

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
BALANCE SHEET AS AT 31st MARCH 2023

(Amount in lakhs unless otherwise Stated)

PARTICULARS	Note No.	As at 31.03.2023	As at 31.03.2022
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	4	1,640.86	1,823.58
(b) Other Intangible Assets	4	0.24	0.40
(c) Financial assets			
(i) Investments	5	0.03	0.03
(ii) Other Financial assets	6	1.65	1.15
Total Non-Current Assets		1,642.78	1,825.16
Current assets			
(a) Financial assets			
(i) Trade Receivables	7	185.43	186.77
(ii) Cash and Cash Equivalents	8	2.37	27.22
(iii) Other Bank Balances	9	6.96	6.60
(b) Current Tax assets (Net)	10	22.51	22.34
(c) Other current assets	11	45.21	4.34
Total Current assets		262.48	247.27
Total		1,905.26	2,072.43
EQUITY & LIABILITIES			
Equity			
(a) Equity Share Capital	12	999.18	999.18
(b) Other Equity	13	(166.66)	(234.83)
Total Equity		832.52	764.35
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	416.31	455.82
(b) Provisions	15	28.77	27.97
Total Non-current liabilities		445.08	483.79
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	371.73	640.90
(ii) Trade Payables			
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	17	29.34	46.52
(iii) Other Financial liabilities	18	155.44	100.63
(b) Provisions	15	6.52	3.82
(c) Other current liabilities	19	64.63	32.42
Total Current liabilities		627.66	824.29
Total		1,905.26	2,072.43

Accompanying notes forming part of the financial statements

As per our Report of even date attached

1 to 41

For Vinod Kumar & Associates

Chartered Accountants
Firm Registration No. 002304N


New Delhi
CA Mukesh Dadhich
(Partner)
Membership No. 511741

For and on behalf of the Board of Directors


Vishal Jain
Director
DIN : 00709250




Kailash Chandra Somani
Director
DIN : 07791980

Place: Mumbai
Date: 17th May 2023

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(Amount in lakhs otherwise Stated)

Particulars	Note No.	Year Ended 31.03.2023	Year Ended 31.03.2022
INCOME :			
I. Revenue from operations	20	1,350.80	1,267.93
II. Other income	21	1.36	3.60
III. Total Income		1,352.16	1,271.53
EXPENSES :			
IV. Purchases of stock-in-trade	22	32.78	4.62
Employee benefit expenses	23	699.29	708.78
Finance cost	24	91.44	113.72
Depreciation and amortization expense	4	197.46	197.57
Other expenses	25	273.79	231.30
Total expenses		1,294.76	1,255.99
V. Profit/(Loss) before exceptional items and tax(III-IV)		57.40	15.54
VI. Exceptional items		-	-
VII. Profit/(Loss) before tax		57.40	15.54
VIII. Tax expense:			
(1) Current tax	26	-	-
(2) Deferred tax	26	-	-
(3) Short/(excess) provision for tax of earlier years		-	-
IX Profit/(Loss) for the period from continuing operations (VII-VIII)		57.40	15.54
X Other Comprehensive Income	27		
(i) Items that will not be reclassified to profit or loss			
(a) Measurement of defined employee benefit plan		10.77	(1.06)
(b) Income tax relating to above items		-	-
(ii) (a) Items that will not be reclassified Subsequently to P&L		-	-
(b) Income tax relating to above items		-	-
Total Other Comprehensive Income		10.77	(1.06)
XI Total Comprehensive income for the period (IX+X)		68.17	14.48
XII Earnings per equity share (for continuing operation)	28		
(1) Basic		0.57	0.16
(2) Diluted		0.57	0.16

Accompanying notes forming part of the financial statements

1 to 41

As per our Report of even date attached

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Chartered Accountants

Firm Registration No. 002304N

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New Delhi

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Vishal Jain

Director

DIN : 00709250



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Kailash Chandra Somani

Director

DIN : 07791980

Place: Mumbai

Date: 17th May 2023

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31st MARCH, 2023

(Amount in lakhs otherwise Stated)

Sr No	PARTICULARS	For the Year ended 31.03.2023	For the Year ended 31.03.2022
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit (Loss) before Tax	57.40	15.54
	Add: Amounts written off	0.51	3.07
	Add : Provision for Doubtful debts	15.00	30.00
	Less : Interest on FD	(1.36)	(0.32)
	Add : Depreciation	197.46	197.57
	Add : Finance Cost	91.44	112.70
	Add : Loss on sale of fixed asset	16.64	9.28
	Add : Actuarial Gain /(Loss) transferred to OCI	10.77	(1.06)
	Operating Profit before working capital changes	387.86	366.78
	Adjustments for : Changes in Assests and Liabilities:-		
	(Increase)/Decrease in Trade Receivables	(14.17)	46.67
	(Increase)/Decrease in other current assets	(40.88)	33.67
	(Increase)/Decrease in financial assets	(0.50)	3.77
	(Increase)/Decrease in Inventories	-	4.93
	Increase/(Decrease) in other current liabilities	32.21	(19.02)
	Increase/(Decrease) in provisions	3.50	12.33
	Increase/(Decrease) in Trade Payables	(17.19)	(51.28)
	Increase/(Decrease) in financial liabilities	54.81	4.47
	Increase/(Decrease) in Current tax assets	(0.16)	13.25
	Less : Taxes Paid	-	-
	Net Cash Flow from Operatiing Activities	405.48	415.57
	TOTAL (A)		
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Deduction/(Addition) to Property,Plant & Equipment (Net)	(31.22)	(183.54)
	Investment in FD	(0.35)	(0.32)
	Interest income on FD	1.36	0.32
	Net Cash Flow from Investing Activities	(30.21)	(183.54)
	TOTAL (B)		
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from borrowings	330.48	411.21
	Repayment of borrowings	(639.16)	(515.59)
	Finance Cost	(91.44)	(112.70)
	Net Cash Flow from Financing activities	(400.12)	(217.08)
	TOTAL (C)		
	Net Increase in Cash & Cash Equivalents (A+B+C)	(24.85)	14.95
	Cash and Cash Equivalents at the beginning of the year	27.22	12.27
	Cash and Cash Equivalents at the end of the year	2.37	27.22
	Net Increase in Cash & Cash Equivalents as at 31st Mar 2023	(24.85)	14.95

Accompanying notes forming part of the financial statements

As per our Report of even date attached

1 to 41

For Vinod Kumar & Associates

Chartered Accountants

Firm Registration No. 002304N

New Delhi

CA Mukesh Dadhich

(Partner)

Membership No. 511741

Place: Mumbai

Date: 17th May 2023



For and on behalf of the Board of Directors

Vishal Jain

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Director

DIN : 00709250

Kailash Chandra Somani

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Director

DIN : 07791980

MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

(a) Equity Share Capital
F.Y. 2022-23

(Amount in lakhs unless otherwise Stated)

Balance at the begning of the Current reporting period i.e 1st April, 2022	Changes in equity share capital due to prior period errors	Restated Balance at the beginning of current reporting Period	Changes in equity share capital during the current year	Balance at the end of the reporting period 31st March, 2023
999.18	-	999.18	-	999.18

F.Y. 2021-22

Balance at the begning of the Current reporting period i.e 1st April, 2021	Changes in equity share capital due to prior period errors	Restated Balance at the beginning of current reporting Period	Changes in equity share capital during the current year	Balance at the end of the reporting period 31st March, 2022
999.18	-	999.18	-	999.18

(b) Other equity

Particulars	Reserves and Surplus	
	Retained Earnings	Total
Balance as at April 1, 2021	(249.31)	(249.31)
(+/-)Changes in accounting policies/ prior period items	-	-
(+/-)Restated balance at the beginning of previous reporting period	(249.31)	(249.31)
(+/-)Total Comprehensive income for the year	14.48	14.48
(+/-)Transfer to retained earnings	-	-
(+)Proceeds from Share Warrants	-	-
(+) Proceeds from Issue of Equity Share Capital	-	-
(-) Dividends	-	-
Balance as at 31st March, 2022	(234.83)	(234.83)
Balance as at 1st April, 2022	(234.83)	(234.83)
(+/-)Changes in accounting policies/ prior period items	-	-
(+/-)Restated balance at the beginning of current reporting period	(234.83)	(234.83)
(+/-)Total Comprehensive income for the year	68.17	68.17
(+/-)Transfer to retained earnings	-	-
(+)Proceeds from Share Warrants	-	-
(+) Proceeds from Issue of Equity Share Capital	-	-
(-) Dividends	-	-
Balance as at March 31, 2023	(166.66)	(166.66)

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


CA Mukesh Dadnich
(Partner)
Membership No. 511741



For and on behalf of the Board of Directors


Vishal Jain
Director
DIN : 00709250


Kailash Chandra Somani
Director
DIN : 07791980

Place: Mumbai
Date: 17th May 2023

MHE RENTALS INDIA PRIVATE LIMITED**(CIN NO :- U71290MH2016PTC311695)****NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023****1. Corporate Information**

MHE Rentals India Private Limited is domiciled in India. Company's registered office is at 304, 3rd Floor, Bharat Chamber, Sant Tukaram Road, Carnac Bunder Mumbai MH 400009. 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 80.11% 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 17th MAY, 2023

2.2 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 ('INR') which is the Company's functional currency and all the values are rounded off to the nearest lakh except when otherwise indicated.

2.3 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. It is held primarily for the purpose of being traded;
- iii. Expected to be realized within twelve months after the reporting period; or
- iv. 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 held primarily for the purpose of being traded;
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. 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.

2.4 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:

2.4.1. 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.



MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

2.4.2. 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.

2.4.3. 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.

2.4.4 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. Summary of Significant Accounting Policies :

3.1 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.



MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

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.

3.2. Revenue recognition:

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 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.

3.3. 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).

3.4. 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.



MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

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.

3.5. 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.

3.6. 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.



**MHE RENTALS INDIA PRIVATE LIMITED
(CIN NO :- U71290MH2016PTC311695)**

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

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.

3.7. 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.

3.8. 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.

3.9. 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.



MHE RENTALS INDIA PRIVATE LIMITED

(CIN NO :- U71290MH2016PTC311695)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

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.



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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.

3.10. 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

3.11. 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).

3.12. Recent Accounting pronouncements:

The Ministry of Corporate Affairs (MCA) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

On March 31, 2023, the MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023 and the effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. It has made following amendments.

- (a) IND AS 1: Presentation of financial statements: Disclosure of Material accounting policies rather than significant accounting policies,
- (b) IND AS 8: Accounting Policies, Changes in accounting estimates and errors: Amended definition of " accounting estimates",
- (c) IND AS 12: Income Taxes- Narrowed down scope of initial recognition exemption and hence not applicable for transactions that give rise to equal and offsetting temporary differences.

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its financial statements.



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Particulars	Gross Carrying Amount			Accumulated Depreciation / Amortisation			(Amount in lakhs otherwise Stated)			
	Balance as at 1st April 2022	Additions during the year	Deletion / adjustments during the year	Balance as at 31st Mar 2023	Balance as at 1st April 2022	Depreciation for the period	Depreciation due to deletion/ adjustments	Balance as at 31st Mar 2023	Net Carrying Amount	Balance as at 31st March 2022
	1	2	3	4=(1+2-3)	5	6	7	8=(5+6-7)	9=(4-8)	10=(1-5)
a										
Property, Plant & Equipment	2,503.15	46.70	51.35	2,498.50	679.83	197.16	19.23	857.76	1,640.74	1,823.32
Plant & Machinery	0.44	-	0.18	0.44	0.18	0.14	-	0.32	0.12	0.26
Computers & Data Processing	2,503.59	46.70	51.35	2,498.94	680.01	197.30	19.23	858.08	1,640.86	1,823.58
Total										
b										
Other Intangible Assets	4.79	-	-	4.79	4.39	0.16	-	4.55	0.24	0.40
Software	4.79	-	-	4.79	4.39	0.16	-	4.55	0.24	0.40
Total										
Net Block										
Balance as at 31st March 2023	2,508.38	46.70	51.35	2,503.73	684.40	197.46	19.23	862.63	1,641.10	1,823.98
Balances as at 31st March 2022	2,341.89	199.37	32.88	2,508.38	494.60	197.57	7.78	684.40	1,823.98	1,847.29

Note: Plant & Machinery has been held under charge for Rs 577.36 Lakhs (PY Rs 1,725.36 Lakhs) against borrowings from banks. Refer Note No. 14 & 16



(Amount in lakhs unless otherwise Stated)

	As at 31.03.2023	As at 31.03.2022
Note No. 5 : Financial Assets - Investments		
(a) Investments in Equity Instruments - at Fair Value Through Profit and Loss		
(i) Unquoted		
Zoroastrian Co-Operative Bank Ltd. (100 fully paid shares of Face value of Rs. 25 each)	0.03	0.03
	0.03	0.03
Note No. 6 : Other Financial assets - Non current		
(a) Security Deposits	1.65	1.15
	1.65	1.15
Note No. 7 : Trade Receivables		
At amortised cost		
- Trade Receivables considered good - Secured		
- Trade Receivables considered good - Unsecured	188.91	181.86
- Trade Receivables which have significant increase in credit risk	19.96	3.62
- Trade Receivables - credit impaired	29.61	41.29
Less: Loss Allowance	53.05	40.00
Total trade receivables	185.43	186.77

Trade receivables Ageing schedule for the year ended as at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
Considered good	185.22	3.69	-	-	-	188.91
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Disputed						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	8.91	11.05	-	19.96
Credit impaired	-	-	-	-	29.61	29.61
Less: Loss allowance	-	3.48	8.91	11.05	29.61	53.05
Total	185.22	0.21	-	-	-	185.43

Trade receivables Ageing schedule for the year ended as at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Upto 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
Considered good	181.03	0.83	-	-	-	181.86
Which have significant increase in credit risk	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-
Disputed						
Considered good	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	1.11	2.51	-	3.62
Credit impaired	-	-	-	-	41.29	41.29
Less: Loss allowance	-	-	-	-	40.00	40.00
Total	181.03	0.83	1.11	2.51	1.29	186.77

	As at 31.03.2023	As at 31.03.2022
Note No. 8 : Cash and Cash Equivalents		
(a) Cash in hand	-	-
(b) Balance with Banks	2.37	27.22
	2.37	27.22
Note No. 9 : Other Bank Balance		
(a) Balance with Bank in deposit accounts Note: (Fixed Deposits are pledged as security in favour of bank/ institutions/ and/or govt. dept.)	6.96	6.60
	6.96	6.60
Note No. 10 : Current Tax Assets (Net)		
(a) TDS Receivables	22.51	22.34
	22.51	22.34
Note No. 11 : Other current assets		
(a) Advance to Suppliers	14.58	0.13
(b) Prepaid expenses	0.84	2.14
(c) Loans & Advances to operators & staff	21.02	0.71
(d) Other Receivables	8.77	1.36
	45.21	4.34



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Note No. 12 : Equity Share capital	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Amount	No. of Shares	Amount
Authorised share capital				
Equity shares of Rs.10 each	1,30,00,000	1,300.00	1,30,00,000	1,300.00
Total	1,30,00,000	1,300.00	1,30,00,000	1,300.00
Issued, subscribed and fully paid-up				
Equity shares of Rs.10 each fully paid	99,91,800	999.18	99,91,800	999.18
Total	99,91,800	999.18	99,91,800	999.18

(a) Reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares				
Shares at the beginning of the year	99,91,800	999.18	99,91,800	999.18
Movement during the year : Issued	-	-	-	-
Total	99,91,800	999.18	99,91,800	999.18

(b) Shareholders Holding more than 5% Shares

Name of the shareholder	As at 31.03.2023		As at 31.03.2022	
	No. of shares held	% of share holding	No. of shares held	% of share holding
Jost's Engineering Company Limited	80,04,900	80.11%	60,18,000	60.23%
Vishal Jain	9,93,900	9.95%	19,87,800	19.89%
Jai Prakash Agarwal	7,52,750	7.53%	15,05,500	15.07%
Total	97,51,550	97.60%	95,11,300	95.19%

(c) Terms/rights attached to equity shares

The Company has only one class of equity shares, having a par value of ` 10 per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding."

(d) Promotor Shareholding

Shares held by promoters at March 31, 2023

Sr. No	Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Josts Engineering Company Limited	80,04,900	80.11%	60,18,000	60.23%	19.89%
2	Jai Prakash Agarwal	7,52,750	7.53%	15,05,500	15.07%	-7.53%
3	Vishal Jain	9,93,900	9.95%	19,87,800	19.89%	-9.95%
4	Rajendra Kumar Agarwal	2,40,250	2.40%	4,80,500	4.81%	-2.40%
		99,91,800	100.00%	99,91,800	100.00%	-

Shares held by promoters at March 31, 2022

Sr. No	Promoter name	As at March 31, 2022		As at March 31, 2021		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Josts Engineering Company Limited	60,18,000	60.23%	60,18,000	60.23%	-
2	Jai Prakash Agarwal	15,05,500	15.07%	15,05,500	15.07%	-
3	Vishal Jain	19,87,800	19.89%	19,87,800	19.89%	-
4	Rajendra Kumar Agarwal	4,80,500	4.81%	4,80,500	4.81%	-
		99,91,800	100.00%	99,91,800	100.00%	-



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(Amount in lakhs unless otherwise Stated)

	As at 31.03.2023	As at 31.03.2022
Note No. 13 : Other Equity		
(a) Retained Earnings		
opening balance	(234.83)	(249.31)
Add/Less : Profit / (loss) after tax during the year	57.40	15.54
Add/Less : Other Comprehensive Income	10.77	(1.06)
Closing balance of Retained Earnings	(166.66)	(234.83)
Note No. 14 : Non Current Borrowings		
Secured Loan		
Loan from banks & Financial Institutions (Secured by hypothecation of specific underlying fixed assets. These loans carries a rate of interest @ 8.5% to 12% repayable in monthly instalments which varies from 48 to 60 months)	116.31	455.82
Unsecured Loan		
9% Optionally Convertible Debentures	300.00	-
Terms and conditions		
300 (PY Nil) 9% Optionally Convertible Debentures (OCDs) having a term of 36 months from the date of allotment. The OCDs may be converted into Equity Shares after considering the Valuation report to be obtained from Registered Valuer and in accordance with the ICDR Regulations ("Conversion Price"). The OCD holders do not have any voting right in the Company.		
Total	416.31	455.82
Note No. 15 : Provisions		
Provision for Employee benefits		
- Non Current	28.77	27.97
	28.77	27.97
Provision for Employee benefits		
- Current	6.52	3.82
	6.52	3.82
Note No. 16 : Current Borrowings		
(a) Secured		
Cash credit facility from Bank (Secured against Stock & Book Debt)	29.00	44.50
Current maturities of long term debt	144.64	318.05
(b) Unsecured		
Book overdraft	36.59	47.90
Loan from Holding company	36.50	70.00
Loan from Director	125.00	160.45
	371.73	640.90
Note No. 17 : Trade Payables		
(a) outstanding dues of micro enterprises and small enterprises	-	-
(b) total outstanding dues of creditors other than micro enterprises and Small enterprises	29.34	46.52
	29.34	46.52
Note : Micro, Small and Medium Enterprises Disclosure -		
(a) The principal amount remaining unpaid to any supplier as at the end of each accounting year;	-	-
(b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-
(c) The amount of interest paid by the buyer under MSMED Act, 2006	-	-
(d) 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 MSMED Act, 2006);	-	-
(e) The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
(f) The amount of further interest due and payable even in the succeeding year, 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.	-	-
The above information has been determined to the extent such parties have been identified on the basis of information available with the company.		



Trade Payables Ageing Schedule for the year ended as at March 31, 2023

Particulars	Outstanding for the following periods from the date of payments				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	11.58	5.52	3.60	8.64	29.34
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	11.58	5.52	3.60	8.64	29.34

Trade Payables Ageing Schedule for the year ended as at March 31, 2022

Particulars	Outstanding for the following periods from the date of payments				
	Upto 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	41.56	0.46	3.50	1.00	46.52
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-
Total	41.56	0.46	3.50	1.00	46.52

	As at 31.03.2023	As at 31.03.2022
Note No. 18 : Other current financial liabilities		
(a) Salary and Reimbursements including bonus	69.57	79.54
(b) Payable for Capital goods	85.37	18.31
(c) Creditors for Other Liabilities	0.50	2.78
	155.44	100.63
Note No. 19 : Other current liabilities		
(a) Expenses Payable	32.25	6.03
(b) Others Payables- Statutory liabilities	32.38	26.39
	64.63	32.42



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(Amount in lakhs otherwise Stated)

	Year Ended 31.03.2023	Year Ended 31.03.2022
Note No. 20 : Revenue from operations		
Sales of Services	1,313.98	1,262.73
Sales of traded Goods	36.82	5.20
	1,350.80	1,267.93
Note No. 21 : Other income		
Interest Income	1.36	3.60
	1.36	3.60
Note No. 22 : Purchases of stock-in-trade		
Purchase of stock in Trade	32.78	4.62
	32.78	4.62
Note No. 23 : Employee benefit expenses		
Salaries and incentives	594.05	598.80
Contributions to provident and other funds	82.21	75.34
Bonus	10.09	24.92
Staff welfare expenses	12.94	9.72
	699.29	708.78
Note No. 24 : Finance cost		
Interest to Banks	54.52	91.21
Interest on Director's loan	17.27	12.19
Interest on loan from holding company	8.71	9.30
Interest on direct & indirect taxes	-	1.02
Interest on Debentures	10.95	-
	91.44	113.72
Note No. 25 : Other expenses		
Stores and spare parts consumed	15.77	9.66
Loss on sale of Fixed Assets	16.64	9.28
Equipment Hiring Charges	4.12	11.24
Repairs to machinery	155.10	88.72
Director Sitting Fees	0.90	0.65
Bank Charges	4.50	2.67
Fuel & Water charges	1.26	2.18
Rent	12.10	13.92
Insurances	2.55	3.85
Travelling expenses	6.26	6.86
Postage, telephone and internet	4.37	2.93
Printing and stationery	0.94	0.80
Legal and professional charges	3.41	6.12
Conveyance expenses	6.37	7.41
Freight on sales of services	8.28	17.43
Provision for bad debts	15.00	30.00
Audit Fee Provision	2.00	2.00
Commission expense	5.67	9.26
Amounts Written off	0.51	3.86
Miscellaneous expenses	8.04	2.46
	273.79	231.30



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(Amount in lakhs otherwise Stated)

	Year Ended 31.03.2023	Year Ended 31.03.2022
Note No. 26 : Tax expense		
(a) Current tax	-	-
(b) Deferred tax	-	-
(c) Short/Excess Income Tax of Previous Year	-	-
Note No. 27 : Other Comprehensive Income		
A (i) Items that will not be reclassified to profit or loss		
- Actuarial loss	10.77	(1.06)
(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	10.77	(1.06)

Note No. 28 : Earnings per share

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Profit after taxation available to equity shareholders	57.40	15.54
Weighted average number of equity shares used in calculating basic earnings per share (Numbers)	99,91,800	99,91,800
Effect of dilutive issue of shares	-	-
Weighted average number of equity shares used in calculating diluted earnings per share (Numbers)	99,91,800	99,91,800
Basic earning per Share (In ₹)	0.57	0.16
Diluted earning per Share (In ₹)	0.57	0.16



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(Amount in lakhs otherwise Stated)

Note No. 29 : Capital Management

The Company's objectives when managing capital are to safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders and maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company consists of debt and total equity of the Company.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings (term loan) and short-term borrowings. The Company's policy is aimed at combination of short-term and long-term borrowings. The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

The Company is not subject to any externally imposed capital requirements.

Total debt includes all long and short-term debts as disclosed in notes 16 and 18 to the financial statements.

The gearing ratio at the end of the reporting period was as follows:

Particulars	(Amount in lakhs otherwise Stated)	
	31-Mar-23	31-Mar-22
Borrowings	788.04	1,096.72
Less : Cash and Cash equivalents	2.37	27.22
Less : Bank Balance other than above	6.96	6.60
Total Debt	778.71	1,062.90
Equity	832.52	764.35
Total Capital	832.52	764.35
Capital and Total debt	1,611.22	1,827.24
Debt to Equity Ratio	0.94	1.39



**Note No. 30 : 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 31 March 2023 (Amount in lakhs unless otherwise Stated)

	Carrying amount			Fair value			
	Financial assets - Fair Value through Profit and loss	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets							
Investments	0.03			0.03	-	-	-
Trade receivables		185.43		185.43	-	-	-
Cash and cash equivalents		2.37		2.37	-	-	-
Other bank balances		6.96		6.96	-	-	-
	0.03	194.76	-	194.78	-	-	-
Financial liabilities							
Borrowings			788.04	788.04			
Trade payables			29.34	29.34			
Other financial liabilities			155.44	155.44			
	-	-	972.82	972.82	-	-	-

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 31 March 2022 (Amount in lakhs unless otherwise Stated)

	Carrying amount			Fair value			
	Financial assets - Fair Value through Profit and loss	Financial assets - amortised cost	Financial liabilities - amortised cost	Total carrying amount	Level 1	Level 2	Level 3
Financial assets							
Investments	0.03	-		0.03	-	-	-
Trade receivables	-	186.77		186.77	-	-	-
Cash and cash equivalents	-	27.22		27.22	-	-	-
Other bank balances	-	6.60		6.60	-	-	-
	0.03	220.60	-	220.62	-	-	-
Financial liabilities							
Borrowings			1,096.72	1,096.72			
Trade payables			46.52	46.52			
Other financial liabilities			100.63	100.63			
	-	-	1,243.87	1,243.87	-	-	-

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. 31 : 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 2023	As at 31 March 2022
Trade receivables	185.43	186.77
Cash and cash equivalents	2.37	27.22
Other bank balances	6.96	6.60
Other financial assets	1.65	1.15

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 31 March 2023

Carrying amount	Contractual cash flows		
	Total	Less than 1 year	More than 1 years
Borrowings	788.04	371.73	416.31
Trade payables	29.34	11.58	17.76
Other financial liabilities	155.44	155.44	-
972.82	972.82	538.75	434.07

As at 31 March 2022

Carrying amount	Contractual cash flows		
	Total	Less than 1 year	More than 1 years
Borrowings	1,096.72	640.90	455.82
Trade payables	46.52	46.52	-
Other financial liabilities	100.63	100.63	-
1,243.87	1,243.87	788.05	455.82



(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:

	As at 31 March 2023	As at 31 March 2022
Fixed rate instruments		
Financial assets		
Deposit with banks	6.96	6.60
Total	6.96	6.60
Fixed rate instruments		
Financial liabilities		
Borrowings	788.04	1,096.72
Total	788.04	1,096.72

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 2023	
Variable-rate instruments	(7.88)
Cash flow sensitivity	(7.88)
31 March 2022	
Variable-rate instruments	(10.97)
Cash flow sensitivity	(10.97)

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.



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Note No. 32 : Income Tax

a) Income Tax Expense

Particulars	31.03.2023	31.03.2022
Income Tax recognised in Statement of Profit and Loss		
(a)Current Tax	-	-
(b)Deffered Tax	-	-
Total Income Tax Expenses recognised in the current year	-	-
The Income tax expenses for the year can be reconciled to the accounting profit as follows:		
Profit before tax	57.40	15.54
Applicable Tax Rate	25.17%	25.17%
Computed Tax Expense	14.45	3.91
Tax Effect of		
Exempted Income	-	-
Non-deductible expenses	-	-
Brought forward losses and unabsorbed depreciation	(14.45)	(3.91)
Adjustment of Tax on other comprehensive Income	-	-
Total	-	-
Tax Adjustment related to earlier years	-	-
Current Tax Provision (A)	-	-
Incremental Deferred Tax Liability on account of Tangible and Intangible Assets	-	-
Incremental Deferred Tax Assets on account of Financial Assets and Other Items	-	-
Deferred Tax Provision (B)		
Tax Expenses recognised in Statement of Profit and Loss	-	-
Effective Tax Rate	-	-

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

Particulars	31.03.2023	31.03.2022
Profit before tax as per financials	57.40	15.54
Statutory Tax rate	25.17%	25.17%
Tax at the Indian Statutory tax rate	-	-
Increase (decrease) in Deffered 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 2022	-	-
Charged / (Credited)		
- To profit or loss	-	-
As at 31st March 2023	-	-
Charged / (Credited)		
- To profit or loss	-	-



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NOTE FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023**(Amount in lakhs otherwise Stated)****Note No. 33 : Indian Accounting Standard 24- Related parties disclosure**

As per Ind AS 24, the disclosures of transactions with the related parties are given below:

Name of the related parties and description of relationship.

Sr. No.	Description of relationship	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, 2023:

Sr. No.	Particulars	Holding Company	Key Management Personnel / Directors
1	Purchase of Capital Goods & Others	80.39	-
2	Commission Charges	4.91	-
3	Directors Sitting Fees	-	0.90
4	Loan Taken (Including 9% Optionally Convertible Debentures)	519.00	18.00
5	Interest paid on loan (Including interest on 9% Optionally Convertible Debentures)	19.66	17.27
6	Loan Repaid	252.50	50.00
7	Sale of Capital Goods & others	34.90	-
	Total	911.36	86.17

Related Party Transactions for the year ended 31st March, 2022:

Sr. No.	Particulars	Holding Company	Key Management Personnel / Directors
1	Purchase of Capital Goods & Others	178.71	-
2	Commission Charges	9.26	-
3	Directors Sitting Fees	-	0.65
4	Loan Taken	80.00	57.00
5	Interest paid on loan	9.30	12.19
7	Loan Repaid	110.00	-
8	Sale of Capital Goods & others	2.84	-
	Total	390.11	69.84

Balance Payable to related Parties as on 31st March, 2023

Sr. No.	Particulars	Amount
1	Holding Company	399.93
2	Payable to Directors	125.00
	Total	524.93

Balance Payable to related Parties as on 31st March, 2022

Sr. No.	Particulars	Amount
1	Holding Company	96.23
2	Payable to Directors	160.45
	Total	256.68



Note No. 34 : The disclosure of Ind AS 19 "Employee Benefits" is as follows:

Defined Contribution Plan

The Company has recognized Rs. 67.94 Lacs for provident fund and other funds contribution in the Statement of Profit and Loss for the year ended March 31, 2023. (Previous Year- Rs 76.40 Lacs)

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:

	As at 31-Mar-23	As at 31-Mar-22
Present Value of obligation	-	-
Fair Value of Plans	-	-
Net Funded obligation	-	-
Present value of unfunded defined benefit obligation	35.29	31.79
Amount not recognized due to asset limit	-	-
Net defined benefit liability/(asset) recognized in balance sheet	35.29	31.79
Defined Benefit Obligations		
Opening balance	31.79	19.46
Interest expenses	1.78	1.05
Current service cost	12.49	10.22
Past service cost	-	-
(Liability Transferred Out/ Divestments)	-	-
Benefit paid directly by the employer	-	-
Actuarial (gain) / loss-Due to change in Financial assumptions	(2.56)	(0.97)
Actuarial (gain) / loss- Due to Experience	(8.20)	2.03
Closing balance	35.29	31.79
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	12.49	10.22
Past service cost	-	-
Interest expense	1.78	1.05
Administration expenses	-	-
Actuarial (gain) / loss on settlement	-	-
Expenses Recognized	14.27	11.27
Expenses Recognized in the Other Comprehensive Income (OCI) on defined benefit plan		
Actuarial Loss/Gain on account of experience changes	(8.20)	2.03
Actuarial Loss/ Gain arising from change in financial assumptions	(2.56)	(0.97)
Net (Income)/ Expense for the period Recognized in OCI	(10.77)	1.06
Actuarial assumptions		
Discount rate (per annum)	7.30%	5.95%
Rate of escalation in salary (per annum)	5.00%	5.00%



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NOTE FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(Amount in lakhs otherwise Stated)

Note No. 35 : Other statutory information's

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has not advanced or loaned or invested funds to any other person or entity, 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.
- (vi) The Company has not received any fund from any person or entity, 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.
- (vii) The Company has not 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.
- (viii) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (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.
- (ix) Section 135 of the companies act 2013 is not applicable to the company during the year.



Note No. 36: Financial Ratios

Ratio Analysis and its elements

Ratio	Numerator	Denominator	31.03.2023	31.03.2022	% Variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	0.42	0.30	39.39%	The ratio has improved due to decrease in current liabilities
Debt-equity ratio	Total Debt(Term Loan)	Shareholder's Equity	0.95	1.01	-6.28%	NA
Debt service coverage ratio	Earning for Debt Service*	Debt service = Interest & Lease Payments + Principal Repayments	0.80	0.70	14.14%	NA
Return on equity ratio	Net Profits after taxes – Preference Dividend (if any)	Average Shareholder's Equity	0.09	0.02	326.88%	The ratio have improved due to increase in profit
Inventory turnover ratio	Cost of goods sold OR sales	Average inventory = (Opening + Closing balance / 2)	NA	NA	NA	NA
Trade receivables turnover ratio	Net Credit Sales=Net credit sales consist of gross credit sales minus sales return. Trade receivables includes sundry debtors and bill's receivables.	Average trade debtors = (Opening + Closing balance / 2)	7.26	5.59	29.85%	The ratio have improved due to increase in sales
Trade payables turnover ratio	Net Credit Purchases = Net credit purchases consist of gross credit purchases minus purchase return	Average Trade Payables	0.86	NA	100%	The ratio has increased due to increase in credit purchase
Net capital turnover ratio	Net Sales=Net sales shall be calculated as total sales minus sales returns.	Working Capital**	-2.15	-2.13	-1.04%	NA
Net profit ratio	Net profit shall be after tax	Net Sales	0.04	0.01	324.94%	The ratio have improved due to increase in sales and profit
Return on capital employed	Earning before interest and taxes	Capital Employed\$	0.12	0.07	70.26%	The ratio have improved due to increase in profit
Return on investment	Income generated from invested funds#	Average Investment ^	0.05	0.05	0.00%	NA

* Earning for Debt Service= Net Profit after taxes +Depreciation+Interest+Loss on Sale of Fixed Assets+Bad Debts+Provision for bad debts

** Working Capital: Current Assets- Current Liabilities

\$Capital Employed= Tangible Net Worth+ Total Debt+Deferred Tax Liability

#Income Generated from Invested Funds include interest on fixed deposits

^Investment include Fixed Deposits



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NOTE FORMING PART OF THE FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

(Amount in lakhs otherwise Stated)

Note No. 37 : Contingent liabilities

Sr No	Particulars	As at 31.03.2023	As at 31.03.2022
A	Contingent Liabilities not provided for :		
	Bank Guarantees for Performance contracts	5.00	5.00
B	Capital commitments	-	-
	Total	5.00	5.00

Note No. 38 : Details of payment to Auditors

Sr No	Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
a	Statutory Audit fee	1.75	1.75
b	Tax Audit fee	0.25	0.25
	Total	2.00	2.00

Note No. 39 :

The Company is engaged in the single business segment of Rental services.

Note No. 40 :

No events occurred after the reporting period.

Note No. 41 :

Previous year's figures have been regrouped/reclassified wherever considered necessary.

For Vinod Kumar & Associates

Chartered Accountants
Firm Registration No. 002304N


CA Mukesh Dadhich
(Partner)
Membership No : 511741

Place: Mumbai
Date: 17th May 2023



For and on behalf of the Board of Directors


Vishal Jain
Director
DIN : 00709250


Kailash Chandra Somani
Director
DIN : 07791980