) |
| **Total actuarial (gain)/loss** | **125.43** | **80.86** |

(vi) **Actuarial economic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Discount rate | 6.40%-7.23% | 6.40%-7.36% |
| Future salary increase | 10.00% | 8.00%-10.00% |

(vii) **Actuarial demographic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Retirement age | 60 years | 60 years |
| Mortality rates inclusive of provision for disability | 100 % of IALM (2012 - 14) | 100 % of IALM (2012 - 14) |
| Withdrawal Rate (%) - Up to 30 Years | 10.00% | 11.00% |
| Withdrawal Rate (%) - 31 to 44 Years | | |
| Withdrawal Rate (%) - Above 44 Years | | |

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

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





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**

(viii) **Sensitivity analysis for gratuity liability**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| **Impact of the change in discount rate** | | |
| - Impact due to increase of 0.5 % | (72.54) | (60.88) |
| - Impact due to decrease of 0.5 % | 76.44 | 64.30 |
| **Impact of the change in salary increase** | | |
| - Impact due to increase of 0.5 % | 74.95 | 63.49 |
| - Impact due to decrease of 0.5 % | (71.83) | (60.64) |

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

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to prior period.

(ix) **Maturity profile of defined benefit obligation**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Within next 12 months | 187.73 | 127.60 |
| Between 1-5 years | 573.07 | 490.71 |
| Beyond 5 years | 619.54 | 485.20 |

(x) **Category of plan assets :**

| Particulars | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Investments with Life Insurance corporation of India | 100.00% | 100.00% |

(xi) Expected expense on the gratuity plan of the Group in the next accounting period amounts to INR 187.73 lakhs (31 March 2023: INR 127.60 lakhs) and the extent of its contribution to the plan assets is based on future liquidity position.

### B Compensated absences (unfunded)

The leave obligations cover the Group's liability for sick and earned leaves. The Group does not have an unconditional right to defer settlement for the obligation shown as current provision balance above. However based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months, therefore based on the independent actuarial report, only a certain amount of provision has been presented as current and remaining as non-current. Amount of INR 89.12 lakhs (31 March 2023: INR 52.09 lakhs) has been recognised in the statement of profit and loss.

| Particulars | 31 March 2024 | | 31 March 2023 | |
|---|---|---|---|---|
| | Current | Non-current | Current | Non-current |
| Compensated absences (unfunded) | 147.19 | 206.43 | 40.16 | 155.31 |

(i) **Actuarial economic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Discount rate | 6.40% - 7.23% | 6.40% - 7.36% |
| Future salary increase | 10.00% | 9% - 10% |

(ii) **Actuarial demographic assumptions**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Mortality rates inclusive of provision for disability | 100 % of IALM (2012 - 14) | 100 % of IALM (2012 - 14) |
| Leave Availment Rate | 2.50% | 2.50% |
| Withdrawal Rate (%) - Up to 30 Years | 10.00% | 11.00% |
| Withdrawal Rate (%) - 31 to 44 Years | | |
| Withdrawal Rate (%) - Above 44 Years | | |
| Leave encashment Rate while in service | 5.00% | 5.00% |
| Retirement age | 60 years | 60 years |

### C Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employee State Insurance Scheme which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Employee State Insurance Scheme for the year aggregated to INR 346.83 lakhs (31 March 2023: INR 527.44 lakhs).

(viii) **Maturity profile of defined benefit obligation**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Within next 12 months | 43.60 | 40.15 |
| Between 1-5 years | 89.87 | 69.65 |
| Beyond 5 years | 220.15 | 85.67 |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

## 45 Financial instruments

### A Financial assets and liabilities

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

| | As at 31 March 2024 | | Fair values hierarchy | | |
|---|---|---|---|---|---|
| **Measured at** | **Amortised Cost**** | **FVTPL***** | **Level 1** | **Level 2** | **Level 3** |
| Investments* | - | 602.57 | 602.57 | - | - |
| Trade receivables | 15,738.71 | - | - | - | - |
| Loans | - | - | - | - | - |
| Cash and cash equivalents | 3,104.12 | - | - | - | - |
| Other bank balances | 6,453.21 | - | - | - | - |
| Other financial assets | 51.73 | 0.77 | - | 0.77 | - |
| **Total** | **25,347.77** | **603.34** | **602.57** | **0.77** | **-** |
| **Measured at** | | | | | |
| Borrowings (including current maturities of non-current borrowings) | 8,007.55 | - | - | - | - |
| Trade payables | 6,955.89 | - | - | - | - |
| Other financial liabilities | 1,467.73 | - | - | - | - |
| **Total** | **16,431.17** | **-** | **-** | **-** | **-** |

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

| | As at 31 March 2023 | | Fair values hierarchy | | |
|---|---|---|---|---|---|
| **Measured at** | **Amortised Cost**** | **FVTPL***** | **Level 1** | **Level 2** | **Level 3** |
| Investments | - | 1.47 | 1.47 | - | - |
| Trade receivables | 15,598.98 | - | - | - | - |
| Loans | - | - | - | - | - |
| Cash and cash equivalents | 887.41 | - | - | - | - |
| Other bank balances | 2,455.78 | - | - | - | - |
| Other financial assets | 68.62 | 8.11 | - | 12.32 | - |
| **Total** | **19,010.79** | **9.58** | **1.47** | **12.32** | **-** |
| **Measured at** | | | | | |
| Borrowings (including current maturities of non-current borrowings) | 8,187.69 | - | - | - | - |
| Trade payables | 5,878.81 | - | - | - | - |
| Other financial liabilities | 812.79 | - | - | - | - |
| **Total** | **14,879.29** | **-** | **-** | **-** | **-** |

* Investment in subsidiaries are measured at cost as per Ind AS 27, 'Separate financial statements' and hence, not presented here.

### B Fair values hierarchy

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

The categories used are as follows:
Level 1: Quoted prices for identical instruments in an active market
Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs; and
Level 3: Inputs which are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a net asset value or valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

**Fair value of financial assets and liabilities measured at amortised cost approximates their respective carrying values as the management has assessed that there is no significant movement in factor such as discount rates, interest rates, credit risk from the date of the transition. The fair values are assessed by the management using Level 3 inputs. The carrying amounts of trade receivables, trade payables and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

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

### C Financial Risk Management

**Risk Management**

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

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Credit risk | Cash and cash equivalents, trade receivables, financial assets measured at amortised cost | Aging analysis | Bank deposits, diversification of asset base and credit limits. |
| Liquidity risk | Borrowings and other liabilities | Rolling cash flow forecasts | Availability of committed credit lines and borrowing facilities |

| Risk | Exposure arising from | Measurement | Management |
|---|---|---|---|
| Market risk - foreign exchange | Recognised financial assets and liabilities not denominated in Indian rupee (INR) | Cash flow forecasting | Forward contract, if required |
| Market risk - Interest rate | Long-term and short-term borrowings at variable rates | Sensitivity analysis | Negotiation of terms that reflect the market factors |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

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

### I Credit risk

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

**a) Credit risk management**

*(i) Credit risk rating*

The Group assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.
(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk
Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.
Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

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

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

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

**Financial assets (other than trade receivables) that expose the entity to credit risk –**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Low credit risk on financial reporting date** | | |
| Cash and cash equivalents | 3,104.12 | 887.41 |
| Other bank balances | 6,453.21 | 2,455.78 |
| Loans | - | - |
| Other financial assets | 52.50 | 76.73 |

*Cash & cash equivalents and bank deposits*

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

*Trade receivables and loans*

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

*Other financial assets measured at amortised cost*

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

*(ii) Concentration of trade receivables*

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Details of the such identified concentrations of credit risk are disclosed below:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Rajkamal Builders | 429.80 | 510.88 |
| **Total** | **429.80** | **510.88** |

**b) Expected credit losses**

**i) Financial assets (other than trade receivables)**

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

- For cash & cash equivalents and other bank balances - Since the Group deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low.
- For loans comprising security deposits paid - Credit risk for security deposits and loans is considered low because the Group is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Group's knowledge of the credit worthiness of those parties and loss allowance is measured. Credit risk in respect of other financial assets is considered as very low.

| As at 31 March 2024 | Gross carrying amount | Expected credit losses | Carrying amount net of impairment provision |
|---|---|---|---|
| Loans | - | - | - |
| Cash and cash equivalents | 3,104.12 | - | 3,104.12 |
| Other bank balances | 6,453.21 | - | 6,453.21 |
| Other financial assets | 52.50 | - | 52.50 |

| As at 31 March 2023 | Gross carrying amount | Expected credit losses | Carrying amount net of impairment provision |
|---|---|---|---|
| Loans | - | - | - |
| Cash and cash equivalents | 887.41 | - | 887.41 |
| Other bank balances | 2,455.78 | - | 2,455.78 |
| Other financial assets | 76.73 | - | 76.73 |

**ii) Expected credit loss for trade receivables under simplified approach**

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

| As at 31 March 2024 | Gross carrying amount- trade receivables | Expected loss rate | Expected credit loss |
|---|---|---|---|
| **Unrelated** | | | |
| *Not Due* | 6,958.10 | 0.00% | 0.13 |
| *Less then 6 Months past due* | 7,310.89 | 0.11% | 8.07 |
| *6 Months to 1 Year past due* | 1,105.56 | 26.38% | 291.66 |
| *1 Year to 2 Year past due* | 615.52 | 24.57% | 151.21 |
| *2 Year to 3 Year past due* | 234.77 | 94.41% | 221.66 |
| *More than 3 Years past due / credit impaired* | 544.14 | 65.71% | 357.54 |
| **Total** | **16,768.98** | | **1,030.27** |

| As at 31 March 2023 | Gross carrying amount- trade receivables | Expected loss rate | Expected credit loss |
|---|---|---|---|
| **Unrelated** | | | |
| *Not Due* | 7,366.55 | 0.22% | 16.44 |
| *Less then 6 Months past due* | 7,366.42 | 0.00% | - |
| *6 Months to 1 Year past due* | 334.60 | 11.38% | 38.10 |
| *1 Year to 2 Year past due* | 866.45 | 63.34% | 548.82 |
| *2 Year to 3 Year past due* | 102.11 | 61.99% | 63.30 |
| *More than 3 Years past due / credit impaired* | 721.71 | 68.20% | 492.20 |
| **Total** | **16,757.84** | | **1,158.86** |

**(ii) Reconciliation of loss allowance provision from beginning to end of reporting period:**

| Reconciliation of loss allowance | Trade receivables |
|---|---|
| **Loss allowance on 01 April 2022** | **571.51** |
| Add: Changes in loss allowances due to bad debts | 587.35 |
| **Loss allowance on 31 March 2023** | **1,158.86** |
| Add: Changes in loss allowances due to bad debts | 509.74 |
| Less: Changes in loss allowances due to recover from receivables | (638.33) |
| **Loss allowance on 31 March 2024** | **1,030.27** |

**II Liquidity risk**

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

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







**a) Financing arrangements**

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

| Floating rate | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| - Expiring within one year (cash credit and other facilities) | 2,154.69 | 1,801.68 |
| - Expiring beyond one year | - | - |
| Total | **2,154.69** | **1,801.68** |

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

**b) Maturities of financial liabilities**

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

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

Refer note 49 for maturities of lease liabilities

| As at 31 March 2024 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Borrowings (including current maturities of non-current borrowings and excluding lease liabilities) | 6,000.54 | 537.48 | 290.25 | 370.19 | **7,198.46** |
| Trade payables | 6,955.89 | - | - | - | **6,955.89** |
| Other financial liabilities | 1,467.73 | - | - | - | **1,467.73** |
| **Total** | **14,424.16** | **537.48** | **290.25** | **370.19** | **15,622.08** |

| As at 31 March 2023 | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
|---|---|---|---|---|---|
| Borrowings (including current maturities of non-current borrowings and excluding lease liabilities) | 6,041.53 | 1,054.29 | 343.74 | 112.25 | **7,551.82** |
| Trade payable | 5,878.81 | - | - | - | **5,878.81** |
| Other financial liabilities | 812.79 | - | - | - | **812.79** |
| **Total** | **12,733.15** | **1,054.29** | **343.74** | **112.25** | **14,243.42** |

**III Market risk**

**a) Foreign currency risk**

The Group is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the US Dollar, EURO, Singapore Dollar (SGD), Canadian Dollar(CAD) and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the functional currency of the Group. Considering the volume of foreign currency transactions, the Group's exposure to foreign currency risk is limited and the Group has taken forward contracts to manage its exposure. The Group does not hedge theses foreign currency exposures by a derivative instrument or otherwise.

**(i) Foreign currency risk exposure in USD:**

The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in USD | As at 31 March 2023 Amount in USD |
|---|---|---|
| Trade receivables | 12.05 | 12.16 |
| Trade payables | (0.06) | (1.49) |
| Non-current borrowings | - | (3.07) |
| **Net exposure to foreign currency risk (liabilities)** | **11.99** | **7.60** |

**Sensitivity***

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **USD sensitivity** | | |
| INR/USD- increase by 5% | 0.60 | 0.38 |
| INR/USD- decrease by 5% | (0.60) | (0.38) |

** Holding all other variables constant*

**(ii) Foreign currency risk exposure in EURO:**

The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in EURO | As at 31 March 2023 Amount in EURO |
|---|---|---|
| Trade receivables | 1.75 | 3.58 |
| Trade payables | (0.07) | (1.11) |
| Non-current borrowings | (1.50) | (3.00) |
| **Net exposure to foreign currency risk (liabilities)** | **0.18** | **(0.53)** |

**Sensitivity***
The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **EURO sensitivity** | | |
| INR/EURO- increase by 5% | 0.01 | (0.03) |
| INR/EURO- decrease by 5% | (0.01) | 0.03 |

** Holding all other variables constant*

**(iii) Foreign currency risk exposure in SGD:**
The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in SGD | As at 31 March 2023 Amount in SGD |
|---|---|---|
| Trade receivables | 32.82 | 8.03 |
| Trade payables | - | (0.08) |
| **Net exposure to foreign currency risk (liabilities)** | **32.82** | **7.95** |

**Sensitivity***
The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **SGD sensitivity** | | |
| INR/SGD- increase by 5% | 1.64 | 0.40 |
| INR/SGD- decrease by 5% | (1.64) | (0.40) |

** Holding all other variables constant*

**(iv) Foreign currency risk exposure in Canadian Dollar ("CAD"):**
The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in CAD | As at 31 March 2023 Amount in CAD |
|---|---|---|
| Trade receivables | 0.03 | 0.03 |
| **Net exposure to foreign currency risk (liabilities)** | **0.03** | **0.03** |

**Sensitivity***
The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **CAD sensitivity** | | |
| INR/CAD- increase by 5% | 0.00 | 0.00 |
| INR/CAD- decrease by 5% | (0.00) | (0.00) |

** Holding all other variables constant*

**(v) Foreign currency risk exposure in GBP:**
The Group's exposure to foreign currency risk at the end of the reporting period (Unhedged) are as follows:

| Particulars | As at 31 March 2024 Amount in GBP | As at 31 March 2023 Amount in GBP |
|---|---|---|
| Trade receivables | 2.44 | 2.75 |
| Trade payables | (0.08) | - |
| **Net exposure to foreign currency risk (liabilities)** | **2.36** | **2.75** |

**Sensitivity***
The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **GBP sensitivity** | | |
| INR/GBP- increase by 5% | 0.12 | 0.14 |
| INR/GBP- decrease by 5% | (0.12) | (0.14) |

** Holding all other variables constant*

**4 Interest rate risk**
The Group's policy is to minimise interest rate cash flow risk exposures on external financing. The Group is exposed to changes in interest rates through bank borrowings carrying variable interest rates.

*Interest rate risk exposure*
Below is the overall exposure of the Group to interest rate risk:

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Variable rate borrowings | 6,910.17 | 7,411.26 |







***Sensitivity***
Below is the sensitivity of profit or loss in interest rates.

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Interest sensitivity*** | | |
| Interest rates – increase by 100 basis points (100 bps) | 69.10 | 74.11 |
| Interest rates – decrease by 100 basis points (100 bps) | (69.10) | (74.11) |

** Holding all other variables constant*

**5 Price risk**
The Group do have investments in equity instruments which create an exposure to price risk. Considering, the amount of quoted investments is insignificant, sensitivity analysis to price changes have not been disclosed.

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Investments (**quoted**) | 602.57 | 1.47 |

**46 Capital management**

The Group's capital management objectives are
- to ensure the Group's ability to continue as a going concern
- to provide an adequate return to shareholders

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

**(a) Debt equity ratio**

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| Net debt* | 8,007.56 | 8,187.70 |
| Total equity | 35,121.06 | 23,872.54 |
| **Net debt to equity ratio** | **22.80%** | **34.30%** |

* Net Debts includes borrowing and lease liability

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

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Number of shareholders | 13.00 | 13.00 |
| Number of shares held on which dividend was due (in INR)* | 6,00,545 | 4,10,607 |
| Amount remitted (gross): | | |
| - Final dividend paid in 31 March 2024, pertains to financial year 2022-23 (31 March 2023: pertains to financial year 2021-22) | 36.03 | 14.78 |

*The number of shares represent the shares held by the Non-resident and foreign shareholders who have NRE/NRO accounts and the dividend is being disbursed to those accounts.

*(This space has been intentionally left blank)*

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**48 Related party transactions**

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

**(i) Key management personnel**

Mr. Pratik Patel, Chairman & Managing Director*
Mr. Axel Schutte, Director
Mr. Suresh Patel, Executive Director *
Mr. Brij Mohan Maheshwari, Independent Director
Mr. Sunil Kumar Choksi, Independent Director (till 24 August 2022)
Mr. Vishwapati Trivedi, Independent Director
Ms. Sunita Kishnani, Independent Director
Mr. DT Manwani, Independent Director
Mr. Rahul Patel, Director
Mr. Dharmendra Jain, Chief Financial Officer
Mr. Tushar Kharpade, Company Secretary

**(ii) Joint Venture company**

Jash Invent India Private Limited (w.e.f 25 September 2023)

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

Mrs. Bhairavi Patel (wife of Mr. Pratik Patel)
Mr. Harsh Patel (son of Mr. Pratik Patel)
Mrs. Swati Desai (sister of Mr. Pratik Patel)
Mr. Tarang Amin (brother-in law of Mr. Pratik Patel)
Mrs. Tejal Desai (Daughter of Mr. Suresh Patel)

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

Patamin Investments Private Limited*
Micro Flat Datums Private Limited
Jash Flowcon Engineers (a partnership firm)
Sarabhai Endeavours Private Limited

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**(iv) Transactions with related parties during the year**

| Particulars | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Group | | Total | |
|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Managerial remuneration (refer note 58)** | **289.39** | **162.24** | **-** | **-** | **289.39** | **162.24** |
| Pratik Patel | 150.32 | 111.78 | - | - | 150.32 | 111.78 |
| Suresh Patel | 55.04 | 50.46 | - | - | 55.04 | 50.46 |
| Dharmendra Jain | 67.65 | - | - | - | 67.65 | - |
| Tushar Kharpade | 16.38 | - | - | - | 16.38 | - |
| | | | | | | |
| **Shares isued under ESOP** | **94.31** | **-** | **-** | **-** | **94.31** | **-** |
| Dharmendra Jain | 89.19 | - | - | - | 89.19 | - |
| Tushar Kharpade | 5.12 | - | - | - | 5.12 | - |
| | | | | | | |
| **Sale of goods** | **-** | **-** | **52.36** | **27.52** | **52.36** | **27.52** |
| Micro Flat Datums Private Limited | - | - | 52.36 | 27.52 | 52.36 | 27.52 |
| | | | | | | |
| **Job work charges and labour charges** | **-** | **-** | **161.93** | **121.35** | **161.93** | **121.35** |
| Jash Flowcon Engineers | - | - | 161.68 | 121.13 | 161.68 | 121.13 |
| Micro Flat Datums Private Limited | - | - | 0.25 | 0.22 | 0.25 | 0.22 |
| | | | | | | |
| **Interest expense** | **-** | **-** | **49.65** | **50.56** | **49.65** | **50.56** |
| Patamin Investments Private Limited^ | | | 49.65 | 50.56 | 49.65 | 50.56 |
| | | | | | | |
| **Lease payments** | **-** | **-** | **60.00** | **60.00** | **60.00** | **60.00** |
| Patamin Investments Private Limited | - | - | 60.00 | 60.00 | 60.00 | 60.00 |

^Interest expense related to Patamin Investments Private Limited is the notional expense booked pursuant to the guidance of IND AS 116, Leases.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**(v) Transactions with related parties during the year (Cont'd)**

| Particulars | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Group | | Total | |
|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| **Dividend for the year** | **208.22** | **137.72** | **31.37** | **19.14** | **239.59** | **156.86** |
| Pratik Patel | 84.72 | 53.78 | | - | 84.72 | 53.78 |
| Axel Schutte | 47.57 | 28.49 | - | - | 47.57 | 28.49 |
| Patamin Investments Private Limited | - | - | 31.37 | 19.14 | 31.37 | 19.14 |
| Bhairavi Patel | 45.14 | 27.08 | - | - | 45.14 | 27.08 |
| Swati Desai | 2.36 | 1.42 | - | - | 2.36 | 1.42 |
| Tarang Amin | - | 2.97 | - | - | - | 2.97 |
| Avani Vipul Patel | - | 6.00 | - | - | - | 6.00 |
| Tejal Desai | 2.97 | 1.78 | - | - | 2.97 | 1.78 |
| Harsh Patel | 25.05 | 16.20 | - | - | 25.05 | 16.20 |
| Dharmendra Jain | 0.41 | - | - | - | 0.41 | - |
| | | | | | | |
| **Expenses incurred by Group on behalf of related parties** | **0.23** | **0.29** | **9.07** | **10.87** | **9.30** | **11.16** |
| Jash Flowcon engineers | - | - | 2.75 | 4.66 | 2.75 | 4.66 |
| Patamin Investments Private Limited | - | - | - | 0.94 | - | 0.94 |
| Micro Flat Datums Private Limited | - | - | 6.32 | 5.27 | 6.32 | 5.27 |
| Pratik Patel | 0.23 | 0.29 | - | - | 0.23 | 0.29 |
| | | | | | | |
| **Reimbursement of expenses** | **35.75** | **30.51** | **-** | **-** | **35.75** | **30.51** |
| Pratik Patel | 31.61 | 26.26 | - | - | 31.61 | 26.26 |
| Dharmendra Jain | 3.32 | - | - | - | 3.32 | - |
| Tushar Kharpade | 0.82 | - | - | - | 0.82 | - |
| Axel Schutte | - | 4.25 | - | - | - | 4.25 |
| | | | | | | |
| **Sitting fees** | **6.50** | **5.75** | **-** | **-** | **6.50** | **5.75** |
| Mr. Brij Mohan Maheshwari | 1.75 | 1.50 | - | - | 1.75 | 1.50 |
| Mr. Sunil Kumar Choksi | - | 0.50 | - | - | - | 0.50 |
| Mr. Vishwapati Trivedi | 1.75 | 1.25 | - | - | 1.75 | 1.25 |
| Ms. Sunita Kishnani | 1.25 | 1.25 | - | - | 1.25 | 1.25 |
| Mr. DT Manwani | 1.75 | 1.25 | - | - | 1.75 | 1.25 |

* For guarantees given by related parties in respect of company's borrowings, refer note 23(a) and 23(b).





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**48 Related party transactions (continued)**

**(vi) Year end balances**

| Particulars | Key management personnel and their relatives | | Entities in which key management personnel/director is having significant influence/ interested/ entity having significant influence over the Group | | Total | |
|---|---|---|---|---|---|---|
| | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 | 31 March 2024 | 31 March 2023 |
| | | | | | | |
| **Trade receivables** | **-** | **-** | **1.43** | **8.07** | **1.43** | **8.07** |
| Micro Flat Datums Private Limited | - | - | 1.43 | 8.07 | 1.43 | 8.07 |
| | | | | | | |
| **Trade payables** | **-** | **-** | **3.07** | **13.01** | **3.07** | **13.01** |
| Micro Flat Datums Private Limited | - | - | (6.32) | (5.14) | (6.32) | (5.14) |
| Jash Flowcon Engineers | - | - | 3.99 | 12.75 | 3.99 | 12.75 |
| Patamin Investments Private Limited | - | - | 5.40 | 5.40 | 5.40 | 5.40 |
| | | | | | | |
| **Security deposits** | **-** | **-** | **37.50** | **37.50** | **37.50** | **37.50** |
| Patamin Investments Private Limited^^ | | | 37.50 | 37.50 | 37.50 | 37.50 |
| | | | | | | |
| **Lease liability** | **-** | **-** | **469.75** | **482.33** | **469.75** | **482.33** |
| Patamin Investments Private Limited^^^ | | | 469.75 | 482.33 | 469.75 | 482.33 |
| | | | | | | |
| **Remuneration payable** | **9.23** | **6.55** | **-** | **-** | **9.23** | **6.55** |
| Pratik Patel | 5.92 | 4.40 | - | - | 5.92 | 4.40 |
| Suresh Patel | 2.26 | 2.15 | - | - | 2.26 | 2.15 |
| Dharmendra Jain | 0.01 | - | - | - | 0.01 | |
| Tushar Kharpade | 1.04 | - | - | - | 1.04 | |

^^The above amount of security deposit is the amount given as per agreement. However, the same has been carried at amortised cost.
^^^Lease liability is booked pursuant to the guidance of Ind AS 116, Leases.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**49 Lease related disclosures**

The Group has applied Ind AS 116 "Leases" for accounting of Leases. The Group has leases for various land locations at different plant sites across India and related facilities. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Group classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

**a) Lease payments not included in measurement of lease liability**

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

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Short-term leases | 8.12 | 6.80 |
| Leases of low value assets | 0.60 | 0.60 |

**b)** Total cash outflow for leases for the year ended 31 March 2024 was INR 159.99 lakhs (31 March 2023: INR 149.55 lakhs)

**c) Maturity of lease liabilities**

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

| Gross lease payments | Minimum lease payments due | | | | | | |
|---|---|---|---|---|---|---|---|
| | Within 1 year | 1-2 years | 2-3 years | 3-4 years | 4-5 years | More than 5 years | Total |
| **31 March 2024** | 183.72 | 184.76 | 143.02 | 65.33 | 65.33 | 891.96 | **1,534.12** |
| **31 March 2023** | 152.38 | 88.91 | 65.33 | 65.33 | 65.33 | 970.14 | **1,407.42** |

**d) Extension and termination options**

The Group has lease contracts for the land sites where the manufacturing plants are being set up. The Group has considered enforceable extension options available for land leases in lease period assessment since the Group can enforce its right to extend the lease beyond the initial lease periodic likely to be benefited by exercising the extension options.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**50 Revenue from Contracts with Customers**

Indian Accounting Standard 115 Revenue from Contracts with Customers ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:
(i) Identify the contracts with customer;
(ii) Identify separate performance obligations in the contract;
(iii) Determine the transaction price;
(iv) Allocate the transaction price to the performance obligations; and
(v) Recognise revenue when a performance obligation is satisfied.

The Group supplies various category of equipments for water control and water treatment along with installation services in some cases. The revenue in respect of these is recognised on point in time basis when the control of goods is transferred to the customer. Following are the major category of products supplied by the Group.

**Description of kind of goods and services**
(i) Castings
(ii) Screening equipment
(iii) Water control gate
(iv) Valves and valves components
(v) Process Equipments
(vi) Hydro Screw
(vii) Special purpose valve

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

**(a) Disaggregation of revenue**

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

**For the year ended 31 March 2024**

| Revenue from contracts with customers | Goods | Services | Other operating revenue* | Total |
|---|---|---|---|---|
| **Revenue by geography** | | | | |
| India | 19,759.17 | 105.55 | 712.10 | 20,576.82 |
| USA | 21,796.20 | 79.37 | 19.76 | 21,895.33 |
| Singapore | 3,527.48 | - | - | 3,527.48 |
| Hong Kong | 2,472.61 | - | - | 2,472.61 |
| Japan | 575.11 | - | - | 575.11 |
| United Kingdom | 390.54 | - | - | 390.54 |
| Germany | 357.46 | - | - | 357.46 |
| Canada | 265.40 | - | - | 265.40 |
| Others | 1,506.23 | (0.00) | - | 1,506.23 |
| **Total** | **50,650.20** | **184.92** | **731.86** | **51,566.98** |
| **Revenue by time** | | | | |
| Revenue recognised at point in time | 50,650.20 | 184.92 | 731.86 | 51,566.98 |
| Revenue recognised over time | - | - | - | - |
| **Total** | **50,650.20** | **184.92** | **731.86** | **51,566.98** |

**For the year ended 31 March 2023**

| Revenue from contracts with customers | Goods | Services | Other operating revenue* | Total |
|---|---|---|---|---|
| **Revenue by geography** | | | | |
| India | 18,554.10 | 48.46 | 686.03 | 19,288.59 |
| USA | 15,693.28 | 64.12 | - | 15,757.40 |
| Hongkong | 1,870.58 | - | - | 1,870.58 |
| United Kingdom | 913.28 | - | - | 913.28 |
| Singapore | 600.13 | - | - | 600.13 |
| Spain | 457.09 | - | - | 457.09 |
| Germany | 307.51 | - | - | 307.51 |
| Qatar | 279.34 | - | - | 279.34 |
| Others | 690.53 | 16.75 | - | 707.28 |
| **Total** | **39,365.83** | **129.33** | **686.03** | **40,181.19** |
| **Revenue by time** | | | | |
| Revenue recognised at point in time | 39,365.83 | 129.33 | 686.03 | 40,181.19 |
| Revenue recognised over time | - | - | - | - |
| **Total** | **39,365.83** | **129.33** | **686.03** | **40,181.19** |

* Export incentives has been excluded from other operating revenue as same does not pertain to contract with customers

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**(b) Assets and liabilities related to contracts with customers**

| Description | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| | Current | Current |
| **Contract liabilities** | | |
| Advance from customers* | 7,489.34 | 4,814.28 |

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

**(c) Significant change in contract assets/liabilities**

| (i) Description- Advance from customers | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Opening balance** | **4,814.28** | **2,406.03** |
| Less: Goods and services delivered during the period against opening contract liabilities (net) | (3,206.98) | (1,488.84) |
| Add: Advances received during the period (net) | 5,882.06 | 3,897.09 |
| **Closing Balance** | **7,489.36** | **4,814.28** |

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

| Description | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Contract price | 51,586.97 | 40,181.95 |
| Less: Late delivery charges, discount, rebates, credits etc. | 19.99 | 0.76 |
| **Revenue from operations as per Statement of Profit and Loss** | **51,566.98** | **40,181.19** |

**(e)** The Group has not incurred any cost for obtaining contracts except administrative cost required for preparation of offers and the same is charged to Statement of Profit and Loss.

**(f)** At the end of the financial year, there are no unsatisfied performance obligation for the contracts with original expected period of satisfaction of performance obligation of more than one year.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**51 Share-based payments**

**a) Employee option plan**

The establishment of the Jash Engineering Employee Stock Option Scheme was approved by shareholders through postal ballot on 10 August 2019. The Employee Stock Option Plan is designed to provide incentives to employees who have completed a minimum three years in the Company. Under the plan, participants are granted options which vest in four Trancheees in four years from the grant date. Participation in the plan is at the board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Once vested, the options remain exercisable for a period of one month (As followed by management based on discretion given by scheme).

Options carry no dividend or voting rights until they are exercised. When exercisable, each option is convertible into one equity share. The exercise price of the options determined at 20% discount on the closing market price of one day prior to the date of grant on stock exchange where the equity shares of the Company are listed.

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

| | For the year ended 31 March 2024 | | For the year ended 31 March 2023 | |
|---|---|---|---|---|
| | Average exercise price per share option (INR) | Number of options | Average exercise price per share option (INR) | Number of options |
| Opening balance | 118.64 | 1,19,640 | 118.64 | 2,31,610 |
| Granted during the year Tranche II | 688.24 | 2,11,600 | - | - |
| Exercised during the year from Tranche I | 118.64 | (1,16,420) | 118.64 | (88,630) |
| Exercised during the year from Tranche II | 688.24 | (19,720) | - | - |
| Expired during the year Tranche I | 118.64 | (3,220) | 118.64 | (23,340) |
| Expired during the year Tranche II | 688.24 | (14,400) | - | |
| **Closing balance** | | **1,77,480** | | **1,19,640** |

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

| Grant Date | Expiry Date | Tranche | Exercise price (INR) | Fair value of options (INR) | Share options | |
|---|---|---|---|---|---|---|
| | | | | | As at 31 March 2024 | As at 31 March 2023 |
| 14 February 2020 | 14 March 2021 | Tranche I | 118.64 | 61.80 | - | 11,964 |
| 14 February 2020 | 14 March 2022 | Tranche I | 118.64 | 71.33 | - | 23,928 |
| 14 February 2020 | 14 March 2023 | Tranche I | 118.64 | 80.68 | - | 35,892 |
| 14 February 2020 | 14 March 2024 | Tranche I | 118.64 | 87.43 | - | 47,856 |
| 04 February 2023 | 04 March 2024 | Tranche II | 688.24 | 269.21 | 19,720 | - |
| 04 February 2023 | 04 March 2025 | Tranche II | 688.24 | 347.82 | 39,440 | - |
| 04 February 2023 | 04 March 2026 | Tranche II | 688.24 | 404.78 | 59,160 | - |
| 04 February 2023 | 04 March 2027 | Tranche II | 688.24 | 480.90 | 78,880 | - |
| **Total** | | | | | **1,97,200** | **1,19,640** |
| Weighted average remaining contractual life of options outstanding at end of period | | | | | **2.95** | **1.15** |

**Fair value of options granted**

The fair value at grant date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for options granted during the year ended 31 March 2024 included:

| Particulars | Tranche I | Tranche II |
|---|---|---|
| Options will vest in a graded manner over four years from the date of grant. These options are exercisable within a period of one month of vesting. | | |
| Exercise price | INR 118.64 | INR 688.24 |
| Closing share price at previous day of grant date | INR 148.30 | INR 860.30 |
| Weighted average expected price volatility* | 72.44% | 52.85% |
| Weighted average expected dividend yield | 1.36% | 0.90% |
| Weighted average expected risk-free interest rate | 6.10% | 7.09% |

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

**(c) Expense arising from share-based payment transactions**

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

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| Employee option plan | 66.49 | 44.48 |
| **Total employee share-based payment expense** | **66.49** | **44.48** |

The above expense pertains to 329,500 options.

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**52 Ratios to disclosed as per requirement of Schedule III to the Act**

| | Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **a.** | **Current ratio** | | |
| | Current assets (Numerator) | 44,020.02 | 31,605.29 |
| | Current liabilities (Denominator) | 23,154.16 | 19,169.08 |
| | **Current ratio** | **1.90** | **1.65** |
| | % Change as compared to the preceding year | 15.31% | 5.54% |
| **b.** | **Debt-equity ratio** | | |
| | Total debt (Numerator) | 8,007.55 | 8,187.69 |
| | Shareholder's equity (Denominator) | 35,121.06 | 23,872.54 |
| | **Debt-equity ratio** | **0.23** | **0.34** |
| | % Change as compared to the preceding year | (33.52%) | (21.90%) |
| | **Explanation for change in the ratio by more than 25% as compared to the preceding year:** | | |
| | During the year repayment of borrowing and improvement in net profits due to higher sales impacting improvement in Debt-Equity ratio | | |
| **c.** | **Debt service coverage ratio** | | |
| | Earnings available for debt service (Numerator) * | 8,546.95 | 6,922.12 |
| | Debt service (Denominator) # | 8,320.18 | 6,797.09 |
| | **Debt service coverage ratio** | **1.03** | **1.02** |
| | % Change as compared to the preceding year | 0.87% | (23.74%) |
| | * Earning for Debt Service = Net Profit after taxes + Interest expense + Depreciation | | |
| | # Debt service = Interest and Lease payments + Principal repayments | | |
| **d.** | **Return on equity ratio** | | |
| | Profit for the period/year (Numerator) | 6,676.92 | 5,170.12 |
| | Average Shareholder's equity (Denominator) | 29,496.80 | 23,872.54 |
| | **Return on equity** | **0.23** | **0.22** |
| | % Change as compared to the preceding year | 4.52% | 25.64% |
| **e.** | **Dividend Payout Ratio** | | |
| | Dividend Paid during the year (Numerator) | 721.80 | 429.89 |
| | Net Income for the year (Denominator) | 5,170.12 | 3,217.82 |
| | **Dividend Payout** | **0.14** | **0.13** |
| | % Change as compared to the preceding year | 4.50% | 7.32% |
| **f.** | **Inventory turnover ratio** | | |
| | **On Raw material** | | |
| | Cost of goods sold (Numerator) | 24,178.50 | 19,145.01 |
| | Average inventory of raw materials (Denominator) * | 6,495.74 | 4,813.26 |
| | **Inventory turnover ratio** | **3.72** | **3.98** |
| | % Change as compared to the preceding year | (6.42%) | (15.52%) |
| | **On Finished goods and Work in progress** | | |
| | Revenue from operations (Numerator) | 51,566.98 | 40,198.62 |
| | Average inventory of finished goods and work in progress (Denominator) * | 6,967.25 | 4,142.67 |
| | **Inventory turnover ratio** | **7.40** | **9.70** |
| | % Change as compared to the preceding year | (23.73%) | (3.91%) |
| | * Average inventory = (Opening balance + Closing balance / 2) | | |
| **g.** | **Trade receivables turnover ratio** | | |
| | Net sales (Numerator) | 51,566.98 | 40,198.62 |
| | Average trade receivable (Denominator) * | 15,668.85 | 14,541.18 |
| | **Trade receivables turnover ratio** | **3.29** | **2.76** |
| | % Change as compared to the preceding year | 19.05% | (13.30%) |
| | * Average trade receivables = (Opening balance + Closing balance / 2) | | |
| **h.** | **Trade payables turnover ratio** | | |
| | Purchases (Numerator) | 25,921.84 | 20,551.77 |
| | Average trade payable (Denominator) * | 6,417.35 | 5,891.86 |
| | **Trade payables turnover ratio** | **4.04** | **3.49** |
| | % Variance | 15.80% | 0.07% |
| | * Average trade payables = (Opening balance + Closing balance / 2) | | |





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|---|
| **i.** | **Net capital turnover ratio** | | |
| | Net sales (Numerator) | 51,566.98 | 40,198.62 |
| | Working capital (Denominator) * | 20,865.86 | 12,436.22 |
| | **Net capital turnover ratio** | **2.47** | **3.23** |
| | % Change as compared to the preceding year | (23.54%) | (20.94%) |
| | * Working capital = Total Current assets - Total Current liabilities | | |
| | **Explanation for change in the ratio by more than 25% as compared to the preceding year:** | | |
| | The variation due to increase in sales during the year | | |
| **j.** | **Net profit ratio** | | |
| | Profit for the year (Numerator) | 6,676.92 | 5,170.12 |
| | Net sales (Denominator) | 51,566.98 | 40,198.62 |
| | **Net profit ratio** | **0.13** | **0.13** |
| | % Change as compared to the preceding year | 0.67% | 46.91% |
| **k.** | **Return on capital employed** | | |
| | Earning before interest and taxes (Numerator) | 9,053.46 | 6,270.51 |
| | Capital employed (Denominator)* | 42,319.52 | 31,424.35 |
| | **Return on capital employed** | **0.21** | **0.20** |
| | % Change as compared to the preceding year | 7.21% | 24.12% |
| | * Capital Employed = Total equity + Total debt | | |
| **l.** | **Return on investment** | | |
| | Profit before taxes (Numerator) | 8,322.58 | 5,649.36 |
| | Total Assets (Denominator) | 60,425.55 | 44,851.85 |
| | **Return on investment** | **0.14** | **0.13** |
| | % Change as compared to the preceding year | 9.35% | 34.46% |

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**53 Segment Reporting**

In accordance with Ind AS 108, the Board of Directors, being the Chief operating decision maker of the Group has determined "Manufacturing and trading of varied engineering products for general engineering industry, water and waste water industry and bulk solids handling industry" as the only operating segment. Further in terms of paragraph 31 of Ind AS 108, entity wide disclosures have been presented below:

| Particulars | For the year ended 31 March 2024 | For the year ended 31 March 2023 |
|---|---|---|
| **Revenue from external customers** | | |
| Within India | 20,576.81 | 19,306.04 |
| Outside India | 30,990.17 | 20,892.58 |
| **Revenue from operations** | **51,566.98** | **40,198.62** |

| Particulars | As at 31 March 2024 | As at 31 March 2023 |
|---|---|---|
| **Non-current assets^** | | |
| Within India | 12,189.39 | 8,965.71 |
| Outside India | 3,337.39 | 3,281.08 |
| **Non-current assets** | **15,526.78** | **12,246.79** |
| **Segment liabilities** | | |
| Within India | 20,093.23 | 18,376.01 |
| Outside India | 5,211.26 | 2,603.31 |
| **Total liabilities** | **25,304.49** | **20,979.32** |

^ Non-current assets, other than financial instruments and income tax assets (net)/deferred tax asset (net).

No single external customer amounts to 10% or more of the Group's revenue.

**54 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 2024, i.e. total assets minus total liabilities | | Share in profit or (loss) for 31 March 2024 | | Share in other comprehensive income for 31 March 2024 | | Share in total comprehensive income for 31 March 2024 | |
|---|---|---|---|---|---|---|---|---|
| | Amount | As a % of consolidated net assets | Amount | As a % of consolidated profit and loss | Amount | As a % of consolidated profit and loss | Amount | As a % of consolidated profit and loss |
| **Parent Company** | | | | | | | | |
| Jash Engineering Limited | 33,158.61 | 94.41% | 5,011.85 | 75.06% | (90.63) | (105.13%) | 4,921.22 | 72.77% |
| **Subsidiaries** | | | | | | | | |
| Shivpad Engineers Private Limited | 1,555.88 | 4.43% | 190.84 | 2.86% | 1.71 | 0.02 | 192.55 | 2.85% |
| Jash USA Inc. (inclusive of Rodney Hunt Inc.)* | 5,933.30 | 16.89% | 1,743.50 | 0.26 | 69.91 | 81.10% | 1,813.42 | 26.81% |
| Mahr Maschinenbeau GmbH | 514.79 | 1.47% | (101.18) | (1.52%) | (0.27) | (0.31%) | (101.45) | (1.50%) |
| Engineering and Manufacturing Jash Limited | 31.21 | 0.09% | 22.59 | 0.00 | 0.35 | 0.00 | 22.93 | 0.00 |
| Jash Invent India Private Limited | (12.27) | -0.03% | (12.27) | (0.18%) | - | - | (12.27) | (0.18%) |
| Less: Inter Group eliminations | (6,060.48) | (17.26%) | (178.41) | (2.67%) | 105.14 | 1.22 | (73.27) | (1.08%) |
| **Total** | **35,121.06** | **100.00%** | **6,676.92** | **100.00%** | **86.21** | **100.00%** | **6,763.13** | **100.00%** |

*Rodney Hunt Inc. is a wholly owned subsidiary of Jash USA Inc, incorporated with no capital. The Company has obtained the certificate of Termination of Rodney Hunt Inc. (step down subsidiary of Jash USA Inc.) from office of the secretary of state (Texas) in the manner required by the Texas Business Organisations Code. However the business in Jash USA Inc. will be conducted using Rodney Hunt brand.

**55 Additional regulatory information not disclosed elsewhere in the financial statements**

a) The Group do not have any Benami property and no proceedings have been initiated or pending against the Company and its Indian subsidiaries for holding any Benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

b) The Group has not been declared a 'Wilful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

c) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

d) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

e) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

f) The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

g) The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous

h) The Holding Company and its Indian subsidiary do not have any transactions with struck off companies.

i) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

j) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries





**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

k) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

l) The parent company has filed quarterly returns or statements of current assets with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of accounts other than those as set out below: (INR in lakhs)

| Name of the Bank / financial institution | Working capital limit sanctioned | Nature of current assets offered as security | Quarter | Nature | Amount as per books of accounts | Amount disclosed as per return | Difference | Remarks/ reason, if any |
|---|---|---|---|---|---|---|---|---|
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India | 7,450.00 | For SBI & Axis Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 30-Jun-23 | Inventory | 12,856.37 | 12,005.55 | 850.82 | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br>1) INR 813.17 lakhs inventory increase due to revenue cut-off and reversal<br>2) INR 37.65 lakhs due to change in valuation of price difference,freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 8,552.57 | 9,719.52 | (1,166.95) | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 333.20 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of audit/ review. During quarter ended June 2023, foreign exchange gain was recorded amounting to INR 186.18 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of review. The same contributes an overall decline amounting to INR 1,144.38 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 124.45 lakhs. |
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India<br><br>Kotak Mahindra Bank Limited | 7,450.00 | For SBI, Axis & Kotak Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 30-Sep-23 | Inventory | 14,469.96 | 14,471.62 | (1.66) | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br><br>1) INR 1.66 lakhs due to change in valuation of price difference,freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 8,641.99 | 8,532.95 | 109.04 | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 319.76 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of review. During quarter ended September 2023, foreign exchange gain was recorded amounting to INR 161.77 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of review. The same contributes an overall decline amounting to INR 8.37 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 275.40 lakhs. |

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India<br><br>Kotak Mahindra Bank Limited | 7,450.00 | For SBI, Axis & Kotak Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 31-Dec-23 | Inventory | 15,763.58 | 15,772.89 | (9.31) | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br><br>2) INR 9.31 lakhs due to change in valuation of price difference, freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 9,173.14 | 8,533.71 | 639.43 | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 319.76 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of audit/ review. During quarter ended December 2023, foreign exchange gain was recorded amounting to INR 218.58 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of review. The same contributes an overall increase amounting to INR 412.86 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 327.75 lakhs. |
| Axis Bank Limited<br><br>HDFC Bank Limited<br><br>State Bank of India<br><br>Kotak Mahindra Bank Limited | 7,450.00 | For SBI, Axis & Kotak Banks entire Inventory and Receivables<br><br>For HDFC Bank entire current assets | 31-Mar-24 | Inventory | 13,672.30 | 13,664.82 | 7.48 | As per the Company practice, the adjustments with respect to obsolescence and valuation (overhead allocation) take place at the end of review which leads to a variance in the balance as per books and as disclosed in the return. The same are as follows:<br><br>1) INR 7.48 lakhs due to change in valuation of price difference, freight bill booking, overhead & non moving provision of inventory. |
| | | | | Trade receivables | 12,496.92 | 12,818.84 | (321.92) | The differences is due to following reasons:<br>1) The receivable balances submitted to the bank are on gross basis i.e. before providing for any provision for ECL. The same results a decline in receivable balance as per books of accounts amounting to INR 336.36 lakhs;<br>2) The Company records the foreign exchange gain/ (loss) at the time of finalisation of working i.e. near the end of audit. During quarter ended March 2024, foreign exchange gain was recorded amounting to INR 140.73 lakhs, which results in an increase in receivable balance as per books of accounts;<br>3) The cut-off and other adjustments such as netting of advance received from customer against receivable balances, balances written-off, TDS adjustement etc. takes place at the end of audit. The same contributes an overall decline amounting to INR 259.18 lakhs in balances as per books of accounts;<br>4) Further, balance submitted to bank doesn't includes the bills receivables which contributes an increase in balances as per books amounting to INR 132.89 lakhs. |

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**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

m) The subsidiary Shivpad Engineers Private Limited, has filed quarterly returns or statements of current assets with the banks in lieu of the sanctioned working capital facilities, which are in agreement with the books of accounts other than those as set out below: (INR in lakhs)

| Name of the Bank / financial institution | Working capital limit sanctioned | Nature of current assets offered as security | Quarter | Nature | Amount as per books of accounts | Amount disclosed as per return | Difference | Remarks/ reason, if any |
|---|---|---|---|---|---|---|---|---|
| Axis Bank | 150.00 | Hypothecation charge on entire current assets of the company (Present and Future) on exclusive basis. | 30-Jun-23 | Inventory | 59.77 | 59.77 | - | There is variance as debtors as per stock statement does not include balances of holding company but include the balances receivable against proforma invoice and certain other nominal variations which are not material. |
| | | | | Trade receivables | 154.21 | 267.46 | (113.25) | |
| | | | 30-Sep-23 | Inventory | 61.17 | 61.17 | - | |
| | | | | Trade receivables | 201.34 | 300.92 | (99.58) | |
| | | | 31-Dec-23 | Inventory | 118.23 | 118.23 | - | |
| | | | | Trade receivables | 197.68 | 191.27 | 6.41 | |
| | | | 31-Mar-24 | Inventory | 79.44 | 79.44 | - | |
| | | | | Trade receivables | 368.11 | 471.04 | (102.93) | |

**56** The Company has two units located in Special Economic Zone (the "SEZ"), Unit I and Unit II respectively. The Company is eligible to claim deduction under section 10AA of Income Tax Act, 1961 for both these units.

Unit I was 100% exempted from income tax till 31 March 2015, 50% exempted from 01 April 2015 to 31 March 2020 and from 01 April 2020 to 31 March 2025, the company is eligible to claim 50% exemption subject to compliance of certain conditions and transfer of 50% profits to SEZ reserve Account. Similarly, Unit II is 100% exempted from income tax till 31 March 2024, 50% exempted from 1 April 2024 to 31 March 2029 and further 50% exempted (but subject to compliance of certain conditions and transfer of 50% profits to SEZ reserve Account) from 1 April 2029 to 31 March 2034 under the provision of Section 10AA of Income Tax Act, 1961. During the year, the Company has transferred to SEZ re-investment reserve amounting to INR 736.33 lakhs for financial year 2023-24 (31 March 2023: INR 358.98 lakhs), equivalent to 50% profits of SEZ Unit I. Further, the Company transferred INR 90.33 lakhs to retained earnings from SEZ re-investment reserve on utilisation for financial year 2023-24.

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.

**57** The Company has not received the payment of outstanding foreign receivables within the period mentioned in the Master Circular on Export of Goods and Services issued by the Reserve Bank of India ("RBI"). Trade receivables amounting to INR 448.53 lakhs (31 March 2023: INR 73.18 lakhs) due from overseas parties is outstanding for a period of more than nine months.

With respect to this, for receivables amounting to INR 177.69 lakhs, the Company has subsequent to year end made application to RBI through its authorised dealer bank for seeking extension of period of realisation beyond 9 months along with detailed plan of action as allowed to authorised dealer bank under clause (i) of para C.18 of Master Direction No. 16/15-16 (RBI/FED/2015-16/11). Pending the final outcome of the aforesaid matters, which is presently unascertainable, no adjustments have been made in these standalone financial statements.
Additionally, with respect to this, for receivables amounting to INR 261.83 lakhs, the Company has subsequent to year end realized the due amount from the respective debtors.

**58 Directors remuneration:**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Salaries, wages and bonus* | 265.40 | 148.16 |
| Contribution to provident and other funds | 17.82 | 10.80 |
| Perquisites | 0.68 | 0.40 |
| Compensated absences | 5.49 | 2.88 |
| **Total** | **289.39** | **162.24** |

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

**59 Movement of government grant receivable**

| Description | 31 March 2024 | 31 March 2023 |
|---|---|---|
| Opening balance | 56.89 | 102.52 |
| Add: Grant sanctioned during the year | - | - |
| Less: Grant received during the year | 34.17 | 45.63 |
| **Total** | **22.72** | **56.89** |
| | | |
| Current grant receivable | 22.72 | 34.18 |
| Non current grant receivable | - | 22.71 |
| **Total** | **22.72** | **56.89** |

**60** The Company has initiated the regulatory procedure of merger of Shivpad Engineers Private Limited (wholly owned subsidiary of Jash Engineering Limited) with the regulatory authorities. The appointed date of the scheme is 01 April 2024.

**Jash Engineering Limited**
**Summary of material accounting policies and other explanatory information for the year ended 31 March 2024**
*(All amount in INR lakhs unless stated otherwise)*

**61** As per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 the Company uses only such accounting software for maintaining its books of account that have a feature of recording audit trail of each and every transaction creating an edit log of each change made in the books of account along with the date when such changes were made and who made those changes within such accounting software. This feature of recording audit trail has operated throughout the year and was not tampered with during the year. In respect of one accounting software, audit trail was not enabled as per the requirements of rule 3(1) of the Companies (Accounts) Rules 2014 for direct data changes to database level. The company has established and maintained an adequate internal control framework over its financial reporting and based on its assessment, has concluded that the internal controls for the year ended 31 March 2024 were effective.

**62** The Company has evaluated subsequent events and transactions that occurred after the consolidated balance sheet date up to 09 May 2024, the date the consolidated financial statements were available to be issued. Based on the evaluation, the Company is not aware of any events or transactions that would require recognition or disclosure in the consolidated financial statements.

**63** The Financial Statement were approved for issue by the Board of Directors on 09 May 2024.

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

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

**Pallavi Sharma**
Partner
Membership No. 113861

**Place**: Mumbai
**Date:** 09 May 2024

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

**Pratik Patel**
Managing Director
DIN - 00780920

**Suresh Patel**
Executive director
DIN: 00012072

**Dharmendra Jain**
Chief Financial officer

**Place:** Indore
**Date:** 09 May 2024

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

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