

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
BALANCE SHEET AS AT 31ST March 2021

PARTICULARS	Note No.	31.03.2021 (Rupees)	31.03.2020 (Rupees)
I. ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	4	18,46,22,200	19,81,18,186
(b) Capital work in progress	4	-	-
(c) Other Intangible Assets	4	1,07,269	2,24,497
(d) Financial assets			
(i) Investments	5	2,500	2,500
(ii) Other Financial assets	6	4,31,338	3,43,838
(2) Current assets			
(a) Inventories	7	4,92,957	3,14,013
(b) Financial assets			
(i) Trade Receivables	8	2,66,51,724	2,75,08,228
(ii) Cash and Cash Equivalents	9	12,26,558	6,25,598
(iii) Bank Balance other than (ii) above	10	6,28,584	5,94,577
(iv) Loans	11	59,748	9,67,320
(c) Current Tax assets (Net)	12	35,59,633	36,59,860
(d) Other current assets	13	38,01,467	1,21,57,697
Total		22,15,83,978	24,45,16,314
II. EQUITY & LIABILITIES			
Equity			
(a) Equity Share Capital	14	9,99,18,000	9,99,18,000
(b) Other Equity	15	(2,49,31,405)	(2,09,38,133)
(3) Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	4,69,92,346	7,91,79,440
(b) Deferred tax liabilities (Net)			
(c) Provisions	17	19,42,276	21,42,690
(4) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	2,79,61,587	16,49,990
(ii) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises		52,03,299	66,15,658
- Total outstanding dues of creditors other than micro enterprises and small enterprises	19	45,77,523	51,30,318
(iii) Other Financial liabilities	20	5,47,72,306	6,84,78,136
(b) Provisions	17	3,909	-
(c) Other current liabilities	21	51,44,136	23,40,213
Total		22,15,83,978	24,45,16,314

Accompanying notes to the financial statements

1 to 41

As per our Report of even date attached.

For Vinod Kumar & Associates

Chartered Accountants

Firm Registration No. 002304N

Mukesh Dadhich

CA Mukesh Dadhich

(Partner)

Membership No. 511741



For and on behalf of the Board of Directors

Vishal Jain

Vishal Jain

Director

DIN : 00709250



Kailash Chandra Somani

Kailash Chandra Somani

Director

DIN : 07791980

Place: Mumbai

Date: 6th May, 2021

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST March 2021

Particulars	Note No.	31.03.2021 (Rupees)	31.03.2020 (Rupees)
INCOME :			
I. Revenue from operations	22	10,80,47,028	12,27,57,998
II. Other income	23	3,67,352	81,262
III. Total Revenue		10,84,14,380	12,28,39,260
IV. EXPENSES :			
Purchases of stock-in-trade	24	5,77,558	10,60,164
Employee benefit expenses	25	6,06,88,866	7,20,48,550
Finance cost	26	1,34,44,216	1,77,98,665
Depreciation		1,90,40,318	1,83,18,472
Other expenses	27	2,05,64,815	2,14,41,659
Total expenses		11,43,15,773	13,06,67,509
V. Profit/(Loss) before exceptional and tax(III-IV)		(59,01,393)	(78,28,249)
VI. Exceptional items		-	-
VII. Profit/(Loss) before tax		(59,01,393)	(78,28,249)
VIII. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
(3) Earlier year taxes	28	-	-
IX Profit/(Loss) for the period from continuing operations (VII-VIII)		(59,01,393)	(78,28,249)
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss			
(a) Measurement of defined employee benefit plan		19,08,121	(1,02,304)
(b) Income tax relating to above items		-	-
	29	19,08,121	(1,02,304)
Total Comprehensive income for the period (IX+X)(Comprising Profit (Loss) and Other Comprehensive Income for the period)		(39,93,272)	(79,30,553)
XI			
XII Earnings per equity share (for continuing operation)	30		
(1) Basic		(0.59)	(0.78)
(2) Diluted		(0.59)	(0.78)

Accompanying notes to the financial statements
As per our Report of even date attached.

1 to 40

For Vinod Kumar & Associates
Chartered Accountants
Firm Registration No. 002304N

CA Mukesh Dadwani
(Partner)
Membership No. 511741



For and on behalf of the Board of Directors

Vishal Jain
Director
DIN : 00709250

Kallash Chandra Somani
Director
DIN : 07791980

Place: Mumbai
Date: 6th May 2021

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST March, 2021

Sr No	PARTICULARS	As at 31.03.2021 AMOUNT (in Rs)	As at 31.03.2020 AMOUNT (in Rs)
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit (Loss) before Tax	(59,01,393)	(78,28,249)
	Add : Bad debts written off	25,712	8,40,559
	Less : Interest on FD	(3,67,352)	(80,962)
	Add : Depreciation	1,90,40,318	1,83,18,472
	Add : Finance Cost	1,34,44,216	1,77,98,665
	Add : Loss on sale of fixed asset	7,93,734	-
	Add : Actuarial Gain /(Loss) transferred to OCI	19,08,121	(1,92,304)
	Operating Profit before working capital changes	2,89,43,356	2,89,46,181
	Adjustments for :		
	(Increase)/Decrease in Trade Receivables	8,30,791	(23,12,327)
	(Increase)/Decrease in other current assets	83,56,230	1,14,53,873
	(Increase)/Decrease in financial assets	8,20,072	(7,91,055)
	(Increase)/Decrease in Inventories	(1,78,944)	1,56,880
	Increase/(Decrease) in other current liabilities	56,85,879	9,92,071
	Increase/(Decrease) in provisions	(1,96,505)	12,11,998
	Increase/(Decrease) in Trade Payables	(19,65,154)	69,09,117
	Increase/(Decrease) in financial liabilities	(1,28,47,179)	1,12,15,259
	Less : Taxes Paid	1,00,228	(27,48,095)
	Net Cash Flow from Operating Activities	TOTAL (A)	5,50,33,902
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Addition to Fixed Assets	(95,62,459)	(1,27,93,018)
	Deduction from Fixed Assets	33,41,621	-
	Deduction/(Addition) to Capital Work in progress	-	2,08,250
	Investment in Shares	-	-
	Investment in FD	(34,007)	(38,892)
	Interest Income on FD	3,67,352	80,962
	Net Cash Flow from Investing Activities	TOTAL (B)	(1,25,42,698)
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from Share Issued	-	-
	Proceeds from borrowings	3,68,52,642	6,53,42,020
	Repayment of borrowings	(4,64,68,746)	(9,27,30,013)
	Finance Cost	(1,34,44,216)	(1,77,98,665)
	Net Cash Flow from Financing activities	TOTAL (C)	(4,51,86,658)
	Net Increase in Cash & Cash Equivalents (A+B+C)	6,00,960	(26,95,454)
	Cash and Cash Equivalents at the beginning of the year	6,25,598	33,21,052
	Cash and Cash Equivalents at the end of the year	12,26,558	6,25,598
	Net Increase in Cash & Cash Equivalents	6,00,960	(26,95,454)

The accompanying notes are an integral part of Financial Statements
As per our Report of even date attached.

For Vinod Kumar & Associates
Chartered Accountants
Firm Registration No. 0023048

CA Mukesh Dadhich
(Partner)
Membership No. 511741
Place: Mumbai
Date: 6th May, 2021



For and on behalf of the Board of Directors

Vishal Jain
Director
DIN : 00709250



Kailash Chandra Somani
Director
DIN : 07791980

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
NOTES FORMING PART OF FINANCIAL STATEMENTS

1. Corporate Information

MHE Rentals India Private Limited is domiciled in India. Company's registered office is 208, Plot No. 1A, Siddhi Vinayak,, Opp. Central Facility Bldg. II, Sector-19, Vashi, Navi Mumbai, Thane, Maharashtra, India, 400705 at the Company's primary business areas are material handling rental business. The Company is a subsidiary company of Jost's Engineering Company Limited, a listed company, which holds 60.23% of shares of the company.

2. Basis for preparation of financial statements

2.1. Statement of Compliance:

The financial statements comply in all material aspects with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, the Companies (Indian Accounting Standards) Amendment Rules, 2016 and the Companies (Indian Accounting Standards) Amendment Rules, 2017.

The financial statements are approved by the Company's Board of Directors in their meeting held on 6th May, 2021

3. Basis of measurement

The financial statements of the company are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis, except for certain financial assets and liabilities (including derivative financial instruments) that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

The financial statements are presented in Indian National Rupee (INR), which is the company's functional currency and all the values are rounded off to the nearest rupee except when otherwise indicated.

3.1. Current or Non-current classification:

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- i. Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ii. Expected to be realized within twelve months after the reporting period; or
- iii. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All the other assets are classified as non-current.

A liability is current when:

- i. It is expected to be settled in normal operating cycle;
- ii. It is due to be settled within twelve months after the reporting period; or
- iii. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3.2. Use of estimates and judgements:

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Application of accounting policies that require critical accounting estimates and assumptions having the most significant effect on the amounts recognised in the financial statements are:

3.2.1. Impairment of property, plant and equipment

Determining whether property, plant and equipment is impaired requires an estimation of the value in use of the cash-generating unit. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. When the actual future cash flows are less than expected, a material impairment loss may arise.

3.2.2. Useful lives of property, plant and equipment

The Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period.

3.2.3. Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount. Due to the judgements involved in such estimations the provisions are sensitive to the actual outcome in future periods.

3.2.4. Recognition of deferred tax assets



The extent to which deferred tax assets can be recognised is based on an assessment of the profitability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

3.3. Property, plant and equipment and Other intangible assets:

Property, plant and equipment

(a) Recognition and measurement

Property, plant and equipment held for use in production or supply of goods or services or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Capital work-in-progress for production, supply of administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

(b) Depreciation

Depreciation is provided (other than on capital work-in-progress) on a Straight Line Method (SLM) basis for the estimated useful life of assets in accordance with schedule II of the Companies Act, 2013, except the following:

Particulars	Useful Life (in years)
Plant and Machinery - Refurbished Machineries.	10

Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement.

The economic useful life of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, past history of replacement, anticipated technological changes, maintenance history, etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

Intangible assets:

(a) Recognition and measurement

Intangible assets with finite useful life that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a Straight Line Method For their estimated useful life, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognized in the profit or loss when the asset is derecognized.

(b) Amortisation

Amortisation is recognised in the statement of Profit & Loss on a Straight Line basis over the estimated useful life of intangible assets or any other basis that reflects the pattern in which the asset's future economic benefits are expected to be consumed by the entity. Intangible assets that are not available for use are amortised from the date they available for use.

The Estimated useful life of Software is considered 3 years.

3.4. Revenue recognition:

The Company has adopted Ind AS 115 - 'Revenue from contracts with customers' with effect from April 01, 2018. Revenue from the sale of goods in the course of ordinary activities is recognised at the 'transaction price' when the goods are 'transferred' to the customer. The 'transaction price' is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods to a customer, excluding amounts collected on behalf of third parties (for example, goods and service tax). The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. The goods are considered as 'transferred' when the customer obtains control of those goods.

Sale of services

Revenue from services are recognised in the accounting period in which service are rendered. For fixed price contracts, revenue is recognised based on actual services provided to the end of the reporting period as a proportion of the total services to be provided. Sales are recorded net of trade discounts, rebates, indirect taxes. Sales exclude Service Tax and Goods and Service Tax (GST).

Interest income



Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the normal interest rate as applicable.

3.5. Foreign currencies:

The financial statements are presented in Indian rupees, which is the functional currency of the Company.

Transactions in currencies other than the Company's functional currency are recognized at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the closing exchange rate prevailing as at the reporting date. Non-monetary assets and liabilities denominated in a foreign currency are translated using the exchange rate prevailing at the date of initial recognition (in case measured at historical cost) or at the rate prevailing at the date when the fair value is determined (in case measured at fair value).

Foreign exchange differences are recognized in profit or loss in the period in which they arise except for exchange difference on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

3.6. Employee Benefits:

Short-term Employee Benefits:

A liability is recognized for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefit that is expected to be paid in exchange for that service.

Other long-term employee benefits

The liability for earned leave is not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method with actuarial valuations being carried out at each balance sheet date. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

Post-employment benefits

(a) Defined contribution plans

Employees benefits in the form of the Company's contribution to Provident Fund, Pension scheme, Superannuation Fund and Employees State Insurance are defined contribution schemes. Payments to defined contribution retirement plans are recognized as expenses when the employees have rendered the service entitling them to the contribution.

Provident fund: The employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently 12% of employees' salary). The contributions as specified under the law are made to the provident fund and pension fund administered by the Regional Provident Fund Commissioner. The Company recognizes such contributions as an expense when incurred.

(b) Defined benefit plans

The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

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

Gratuity: The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. 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 equivalent to 15/26 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company has made the provision for the gratuity in the books, but the same has not been deposited with any trust.

3.7. Borrowing costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

3.8. Taxation:

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in Other Comprehensive Income..

Current tax

The tax currently payable is based on the taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of profit or loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using the tax rates that have been enacted or substantially enacted by the end of the reporting period.



Advance taxes and provisions for current income taxes are presented in the balance sheet after offsetting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on net basis.

Minimum Alternative Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax laws (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit or Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

3.9. Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.10. Contingent liabilities and contingent assets

Contingent liability is disclosed after careful evaluation of facts, uncertainties and possibility of reimbursement, unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent liabilities are not recognised but are disclosed in notes. Contingent assets are not accounted in the financial statements unless an inflow of economic benefits is probable.

3.11. Financial instruments:

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Classification and subsequent measurement

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment.



These include trade receivables, loans, deposits, balances with banks, and other financial assets with fixed or determinable payments.

Impairment

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, other contractual right to receive cash or other financial assets not designated at fair value through profit or loss. The loss allowance for a financial instrument is equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increase significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal 12-month expected credit losses. 12-month expected credit losses are portion of the lifetime expected credit losses and represent the lifetime cash shortfalls that will result if the default occurs within 12 months after the reporting date.

For trade receivables or any contractual right to receive cash or another financial assets that results from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. The Company has used a practical expedient permitted by Ind AS 109 and determines the expected credit loss allowance based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

De-recognition

The Company derecognizes financial asset when the contractual right to the cash flows from the asset expires, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of the transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income, if any, is recognized in the Statement of Profit or Loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of the financial asset.

Financial liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received net of direct issue costs.

Subsequent measurement

Financial liabilities (that are not held for trading or not designated at fair value through profit or loss) are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based in the effective interest method.

Effective interest method is a method of calculating amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses

Financial liabilities denominated in a foreign currency and are measured at amortized cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortized cost of the instruments and are recognized in the Statement of Profit or Loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognized in the Statement of Profit and Loss.

De-recognition

Financial liabilities are derecognized when, and only when, the obligations are discharged, cancelled or have expired. An exchange with a lender of a debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of a financial liability derecognized and the consideration paid or payable is recognized in the Statement of Profit or Loss.

3.12. Cash and cash equivalents:

Cash and cash equivalents comprise cash in hand and short-term deposits with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value

3.13. Earnings per share:



The Company reports basic and diluted earnings per share (EPS) in accordance with Indian Accounting Standard 33 "Earnings per Share". Basic EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by the weighted average number of equity shares outstanding during the period. Diluted EPS is computed by dividing the net profit or loss attributable to ordinary equity holders by weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares (except where the results are anti-dilutive).

3.14. Recent Accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021.



MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(a) Equity Share Capital

Particulars	No of Shares	Amount
As at April 1, 2020	99,91,800	9,99,18,000
Changes in equity share capital	-	-
As at March 31st, 2021	99,91,800	9,99,18,000

(b) Other equity

	Reserves and Surplus	Total
	Retained Earnings	
Balance as at April 1, 2020	(2,09,38,133)	(2,09,38,133)
Profit/(loss) for the year	(39,93,272)	(39,93,272)
Balance as at March 31st, 2021	(2,49,31,405)	(2,49,31,405)

The accompanying notes are an integral part of Financial Statements
 As per our Report of even date attached.

For Vinod Kumar & Associates
 Chartered Accountants
 Firm Registration No. 002304N

(Signature)
CA Mukesh Dadhich
 (Partner)
 Membership No. 511741



For and on behalf of the Board of Directors

(Signature)
Vishal Jain
 Director
 DIN : 00709250

(Signature)
Kailash Chandra Somani
 Director
 DIN : 07791980



Place: Mumbai
 Date: 6th May, 2021

Sr No	Note 4 -										Amount in Rs.	
	Gross Carrying Value, Depreciation and Net Carrying Value										Net Carrying value	
Particulars	Gross Carrying Value			Deletion / adjustments during the year	Balance as at 31st March 2021	Balance as at 1st April 2020	Depreciation / Amortisation			Balance as at 31st March 2021	Balance as at 31st March 2020	
	1	2	3				4=(1+2-3)	5	6			7
a												
Property, Plant & Equipment	22,96,59,122	95,18,460	55,11,139	23,36,66,443	3,15,40,936	1,89,18,554	13,75,784	4,90,83,706	18,45,82,737	19,81,18,186		
Plant & Machinery	-	43,999	-	43,999	-	4,536	-	4,536	39,463	-		
Computers & Data Processing	22,96,59,122	95,62,459	55,11,139	23,37,10,442	3,15,40,936	1,89,23,090	13,75,784	4,90,88,242	18,46,22,200	19,81,18,186		
Total												
b												
Other Intangible Assets	4,78,750	-	-	4,78,750	2,54,253	1,17,228	-	3,71,481	1,07,269	2,24,497		
Software	4,78,750	-	-	4,78,750	2,54,253	1,17,228	-	3,71,481	1,07,269	2,24,497		
Total												
Total (a+b)	23,01,37,872	95,62,459	55,11,139	23,41,89,192	3,17,95,189	1,90,40,318	13,75,784	4,94,59,723	18,47,29,469	19,83,42,683		
c												
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-	-	-

Note: Plant & Machinery has been held under charge for Rs 22,16,14,753/- against borrowings from banks. Refer Note No. 16 & 18

Sr No	Note 4 -										Amount in Rs.	
	Gross Carrying Value, Depreciation and Net Carrying Value										Net Carrying value	
Particulars	Gross Carrying Value			Deletion / adjustments during the year	Balance as at 31st March 2020	Balance as at 1st April 2019	Depreciation / Amortisation			Balance as at 31st March 2020	Balance as at 31st March 2019	
	1	2	3				4=(1+2-3)	5	6			7
a												
Property, Plant & Equipment	21,70,74,355	1,25,84,768	-	22,96,59,122	1,33,58,039	1,81,82,897	-	3,15,40,936	19,81,18,186	20,37,16,316		
Plant & Machinery	21,70,74,355	1,25,84,768	-	22,96,59,122	1,33,58,039	1,81,82,897	-	3,15,40,936	19,81,18,186	20,37,16,316		
Total												
b												
Other Intangible Assets	2,70,500	2,08,250	-	4,78,750	1,18,678	1,35,575	-	2,54,253	2,24,497	1,51,822		
Software	2,70,500	2,08,250	-	4,78,750	1,18,678	1,35,575	-	2,54,253	2,24,497	1,51,822		
Total												
Total (a+b)	21,73,44,855	1,27,93,018	-	23,01,37,872	1,34,76,717	1,83,18,472	-	3,17,95,189	19,83,42,683	20,38,68,138		
c												
Capital Work in Progress	2,08,250	-	2,08,250	-	-	-	-	-	-	2,08,250		

Note: Plant & Machinery has been held under charge for Rs 22,16,14,753/- against borrowings from banks. Refer Note No. 16 & 18



MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
NOTES FORMING PART OF FINANCIAL STATEMENTS

	31.03.2021 (Rupees)	31.03.2020 (Rupees)
Note No. 5 : Financial Assets - Investments		
(a) Investments in Equity Instruments - at FVTL		
(i) Unquoted		
Zoroastrian Co-Operative Bank Ltd.	2,500	2,500
(100 fully paid shares of Face value of Rs. 25 each)		
	2,500	2,500
	31.03.2021 (Rupees)	31.03.2020 (Rupees)
Note No. 6 : Other Financial assets - Non current		
(a) Security Deposits	4,31,338	3,43,838
	4,31,338	3,43,838
Note No. 7 : Inventories		
(a) Equipments	-	-
(b) Stores & Spares	4,92,957	3,14,013
	4,92,957	3,14,013
Note No. 8 : Trade Receivables		
(a) Trade receivables (Unsecured, considered good)	2,76,51,724	2,75,08,228
(b) Others	-	-
	2,76,51,724	2,75,08,228
Less: Provision for doubtful debt	(10,00,000)	-
	2,66,51,724	2,75,08,228
Note No. 9 : Cash and Cash Equivalents		
(a) Cash in hand	-	-
(b) Balance with Banks	12,26,558	6,25,598
	12,26,558	6,25,598
Note No. 10 : Other Bank Balance		
(a) Fixed Deposits	6,28,584	5,94,577
(Fixed Deposits are pledged as security in favour of bank/ institutions/ and/or govt. dept.)		
	6,28,584	5,94,577
Note No. 11 : Financial Assets - Loan		
(a) Loan to others	59,748	9,67,320
	59,748	9,67,320
Note No. 12 : Current Tax Assets (Net)		
(a) TDS Receivables	35,59,633	36,59,860
	35,59,633	36,59,860
Note No. 13 : Other current assets		
(a) Advance to Suppliers	3,69,972	3,67,516
(b) Prepaid expenses	2,91,304	2,89,723
(c) Balances with government authorities	24,82,719	99,21,301
(d) Loans & Advances to operators & staff	4,22,491	4,65,791
(e) Other Receivables	2,34,981	11,13,365
	38,01,467	1,21,57,697
	31.03.2021 (Rupees)	31.03.2020 (Rupees)
Note No. 14 : Equity Share capital		
(a) Authorised		
130,00,000 Equity shares of Rs. 10/- each	13,00,00,000	13,00,00,000
	13,00,00,000	13,00,00,000
(b) Issued, subscribed and paid-up		
99,91,800 Equity shares of Rs. 10/- each fully paid up	9,99,18,000	9,99,18,000
	9,99,18,000	9,99,18,000
(c) Reconciliation of no. of shares outstanding as at		
No.of shares at the beginning of the year	99,91,800	99,91,800
Movement during the year : Issued	-	-
No.of shares at the end of the year	99,91,800	99,91,800



(d) Shareholders Holding more than 5% Shares					
Name of the shareholder	31.03.2021		31.03.2020		
	No. of shares held	% of share holding	No. of shares held	% of share holding	
Jost's Engineering Company Limited	60,18,000	60.23%	60,18,000	60.23%	
Vishal Jain	19,87,800	19.89%	19,87,800	19.89%	
Jai Prakash Agarwal	15,05,500	15.07%	15,05,500	15.07%	
Rajendra Kumar Agarwal	4,80,500	4.81%	4,80,500	4.81%	
Total	99,91,800	100.00%	99,91,800	100.00%	

	31.03.2021 (Rupees)	31.03.2020 (Rupees)
Note No. 15 : Other Equity		
(a) Profit and Loss A/c		
Balance b/f	(2,09,38,133)	(1,30,07,580)
Add/Less : Profit / (loss) during the year	(39,93,272)	(79,30,553)
Closing balance of Profit and Loss A/c	(2,49,31,405)	(2,09,38,133)
Note No. 16 : Non Current Borrowings		
(a) Secured		
Loan from banks & Financial Institutions	4,69,92,346	7,91,79,440
	4,69,92,346	7,91,79,440
(Secured by hypothecation of specific underlying fixed assets Payable within 5 Years These loans carries a rate of interest @ 11% to 12.50% repayable in monthly instalments which varies from 48 to 60 months)		
Note No. 17 : Provisions		
Gratuity		
- Non Current	19,42,276	21,42,690
	19,42,276	21,42,690
Gratuity		
- Current	3,909	-
	3,909	-
Note No. 18 : Current Borrowings		
(a) Secured		
Cash credit facility from Bank (Secured against Stock & Book Debt)	48,72,330	16,49,990
(b) Unsecured		
Bank overdraft	28,81,956	-
Loan from Holding company	1,01,36,596	-
Loan from Director	1,00,70,705	-
	2,79,61,587	16,49,990
Note No. 19 : Trade Payables		
(a) outstanding dues of micro enterprises and small enterprises	52,03,299	66,15,658
(b) outstanding dues of creditors other than micro small and medium enterprises	45,77,523	51,30,318
	97,80,822	1,17,45,976
Note : Micro, Small and Medium Enterprises Disclosure -		
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of 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 the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
Note No. 20 : Other current financial liabilities		
(a) Current maturities of long term debt	4,50,18,244	4,58,76,895
(b) Salary and Reimbursements including bonus	68,08,709	64,64,873
(c) Payable for Capital goods	29,45,353	18,86,369
(d) Advances from customers	-	1,42,50,000
	5,47,72,306	6,84,78,136
Note No. 21 : Other current liabilities		
(a) Provident Fund and other employee deductions	9,80,826	8,60,764
(b) Provision for expense	5,91,836	11,98,898
(c) Statutory Dues	35,71,474	2,80,551
	51,44,136	23,40,213



MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
NOTES FORMING PART OF FINANCIAL STATEMENTS

	31.03.2021 (Rupees)	31.03.2020 (Rupees)
Note No. 22 : Revenue from operations		
Sales of Services	10,72,33,028	12,13,71,009
Sales of traded Goods	8,14,000	13,86,989
	10,80,47,028	12,27,57,998
Note No. 23 : Other income		
Interest Income	3,67,352	80,962
Dividend	-	300
	3,67,352	81,262
Note No. 24 : Purchases of stock-in-trade		
Purchase of stock	5,77,558	10,60,164
	5,77,558	10,60,164
Note No. 25 : Employee benefit expenses		
Salaries and incentives	5,09,92,923	6,13,42,665
Contributions to provident and other funds	68,63,895	71,51,697
Bonus	21,12,661	24,03,132
Staff welfare expenses	7,19,387	11,51,056
	6,06,88,866	7,20,48,550
Note No. 26 : Finance cost		
Interest to Banks	1,28,94,278	1,67,52,755
Interest on Director's loan	1,10,551	8,04,181
Interest on loan from holding company	1,47,671	-
Bank Charges	-	2,41,728
Interest on direct & indirect taxes	2,91,716	-
	1,34,44,216	1,77,98,665
Note No. 27 : Other expenses		
Stores and spare parts consumed	11,55,016	14,39,334
Loss on sale of Fixed Assets	7,93,734	-
Interest on advance received from customer	7,82,094	96,325
Equipment Hiring Charges	9,55,729	4,35,325
Repairs to machinery	67,50,024	78,99,078
Director Sitting Fees	70,000	30,000
Bank Charges	3,04,811	-
Fuel & Water charges	1,69,265	23,117
Rent	16,38,836	16,61,150
Rates and taxes	1,04,070	61,879
Insurances	3,97,424	2,55,149
Travelling expenses	8,17,602	13,39,193
Postage, telephone and internet	3,14,884	2,31,665
Printing and stationery	92,100	92,231
Legal and professional charges	2,90,750	10,74,845
Conveyance expenses	7,28,026	5,27,149
Freight on sales of services	14,43,390	24,34,205
Provision for bad debts	10,00,000	-
Audit Fee Provision	2,00,000	2,00,000
Commission expense	22,92,673	22,30,331
Net gain/loss on foreign currency transactions and translation	310	71,236
Amounts Written off	25,712	8,40,559
Miscellaneous expenses	2,38,365	4,98,888
	2,05,64,815	2,14,41,659
Note No. 28 : Tax expense		
(a) Current tax	-	-
(b) Deferred tax	-	-
	-	-
Note No. 29 : Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		
- Actuarial loss	19,08,121	(1,02,304)
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-
- Deferred tax on actuarial loss	-	-
B (i) Items that will be reclassified to profit or loss		
(ii) Income tax relating to items that will be reclassified to profit or loss		
Total Comprehensive Income for the period	19,08,121	(1,02,304)
Note No. 30 : Earnings per share		
Particulars	31.03.2021 (Rupees)	31.03.2020 (Rupees)
Profit/(Loss) for the year	(59,01,393)	(78,28,249)
Weighted average number of shares for basic profit per share	99,91,800	99,91,800
Weighted average number of shares for diluted profit per share	99,91,800	99,91,800
Basic earning per Share	(0.59)	(0.78)
Diluted earning per Share	(0.59)	(0.78)



Note No. 31 : Capital Management

Capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value.

Particulars	31-Mar-21	31-Mar-20
Borrowings	11,99,72,178	12,67,06,325
Less : Cash and Cash equivalents	12,26,558	6,25,598
Less : Bank Balance other than above	6,28,584	5,94,577
Total Debt	11,81,17,036	12,54,86,149
Equity	7,49,86,595	7,89,79,867
Total Capital	7,49,86,595	7,89,79,867
Capital and Total debt	19,31,03,631	20,44,66,016
Gearing ratio	1.58	1.59



**Note No. 32 : Financial Instrument -
Accounting classifications and fair values measurements**

The fair value of the assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in forced or liquidation sale.

The following methods and assumptions were used to estimate the fair value:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial instruments approximate their carrying amounts largely due to the short term maturities of these instruments.
2. Financial instruments with fixed and variable interest rates are evaluated by the company based on parameters such as interest rate and individual credit worthiness of the counterparty. Based on this evaluation, allowance are taken to the account for the expected losses of these receivables.

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 : Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 : other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 : techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels of in the fair value hierarchy :

As at 31st March, 2021

	Carrying amount			Fair value			
	Financial assets - FVTPL	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets							
Investments	2,500			2,500	-	-	-
Trade receivables		2,66,51,724		2,66,51,724	-	-	-
Cash and cash equivalents		12,26,558		12,26,558	-	-	-
Other bank balances		6,28,584		6,28,584	-	-	-
	2,500	2,85,06,866	-	2,85,09,366	-	-	-
Financial liabilities							
Borrowings			7,49,53,933	7,49,53,933	-	-	-
Trade payables			97,80,822	97,80,822	-	-	-
Other financial liabilities			5,47,72,306	5,47,72,306	-	-	-
	-	-	13,95,07,061	13,95,07,061	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.

As at 31st March, 2020

	Carrying amount			Fair value			
	Financial assets - FVTPL	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets							
Investments	2,500			2,500	-	-	-
Trade receivables		2,75,08,228		2,75,08,228	-	-	-
Cash and cash equivalents		6,25,598		6,25,598	-	-	-
Other bank balances		5,94,577		5,94,577	-	-	-
Other financial assets		-		-	-	-	-
	2,500	2,87,28,403	-	2,87,30,903	-	-	-
Financial liabilities							
Borrowings			8,08,29,430	8,08,29,430	-	-	-
Trade payables			1,17,45,976	1,17,45,976	-	-	-
Other financial liabilities			6,84,78,136	6,84,78,136	-	-	-
	-	-	16,10,53,542	16,10,53,542	-	-	-

The Company has not disclosed the fair values for financial instruments such as trade receivables, cash and cash equivalents, other bank balances, loans, borrowings, trade payable, other financial assets and financial liabilities, because their carrying amounts are a reasonable approximation of fair value.



Note No. 33 : Financial risk management objectives and policies

The Company has exposure to the following risks arising from financial instruments :

- Credit risk
- Liquidity risk
- Market risk
- Interest risk

Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company conduct yearly risk assessment activities to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company has a system in place to ensure risk identification and ongoing periodic risk assessment is carried out. The Board of directors periodically monitors the risk assessment.

(i) Credit risk

Credit risk is the risk that counterparty will not meet its obligation under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The company generally doesn't have collateral.

The carrying amounts of financial assets represent the maximum credit risk exposure. The maximum exposure to credit risk at the reporting date was:

Particulars	As at 31 March 2021	As at 31 March 2020
Trade receivables	2,66,51,724	2,75,08,228
Cash and cash equivalents	12,26,558	6,25,598
Other bank balances	6,28,584	5,94,577
Other financial assets	4,31,338	3,43,838

Trade receivables

Customer credit risk is managed as per Company's established policy, procedures and control relating to customer credit risk management. Credit risk has always been managed by the Company through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

An impairment analysis is performed for all major customers at each reporting date on an individual basis. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several industries and operate in largely independent markets.

Bank balances and deposits with banks

Credit risk from balances with banks is managed by the company's finance department as per Company's policy. Investment of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Board of directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

As at 31st March, 2021

Carrying amount	Contractual cash flows		
	Total	Less than 1 year	More than 1 years
Borrowings	7,49,53,934	7,49,53,934	2,79,61,587
Trade payables	45,77,523	45,77,523	4,69,92,346
Other financial liabilities	5,47,72,306	5,47,72,306	-
Total	13,43,03,762	13,43,03,762	8,73,11,419

As at 31st March, 2020

Carrying amount	Contractual cash flows		
	Total	Less than 1 year	More than 1 years
Borrowings	8,08,29,430	8,08,29,430	16,49,990
Trade payables	51,30,318	51,30,318	7,91,79,440
Other financial liabilities	6,84,78,136	6,84,78,136	-
Total	15,44,37,884	15,44,37,884	7,91,79,440

(iii) Market risk

Market risk is the risk of loss of future earnings, fair value or future cash flows arising out of change in the price of a financial instrument. These include change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowing.

The company manages market risk through a risk management committee engaged in, inter alia, evaluation and identification of risk factors with the object of governing/mitigation them accordingly to company's objectives and declared policies in specific context of impact thereof on various segments of financial instruments.

(iv) Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The entity's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments was as follows:

Fixed rate instruments	As at	As at
	31 March 2021	31 March 2020
Financial assets		
Deposit with banks	6,28,584	5,94,577
Total	6,28,584	5,94,577

Fixed rate instruments	As at	As at
	31 March 2021	31 March 2020
Financial liabilities		
Borrowings	11,99,72,178	12,67,06,325
Total	11,99,72,178	12,67,06,325

An increase of 100 basis points in interest rates at the reporting date would have decreased gain as at year end by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	Profit or loss
31 March 2021	
Variable-rate instruments	(11,99,722)
Cash flow sensitivity	(11,99,722)
31 March 2020	
Variable-rate instruments	(12,67,063)
Cash flow sensitivity	(12,67,063)

A decrease of 100 basis points in the interest rates at the reporting date would have had equal but opposite effect on the amounts shown above, on the basis that all other variable remain constant.



Note No. 34 : Income Tax

a) Income Tax Expense

Particulars	31.03.2021	31.03.2020
Current Tax		
Current Tax expense	-	-
Deferred Tax		
Increase (decrease) in Deferred tax Liability	-	-
Taxes of Earlier year	-	-
Total Income Tax Expenses	-	-

b) Reconciliation of tax expense and accounting profit multiplied by India's tax rate

Particulars	31.03.2021	31.03.2020
Profit before tax as per financials	(59,01,393)	(78,28,249)
Statutory Tax rate	26.00%	26.00%
Tax at the Indian Statutory tax rate	-	-
Increase (decrease) in Deferred tax Liability	-	-
Taxes of Earlier year	-	-
Income tax expense	-	-

c) Movement in Deferred Tax asset/ Deferred Tax Liability

Movement in deferred tax (assets)/ liability	Property Plant & Equipment	Total
As at 1st April 2020	-	-
Charged / (Credited)		
- To profit or loss	-	-
As at 31st March 2021	-	-
Charged / (Credited)		
- To profit or loss	-	-



Note No. 35 : Indian Accounting Standard 24- Related parties disclosure

The related parties, as defined by Accounting Standard 24 'Related party disclosure' issued by The Institute of Chartered Accountants of India are as follows:

Name of the related parties and description of relationship.

Sr. No.	Particulars	Name of Party
1	Holding Company	Josts Engineering Company Ltd
2	Key Management Personnel / Directors	Vishal Jain Shailesh Rajnikant Sheth Kailash Chandra Somani

Related Party Transactions for the year ended 31st March, 2021:

Sr. No.	Particulars	Holding Company	Key Management Personnel / Directors
1	Purchase of Capital Goods & others	73,30,913	-
2	Commission Charges	27,05,353	-
3	Directors Sitting Fees	-	70,000
4	Loan Taken	1,00,00,000	1,00,00,000
5	Interest paid on loan	1,47,671	1,10,551
6	Loan Repaid	-	-
7	Sale of Capital Goods & others	37,46,990	-
	Total	2,01,83,937	1,01,80,551

Related Party Transactions for the year ended 31st March, 2020:

Sr. No.	Particulars	Holding Company	Key Management Personnel / Directors
1	Purchase of Capital Goods	56,51,247	-
2	Commission Charges	26,31,790	-
3	Director Remuneration / Salary	-	30,000
4	Loan Taken	-	1,02,50,000
5	Interest paid on loan	-	8,04,181
6	Loan Repaid	-	1,62,50,000
	Total	82,83,037	2,73,34,181

Balance Payable to related Parties as on 31st March, 2021

Sr. No.	Particulars	Amount
1	Holding Company	1,53,39,894
2	Director	1,00,70,705
	Total	2,54,10,599

Balance Payable to related Parties as on 31st March, 2020

Sr. No.	Particulars	Amount
1	Holding Company	66,15,658
	Total	66,15,658



Note No. 36 : The disclosure of Ind AS 19 "Employee Benefits" is as follows:

Defined Contribution Plan

The Company has recognized Rs. 49,55,774 /- for provident fund and other funds contribution in the Statement of Profit and Loss for the year ended March 31, 2021.

Defined Benefit Plan

The Employees' gratuity scheme of the Company is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The net value of the defined commitment is detailed below:

Present Value of obligation

Fair Value of Plans

Net Funded obligation

Present value of unfunded defined benefit obligation

Amount not recognized due to asset limit

**Net defined benefit liability/(asset)
recognized in balance sheet**

Defined Benefit Obligations

Opening balance

Interest expenses

Current service cost

Past service cost

(Liability Transferred Out/ Divestments)

Benefit paid directly by the employer

Actuarial (gain) / loss-Due to change in Financial assumptions

Actuarial (gain) / loss- Due to Experience

Closing balance

Plan Assets

Opening balance

Interest Income

Expected return on plan assets

Paid Funds

Actuarial (gain) / loss

Closing balance

Return on Plan Assets

Expected return on plan assets

Actuarial (gain) / loss

Actual Return on Plan Assets

Expenses Recognized in the Statement of Profit or Loss on defined benefit plan

Current service costs

Past service cost

Interest expense

Administration expenses

Actuarial (gain) / loss on settlement

Expenses Recognized

Expenses Recognized in the Other Comprehensive Income (OCI) on defined benefit plan

Opening amount Recognized in the Other Comprehensive Income (OCI)

Change in Financial Assumptions

Experience Adjustments

Closing amount Recognized in the Other Comprehensive Income (OCI)

Actuarial assumptions

Discount rate (per annum)

Rate of escalation in salary (per annum)

	As at 31-Mar-21	As at 31-Mar-20
Present Value of obligation	-	-
Fair Value of Plans	-	-
Net Funded obligation	-	-
Present value of unfunded defined benefit obligation	19,46,185	21,42,690
Amount not recognized due to asset limit	-	-
Net defined benefit liability/(asset) recognized in balance sheet	19,46,185.00	21,42,690
Defined Benefit Obligations		
Opening balance	21,42,690.00	9,30,692.00
Interest expenses	1,16,777.00	65,506.00
Current service cost	15,94,839.00	10,44,168.00
Past service cost	-	-
(Liability Transferred Out/ Divestments)	-	-
Benefit paid directly by the employer	-	-
Actuarial (gain) / loss-Due to change in Financial assumptions	6,199.00	2,15,867.00
Actuarial (gain) / loss- Due to Experience	(19,14,320.00)	(1,13,543.00)
Closing balance	19,46,185.00	21,42,690.00
Plan Assets		
Opening balance	-	-
Interest Income	-	-
Expected return on plan assets	-	-
Paid Funds	-	-
Actuarial (gain) / loss	-	-
Closing balance	-	-
Return on Plan Assets		
Expected return on plan assets	-	-
Actuarial (gain) / loss	-	-
Actual Return on Plan Assets	-	-
Expenses Recognized in the Statement of Profit or Loss on defined benefit plan		
Current service costs	15,94,839.00	10,44,168.00
Past service cost	-	-
Interest expense	1,16,777.00	65,506.00
Administration expenses	-	-
Actuarial (gain) / loss on settlement	-	-
Expenses Recognized	17,11,616.00	11,09,674.00
Expenses Recognized in the Other Comprehensive Income (OCI) on defined benefit plan		
Opening amount Recognized in the Other Comprehensive Income (OCI)	1,02,324.00	-
Change in Financial Assumptions	6,199.00	2,15,867.00
Experience Adjustments	(19,14,320.00)	(1,13,543.00)
Closing amount Recognized in the Other Comprehensive Income (OCI)	(18,05,797.00)	1,02,324.00
Actuarial assumptions		
Discount rate (per annum)	5.40%	5.45%
Rate of escalation in salary (per annum)	5.00%	5.00%



Note No. 37 : Contingent liabilities

Sr No	Particulars	31 st March 2021 (in Rs)	31 st March 2020 (in Rs)
A	Contingent Liabilities not provided for :		
	Bank Guarantees for Performance contracts	5,00,000	5,00,000
B	Capital commitments	-	-
	Total	5,00,000	5,00,000

Note No. 38 : Details of payment to Auditors

Sr No	Particulars	31 st March 2021 (in Rs)	31 st March 2020 (in Rs)
a	Statutory Audit fee	1,75,000	1,75,000
b	Tax Audit fee	25,000	25,000
	Total	2,00,000	2,00,000

Note No. 39 :**Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):**

The Company has considered the possible impact of COVID-19 pandemic on its operations, liquidity position and recoverability of its asset balances at 31st March, 2021 based on the internal and external information upto the date of approval of these financial statement. The impact of COVID-19 may be different from that estimated as at the date of approval of these financial statement and management will continue to monitor any material changes arising due to the impact of this pandemic on financial and operational performance of the Company and take necessary measures to address the situation.

Note No. 40 :

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its valuation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note No. 41 :

Previous year's figures have been regrouped and rearranged wherever considered necessary.

For Vinod Kumar & Associates

Chartered Accountants
Firm Registration No. 002304

CA Mukesh Dadhich
(Partner)
Membership No : 511741

Place: Mumbai
Date: 6th May, 2021

For and on behalf of the Board of Directors

Vishal Jain
Director
DIN : 00709250

Kailash Chandra Somani
Director
DIN : 07791980

