Josts
Since 1907
Diverse Technology Integrated Approach

Jost's Engineering Company Limited

C-7 Wagle Industrial Estate, Road No -12, Thane -400604, India
+91-022-62674000 sales@josts.in www.josts.com

To,
The Secretary,
BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

26th August, 2023

Scrip Code- 505750

Sub: Submission of Annual Report and Notice of 116th Annual General Meeting of the Company, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

This is further to our Letter dated 19th August, 2023, wherein, the Company had informed that the 116th Annual General Meeting ("AGM") of the Company is scheduled to be held on Monday, the 18th September, 2023 at 02:00 P.M. (IST) through Video Conferencing or Other Audio Visual Means.

In terms of the requirement of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the Financial Year 2022-23.

The Company has sent the same today through electronic mode to the Members who have registered their E-Mail IDs with the Company's R&TA/ Depository Participant. The Notice of AGM along with the Annual Report for the Financial Year 2022-23 is also available on the website of the Company viz. www.josts.com. Further, the Notice of AGM is also available on the website of Central Depository Services (India) Limited at www.evotingindia.com.

This is for your information and records.

Thanking you,

Yours faithfully,
For **Jost Engineering Company Limited**

Babita Kumari
Digitally signed by Babita Kumari
Date: 2023.08.26 23:16:06 +05'30'

Babita Kumari
Company Secretary and Compliance Officer
M. No: A40774

2022-2023

BEYOND THE HORIZON

JOST'S ENGINEERING COMPANY LIMITED

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ABOUT US

Incorporated in the year 1907, Josts Engineering Company Limited (also referred to as 'Josts' or 'The Company' across the report) is headquartered in Mumbai with a pan-India presence.Through its strategically located units, factory, sales offices, and service units, that cater to strategic markets. Josts can easily reach out to customers in the shortest possible time span.

MHD

Josts MHD is committed to providing innovative material handling solutions for its customers' internal material handling needs to improve their processes' efficiency. Five decades of experience supported with a fully equipped ISO-certified plant at Thane, Josts offers comprehensive solutions for storing, stacking, retrieving, and transporting in the field of intra-logistics.

EPD

The Engineered Products Division (EPD) is associated with world leaders in different high technology application areas such as sound and vibration, environmental simulation, components, and electrical test & measuring instruments, nano-technology, analytical solutions and heat & combustion. EPD adds value to these products and delivers complete engineering solutions, backed by efficient services and technical support to various industries in various segments.

MHE RENTALS

MHE Rentals offer's the equipment most suited to customers needs, involving OEM's in the selection process and provides real-time technical support The products and services are customized as per the following parameters:

Equipment | Trained operator | Annual maintenance contract | Manpower

TECHNICIAL SERVICES

The Company has set-up world-class technology solutions in its systems and products by way of On-Site Testing, Technical Training Installation, Erection, and Commissioning, Calibration, Annual Maintenance Contract, Maintenance Services, and further to provide services support to their customers

OUR JOURNEY

YEAR OF INCORPORTION

1907

INTERNATIONAL COMPANIES REPRESENTED

35+

07

SERVICE CENTERS

17

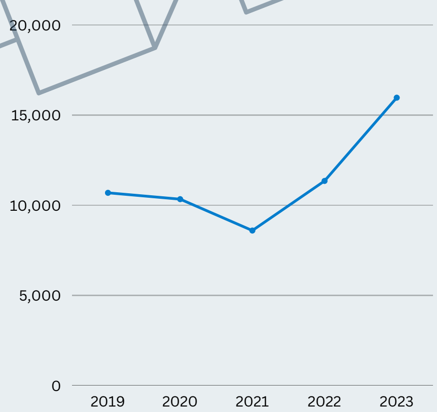
DEALERS ACROSS INDIA

117

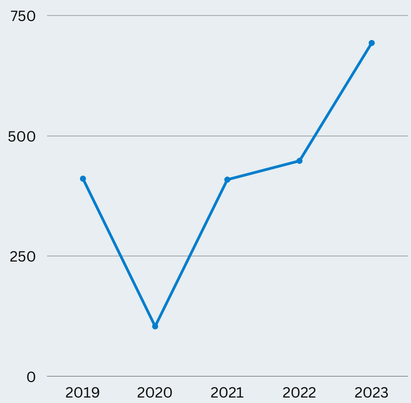
YEARS OF EXCELLENCE

FINANCIAL HIGHLIGHTS

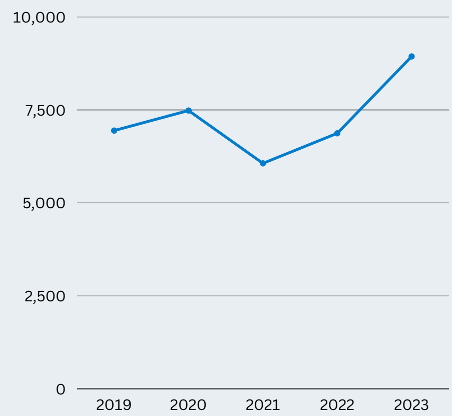
NET REVENUE



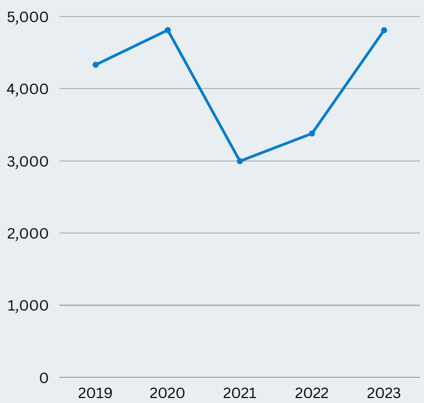
PROFIT AFTER TAX



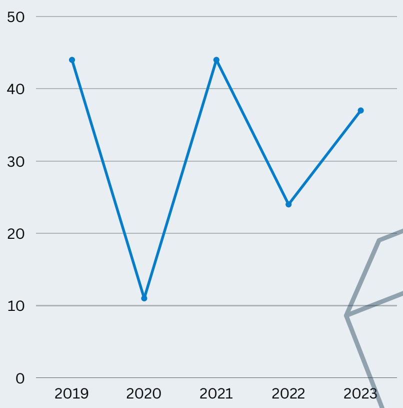
TOTAL ASSETS



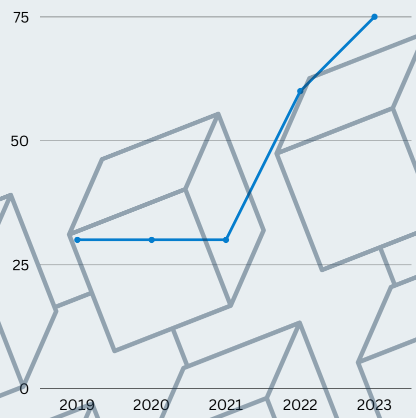
TOTAL LIABILITY



EARNINGS PER SHARE



DIVIDEND PER SHARE (%)



BOARD OF DIRECTORS

Mr. Jai Prakash Agarwal
Chairman

Mr. Vishal Jain
CEO and MD

Mrs. Shikha Jain
Director

Mr. Shailesh Sheth
Independent Director

Mr. Marco Wadia
Independent Director

Mr. F.K. Banatwalla
Independent Director

Mr. Sanjiv Swarup
Independent Director

Mrs. Rekha Bagry
Independent Director

Mr. Pramod Maheshwari
Independent Director

MANAGEMENT TEAM

Mr. Vishal Jain
CEO and MD

Mr.Dhanaji Sawant
CEO - MHD

Mr. L. Sharath Kumar
CEO - EPD

Mr. Jagdish Nambiar
GM - Environmental Simulation

Mr. MSH Prasad
GM - Components

Mr. Udhay Bhavsar
GM - Heat & Combustion

Mr. Atul Wagh
Head- Production

CHAIRMAN'S STATEMENT

Dear Shareholders,

On behalf of the Board of Directors of Josts Engineering Company Limited ('Josts'), I am pleased to present Josts Annual Report for the Financial Year 2022-23.

In the Financial 2021-23, our company has shown unrivaled growth in all our operations and expanded our range of services tremendously. As the economy continues to grow at a sustained pace, we are seeing resilient private sector growth kicking in along with Government sector capital expenditure. We are seeing increased capex in private and sales teams are now focused on closing some quality project opportunities. This shall help our material handling business growth momentum to continue. Rental business we continue to run cautiously and are only doing selective capital expenditure, where the payback period is short. This self-introduced constraint is restricting our growth in the business, but incremental deal quality while limited is very good.

In the EPD business, both R&D and test and measurement instrument capital expenditure continue. Our customers' continued focus on delivering quality products and adhering to international testing standards. As the economy grows, the country's energy demand is growing steadily, leading to capital expenditure in power generation, transmission, and distribution sectors. This capital expenditure and regular O&M expenses in the utility sector are providing enough demand growth momentum for our products, in our distribution basket. We are selectively adding new principals to help increase our wallet share of the spending done by our existing customers. Solar Power, Electric Vehicles, Metro, and Green Hydrogen are some of the new growth industries, where we are finding opportunities for our product portfolio. We are pleased to inform you that we have opened our second NABL-accredited electrical test lab in Thane, Mumbai, and are working towards opening our third one. This will further strengthen our AMC and calibration services business This year India has become the first country in the world to send a rover on the South Pole of the moon. We have provided high-quality interconnectivity solutions (mil-grade connectors), which have been installed in Chandrayaan 3. Josts can proudly say that now we have our parts on the moon.

Income for the year is Rs.16,052 Lakhs as against 11,348 Lakhs in the previous year. The Company has reported a profit after tax of Rs. 694 lakhs as against Rs. 447 Lakhs in the previous year. Return on capital employed grew form 19% in FY 2020-22 to 24% in FY 2022-23.

I would like to thank all our employees, customers, supply chain partners, business associates, members of our board, shareholders, and all the people associated with the company for their continued trust, support, and confidence in Josts.

With Best Wishes,
Jai Prakash Agarwal
Chairman

Strategic partnerships with the following principles:

- Cellbond (UK)
- Cambridge Sensotech
- MTE (Germany)
- 21 Senses Inc. (India)

New products introduced (EPD):

- Crash Testing Solutions
- SF6 Gas Analyzers
- Dissolved Gas Analyzer
- Smart Meter Test Benches
- Hydrogen gas sensors

BEYOND THE HORIZON

New testing services introduced:

- Transformer testing
- NVH Testing for EV
- NVH Testing for railway bridge
- Underground Cable Testing

New Products Introduced (MHD):

- Counter-balance Stacker
- Articulated Forklift
- Electric Forklift (above 5 tonnes)
- Vertical Reciprocating Conveyor

BOARD'S REPORTS

The Directors present herewith 116th Annual Report together with the Audited Financial Statements of the Company for the year ended March 31st, 2023.

1. Financial Summary

(₹ in lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Profit Before tax	**972**	**651**	**1,009**	**660**
Less: Tax Expense:				
Current Tax	282	202	282	202
Deferred Tax	-10	1	-10	1
Short/(Excess) Provision for Income tax of earlier years	6	1	6	1
Profit After Tax	**694**	**447**	**731**	**456**
Profit After Tax (attributable to controlling interest)	**694**	**447**	**708**	**450**
Profit After Tax (attributable to non-controlling interest)	-	-	**23**	**6**
Balance brought forward from previous year	2,127	1,708	1,926	1,511
Amount available for appropriation	2,821	2,155	2,654	1,954
Less: Dividend paid during the year	56	28	56	28
Balance carried forward	**2,765**	**2,127**	**2,598**	**1,926**

2. Dividend

The Directors are pleased to recommend a dividend of ₹ 1.5/- per share (75%) on Equity Shares of ₹ 2/- each for the year ended March 31st, 2023.

3. State of the Company's Affairs and Operations:

Income for the year under review, was ₹16,052 lakhs as against ₹ 11,389 Lakhs in the previous year. The profit before tax was ₹ 972 Lakhs as against ₹ 651 Lakhs in the previous year. Generally, business should continue to progress. Barring unforeseen circumstances, there should be improved results in the current financial year 2023-24.

4. Performance of Subsidiary Companies

MHE Rentals India Private Limited ("MHE Rentals")

This Subsidiary is engaged in the equipment rental business. For the year ended March 31st, 2023, the turnover was ₹1352 lakhs as against ₹1271 lakhs in the previous year. The Profit for the year ended March 31st, 2023 was ₹57 lakhs as against a profit of ₹15 lakhs in the previous year. Further, pursuant to the acquisition of shares by the company from existing shareholders of MHE Rentals, as approved by the Board of Directors of the company, MHE Rentals become Wholly Owned Subsidiary of the Company on 8th August, 2023.

Jost's Engineering Inc.

The Company had incorporated a Wholly Owned Subsidiary Company outside India, namely, Jost's Engineering Inc. in USA during the Financial Year. This entity has not yet commenced any business activities since incorporation.

JECL Engineering Limited

The Company had incorporated a Wholly Owned Subsidiary Company in India, namely, JECL Engineering Limited, on 12th December, 2022. The company is in the process of setting up a factory to commence its manufacturing activities at Murbad, Thane.

5. Share Capital

Authorized Share Capital: Your Company has its Authorized Share Capital of Rs. 1,00,00,000 divided into 20,00,000 Equity Shares of ₹ 5/- each as on 31st March, 2023.

Issued, Subscribed and Paid up Share Capital: Your Company has its Issued, Subscribed and Paid up Share Capital of ₹ 93,28,730 divided into 18,65,746 Equity Shares of ₹ 5/- each as on 31st March, 2023.

Pursuant to the Stock Split approved by Board of Directors in their meeting held on 7th February, 2023 and approval of shareholders at their Extra Ordinary General Meeting held on 23rd March, 2023, the authorized, issued, subscribed and paid up equity share capital of face value of ₹ 5/- each stands sub-divided into equity shares of face value of ₹ 2/- (Rupees Two) each with effect from 28th April, 2023 (Record date).

6. Stock Split

During the financial year ended 31st March, 2023, in order to improve the liquidity of Company's shares in the stock market and to make it more affordable for the small investors and also to broad base the small retail investors, the Board of Directors of the Company at its meeting held on 7th February, 2023 approved sub-division/split of face value of equity shares of the Company and the same was also approved by the members at their meeting held on 23rd March, 2023 pursuant to which equity share having face value of ₹ 5/- each of the Company was sub-divided/split into such number of equity shares having face value of ₹ 2/- each with effect from 28th April, 2023 (record date for sub-division).

Necessary approvals from the BSE Limited for sub-division of shares and confirmation from the Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for assignment of new ISIN were duly taken care. Further, Capital clause of the Memorandum of Association of the Company has been amended accordingly. The Company's equity shares are listed and actively traded on the BSE Limited.

7. Consolidated Financial Statements

The Consolidated Financial Statements of the Company are prepared in terms of requirement of Companies Act, 2013 and in accordance with the relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and forms an integral part of this Report. Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries / Associate Companies / Joint Ventures is given in Form AOC – 1, which is attached to the Financial Statements of the Company.

8. Material Subsidiary

MHE Rentals India Private Limited is a Material Subsidiary of the Company as per the threshold laid down by the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, as amended. The Board of Directors of the Company has approved a policy for determining material subsidiaries which is in line with the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, as amended from time to time. The policy has been uploaded on the company's website at www.josts.com.

9. Particulars of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Information pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Companies(Accounts) Rules, 2014 is annexed as **Annexure "A"** to the Boards' Report.

10. Directors' Responsibility Statement

To the best of the knowledge and belief of the Directors of the Company and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3) (c) and Section 134 (5) of the Companies Act, 2013:

(i) that in the preparation of the Annual Accounts for the year ended March 31st, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, had been followed with proper explanation and there are no material departures from the same;

(ii) the directors had selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2023 and of the profit of the Company for the year ended on that date;

(iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) that the directors had prepared the annual accounts on a going concern basis;

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

(vi) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

11. Particulars of employees

The information pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not given, as no employee, employed throughout the financial year 2022-23, was in receipt of the remuneration of ₹ 102 lakhs or more and no employee, employed for the part of the financial year 2022-23 was in receipt of remuneration of ₹ 8.50 lakhs or more per month.

12. Annual Return

Pursuant to Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as at March 31, 2023 on its website at www.josts.com at web link: https://josts.com/wp-content/uploads/2023/08/MGT-7-Annual-Return-2022-23.pdf

13. Deposits

During the year under review, the Company has not accepted/renewed any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

14. Particulars of Loans, Guarantees and Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013, have been disclosed in the Financial Statements at the appropriate places.

15. Code of Conduct (Code) for Board Members and Senior Management

The Company has adopted, the Code for enhancing further ethical and transparent process in managing the assets and affairs of the Company. This Code has been posted on the website of the Company (www.josts.com).

16.Vigil Mechanism / Whistle Blower Policy

In compliance with the provisions of Section 177 of the Companies Act, 2013, and Rule 7 of the Companies (Meetings of Board and its powers) Rules, 2014, the Company has established Vigil Mechanism / Whistle Blower Policy to encourage Directors and Employees of the Company to bring to the attention of any of the following persons, i.e. the Chairman of the Audit Committee, Company Secretary and HR Head, the instances of unethical behavior, actual or suspected incidence of fraud or violation of the Code of Conduct for Directors and Senior Management (Code) that could adversely impact the Company's operations, business performance or reputation. The Vigil Mechanism / Whistle Blower Policy has been posted on the website of the Company (www.josts.com).

17. Risk Management Policy

The Company has developed and implemented, a Risk Management Policy in compliance with the provisions of Section 134 (3) (n) of the Companies Act, 2013.

Risk Management is an organization-wide approach towards identification, assessment, communication and management of risk in a cost-effective manner – a holistic approach to managing risk. Generally, this involves reviewing operations of the organization, identifying potential threats to the organization and the likelihood of their occurrence and then making appropriate actions to address the most likely threats.

The Policy provides for constitution of Risk Management Core Group (RMCG) consisting of Functional / Departmental / Product line heads and headed by Chairman of the Company. The RMCG shall be collectively responsible for developing the Company's Risk Management principles and Risk Management expectations, in addition to those specific responsibilities as outlined in the Policy. The RMCG will provide updates to the Audit Committee and Board of Directors of the Company on key risks faced by the Company, if any, and the relevant mitigant actions.

The major risks such as Operational Risk, Financial Risk, External Environment and Strategic Risk have been identified and the Risk Management process has been formulated.

The Risk Management Policy has been posted on the website of the Company (www.josts.com).

18. Nomination and Remuneration Policy

Pursuant to the provisions of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee has framed Nomination and Remuneration Policy ("the Policy"). The Policy applies to the Board of Directors, Key Managerial Personnel and the Senior Management Personnel. The Policy lays down criteria for selection and appointment of Board Members, Key Managerial Personnel and Senior Management Personnel and also lays down a framework in relation to remuneration of the aforesaid persons.

The Nomination and Remuneration Policy has been posted on the website of the Company (www.josts.com).

19. Prevention of Sexual Harassment

The Company has constituted an "Internal Complaints Committee" in compliance with the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act,2013. During the year under review, no complaints of Sexual Harassment were reported to the Board.

20. Committees of the Board

The Board of Directors have constituted the following Committees in compliance with the Companies Act, 2013. These Committees deal with specific areas and activities which concern the Company.

(i) Audit Committee	Mr. F. K. Banatwalla (DIN: 02670802) - Chairman Mr. Shailesh Sheth (DIN: 00041713) - Member Mr. Jai Prakash Agarwal (DIN: 00242232) - Member
(ii) Nomination and Remuneration Committee	Mr. Shailesh Sheth (DIN: 00041713) Chairman Mr. Marco Wadia (DIN: 00244357) Member Mr. F. K. Banatwalla (DIN: 02670802) - Member
(iii) Stakeholders Relationship Committee	Mr. Shailesh Sheth (DIN: 00041713) - Chairman Mr. F.K. Banatwalla (DIN: 02670802) - Member Mr. Jai Prakash Agarwal (DIN: 00242232) – Member
(iv) Corporate Social Responsibility Committee	Mr. Jai Prakash Agarwal (DIN: 00242232) - Chairman Mr. Vishal Jain (DIN: 00709250) - Member Mr. F. K. Banatwalla (DIN: 02670802) - Member
(v) Share Transfer Committee*	Mr. Shailesh Sheth (DIN: 00041713) - Chairman Mr. F.K. Banatwalla (DIN: 02670802) - Member Mr. Jai Prakash Agarwal (DIN: 00242232)- Member

** The Board of Directors in their meeting held on February 7th, 2023 had constituted "Share Transfer Committee" with immediate effect.*

All the recommendations made by the Audit Committee were accepted by the Board.

21. Independent Directors' Meeting

During the year under review, a separate meeting of the Independent Directors of the Company was held on February 06th, 2023 and attended by the Independent Directors, to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

22. Meetings of the Board

During the year under review 5 (Five) Board Meetings and 16 (Sixteen) Committee Meetings were convened and held. The details of the same forms a part of the Corporate Governance Report.

23. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations evaluation has been carried out by the Board, Nomination and Remuneration Committee (NRC) and by the Independent Directors.

The Board has carried out an annual performance evaluation of its own, individual Directors including Independent Directors (excluding the director being evaluated) and its Committees.

Board evaluation was carried out on the basis of questionnaire, prepared after considering various inputs received from the Directors, covering various aspects revealing the efficiency of the Board's functioning such as Development of suitable strategies and business plans, size, structure and expertise of the Board and their efforts to learn about the Company and its business, obligations and governance.

Performance evaluation of every Director was carried out by Board and Nomination and Remuneration Committee on parameters such as appropriateness of qualification, knowledge, skills and experience, time devoted to Board deliberations and participation in Board functioning, extent of diversity in the knowledge and related industry expertise, attendance and participations in the meetings and workings thereof and initiative to maintain high level of integrity & ethics.

In their separate meeting, the Independent Directors had carried out performance evaluation of Non-Independent Directors, the Board as a whole and the Chairman, taking into account the views of Executive and Non-Executive Directors.

The quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform their duties were also evaluated in the said meeting.

The performances of Committees were evaluated on parameters such as whether the Committees of the Board are appropriately constituted, Committees has an appropriate number of meetings each year to accomplish all of its responsibilities, Committees maintain the confidentiality of their discussions and decisions, Committee conducts a self-evaluation at least annually, Committees make periodically reporting to the Board along with its suggestions and recommendations.

Independent Director's performance evaluation was carried out on parameters such as Director upholds ethical standards of integrity, the ability of the director to exercise objective and independent judgment in the best interest of Company, the level of confidentiality maintained. The Directors expressed their satisfaction with the evaluation process.

The Board found the evaluation satisfactory and no observations were raised during the said evaluation in current year as well as in previous year.

24. Related Party Transactions

All contracts/ arrangements/ transactions entered by the Company during FY 2022-23 with related parties were on an arm's length basis and in the ordinary course of business. There were no Material Related Party Transactions (MRPTs) undertaken by the Company during the year that require Shareholders' approval under Regulation 23(4) of the SEBI Listing Regulations or Section 188 of the Act.

The approval of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature were approved through omnibus route. All the transactions were in compliance with the applicable provisions of the Act and SEBI Listing Regulations. Details with respect to transaction(s) with the Related Party(ies) entered into by the Company during the reporting period are disclosed in the accompanying Financial Statements and the details pursuant to clause (h) of Section 134(3) of Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form AOC-2 is annexed as **Annexure "B"** to the Board Report.

Your directors draw attention of the shareholders to the financial statements which set out related party disclosures. Related Party Transactions Policy as approved by the Board has been uploaded on the Company's website www.jost.com at the web link: https://josts.com/wp-content/uploads/2022/04/14.1-Policy-on-Related-Party-Transaction-10-02-2022.pdf

25. Maintenance of Cost Records

In terms of the provisions of Section 148(1) of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Central Government has mandated certain class of Companies to maintain cost records. Being a manufacturing Company, the Company falls under the prescribed class of Companies and maintains Cost Accounts and Records which are also subject to Audit conducted by a Cost Auditor.

26. Auditors

(i) Statutory Auditors

M/s. Shah Gupta & Co. Chartered Accountant (FRN 109574W) was appointed as Statutory Auditors of the Company at the 115th Annual General Meeting of the Company held on 26th September, 2022 for a term of five years till the conclusion of 120th AGM to be held in the year 2027, as required under Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

(ii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s Akshay Gupta & Co., Company Secretaries, as Secretarial Auditor, to undertake the Secretarial Audit for the year ended March 31st, 2023.

Further, pursuant to Regulation 24A of SEBI Listing Regulations, Secretarial Audit of MHE Rentals India Private Limited, material subsidiary of the Company, have also been undertaken. The Secretarial Audit Report of the Company and of Company's Material Subsidiary i.e. MHE Rentals India Private Limited for the financial year ended 31st March, 2023 is annexed to this Boards Report as **Annexure "C"** and does not contain any qualification, reservation, disclaimer or adverse remarks.

Also, pursuant to the provisions of Regulation 24A of the SEBI Listing Regulations read with SEBI Circulars issued in this regard, the Annual Secretarial Compliance Report duly signed by M/s Akshay Gupta & Co., Company Secretaries, has also been submitted to the Stock Exchanges within 60 days of the end of the financial year .

Further, the Board has re-appointed M/s Akshay Gupta & Co., Company Secretaries (FRN: S2018RJ649000) as Secretarial Auditor of the Company for the FY 2023-24.

Pursuant to provisions of the Section 143(12) of the Companies Act, 2013, neither the Statutory Auditors nor the Secretarial Auditor has reported any incident of fraud during the year under review.

(iii) Internal Auditors

Your Directors, during the year under review, appointed M/s S.G.C.O & Co. LLP, to act as the Internal Auditors of the Company for the financial year 2022-23 pursuant to section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014.

(iv) Cost Auditors

Your Directors inform the Members that pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, Manufacturing Companies are required to get their cost records audited. In this connection, the Board of Directors of the Company on the commendation of Audit Committee had approved the appointment of M/s. Devarajan Swaminathan & Co. Cost Accountants (FRN: 100669) as the Cost Auditor of the Company for the year ending March 31, 2023.

27. Auditor's Report

The reports of the Statutory Auditors, M/s. Shah Gupta & Co. Chartered Accountant (FRN 109574W), on the Standalone and Consolidated Financial Statements of the Company for the year ended March 31st, 2023, forms part of this Annual Report.

The Statutory Auditors have submitted an unmodified opinion on the audit of financial statements for the year ended March 31st, 2023 and there is no qualification, reservation or adverse remarks given by the Auditors in their Report.

The Secretarial Auditors' Report for the year ended March 31st, 2023 from M/s Akshay Gupta & Co., Company Secretaries (FRN: S2018RJ649000), does not contain any qualification, reservation or adverse remark. The Secretarial Auditors' Report is enclosed as **Annexure "C"** to the Board's report.

28. Corporate Social Responsibility (CSR)

The Company implemented Corporate Social Responsibility Policy in accordance with the provisions of Section 135 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014 on recommendation of Corporate Social Responsibility Committee (CSR Committee) and on approval of the Board of Directors of the Company.

CSR Committee undertakes CSR activities in accordance with its Corporate Social Responsibility Policy (CSR Policy) uploaded on the Company's website at www.josts.com at the web link: https://josts.com/wp-content/uploads/2022/11/CSR-Policy.pdf

In Financial year 2022-23, 2% of the average net profit of the Company, made during the three immediately preceding financial years comes out to be ₹ 9.11 Lakhs. A report on CSR activities is provided in **Annexure "D"** to this Board's Report.

29. Disclosure pursuant to Section 197 (12) of the Companies Act, 2013, and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014

Disclosure with respect to the remuneration of Directors, Key Managerial Personnel and Employees as required under Section 197 (12) of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure "E"** to the Board's' Report.

30. Management Discussion and Analysis Report

The Management Discussion and Analysis Report, as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as **Annexure "F"** and forms an integral part of this Board's Report.

31. Corporate Governance

The Corporate Governance Report for the year ended March 31st, 2023 along with Certificate of Compliance of conditions of the Corporate Governance received from the M/s Akshay Gupta & Co., Practicing Company Secretary, as per the requirements of SEBI (Listing Obligations and Disclosure Requirements) is annexed as **Annexure "G"** and forms an integral part of this Board's Report.

32. Internal Control System

The Company has an effective Internal Control System in place considering the size, scale and complexity of operations.
The internal control is supplemented by the detailed internal audit programmed, reviewed by management and by the Audit Committee and documented Policies, SOPs, Guidelines and Procedures.

The Internal Audit monitors and evaluates the efficacy and adequacy of internal control system in the company, its compliance with operating systems, accounting procedures and policies at all locations of the company.

33. Significant and Material Orders passed by the Regulators or Courts

There are no significant and material orders passed by the Regulators / Courts that would impact the going concern status of the Company and its future operations. However, members' attention is drawn to the statement on 'Contingent Liabilities' in the notes forming part of the Financial Statements.

34. Declaration of Independence

All Independent Directors of the Company have given requisite declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act along with Rules framed thereunder, Regulation 16(1)(b) of SEBI Listing Regulations and have complied with the Code of Conduct of the Company as applicable to the Board of directors and Senior Management.

In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Company has received confirmation from all the Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

35. Directors and Key Managerial Personnel

The list of Directors and Key Managerial Personnel at the end of the reporting period is as under:

Name	Designation	Category
Mr. Jai Prakash Agarwal (DIN: 00242232)	Chairman and Whole Time Director	Executive
Mr. Vishal Jain (DIN: 00709250)	Vice-chairman and Managing Director	Executive
Mrs. Shikha Jain (DIN: 06778623)	Director	Non-Executive
Mr. Marco Philippus ArdeshirWadia (DIN: 00244357)	Independent Director	Non-Executive
Mr. Shailesh Rajnikant Sheth (DIN: 00041713)	Independent Director	Non-Executive
Mr. Sanjiv Swarup (DIN: 00132716)	Independent Director	Non-Executive
Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802)	Independent Director	Non-Executive
Mrs. Rekha Bagry (DIN: 08620347)	Independent Director	Non-Executive
Mr. Pramod Maheshwari (DIN: 00185711)	Independent Director	Non-Executive

Mrs. Shikha Jain (DIN: 06778623), Non-Executive Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible offered herself for re-appointment.

The term of Mr. Vishal Jain (DIN: 00709250) as Managing Director of the Company is due for completion on 3rd October, 2023. Your Directors upon recommendation of Nomination and Remuneration Committee and Audit Committee proposed to reappoint Mr. Vishal Jain (DIN: 00709250), as Managing Director for further period of 3 Years i.e. from 4th October, 2023 to 3rd October, 2026. The proposal for confirmation of re-appointment of Mr. Vishal Jain (DIN: 00709250) as Managing Director for further period of 3 years and remuneration payable to him, shall be put up before the ensuing Annual General Meeting for the approval of the Shareholders of the Company.

The term of Mr. Jai Prakash Agarwal (DIN: 00242232) as an Executive Chairman i.e Chairman and Whole Time Director of the Company is due for completion on 31st March, 2024. Your Directors upon recommendation of Nomination and Remuneration Committee and Audit Committee proposed to reappoint Mr. Jai Prakash Agarwal (DIN: 00242232), as an Executive Chairman i.e Chairman and Whole Time Director of the Company for further period of 3 Years i.e. from 1st April, 2024 till 31st March, 2027. The proposal for confirmation of re-appointment of Mr. Jai Prakash Agarwal (DIN: 00242232) as an Executive Chairman i.e Chairman and Whole Time Director of the Company for further period of 3 years and remuneration payable to him, shall be put up before the ensuing Annual General Meeting for the approval of the Shareholders of the Company.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meeting ('SS-2') are given in the Notice of this AGM, forming part of the Annual Report.

Mr. Sanjiv Swarup (DIN: 00132716), Mr. Pramod Maheswari (DIN: 00185711) and Mrs. Rekha Bagry (DIN: 08620347) were appointed as an Independent Director of the Company with effect from 7th February, 2023.

Mrs. Babita Kumari (Membership No. A40774) was appointed as Company Secretary and Compliance Officer of the Company, with effect from 6th August, 2022.

36. Investor Education & Protection Fund ('IEPF')

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to IEPF.

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to the demat account of IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In the interest of the shareholders, the Company sends reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website.

In light of the aforesaid provisions, the Company is required to transfer dividends which remained unpaid/ unclaimed for a period of seven years to the IEPF established by the Central Government. The unpaid/ unclaimed dividend for the year ended March 31, 2016 is due for transfer to IEPF on or after 19th August, 2023.

During the period under review, the Company transferred 2,580 Equity shares of ₹ 5/- each, on which dividend of the year 2015 remained unclaimed for seven consecutive years to Investor Education and Protection Fund (IEPF) pursuant to Section 124 (6) of the Companies Act, 2013 within the scheduled time.

Further, a Dividend amount of Rs. 90805/- which remained unclaimed against dividend of the year 2015, was transferred to IEPF pursuant to Section 124 of the Companies Act, 2013 within the Scheduled time.

37. Statement on compliances of applicable Secretarial Standards

In requirement of para 9 of revised Secretarial Standards on Board Meeting i.e. SS-1, your Directors states that they have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

38. Material changes and commitments, if any

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

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39. Change in the nature of business

There is no change in the nature of the business of your Company during the Financial Year under review.

40. Statement in respect of adequacy of internal financial control with reference to the financial statements

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its Business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of the reliable financial disclosures.

41. Proceeding under Insolvency and Bankruptcy Code, 2016

During the year under review, the Company has neither made any application nor any proceeding were pending under the Insolvency and Bankruptcy Code, 2016 ("IBC a Code"). Further, at the end of the financial year, Company does not have any proceedings related to IBC Code..

42. Reserves

During the financial year ended March 31st, 2023, no amount was transferred to General reserves.

43. Acknowledgements

The Board of Directors wish to place on record their appreciation for the continued support and co-operation by the bankers, customers, suppliers and other stakeholders. The Directors also thank the employees at all levels for their hard work, dedication and support.

For and on behalf of the Board

Sd/-
Jai Prakash Agarwal
Chairman and Whole Time Director
DIN: 00242232

Date 14th August , 2023
Place: Goa

ANNEXURE "A" TO THE BOARD'S REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo Pursuant to Provisions of Section 134 of the Companies Act, 2013, read with Rule 8 (3) of Companies (Accounts) Rules, 2014.

(A) Conservation of Energy

(i) The steps taken or impact on conservation of energy

Regular monitoring of all equipment's and devices which consume electricity, continues to be in place in the factory. Water consumption is also monitored as regular function of maintenance Dept., though our type of business does not consume much water.

(ii) The steps taken by the Company for utilizing alternate sources of energy

All lighting fixtures have been changed to LED on the shop floor as well as offices.

(iii) The capital investment on energy conservation equipment.

Installed Automatic Power Factor Correction unit which helped to improve power factor. Which also avoid penalty due to lagging Factor.

(B) Technology Absorption

(i) The efforts made towards technology absorption

This is ongoing process for all our manufactured products.

1) Installed Channel Rolling Machine for Productivity Improvement.

2) Upgraded CAD Software to Improve Efficiency.

3) Jib Crane Installed in Paint Shop

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Product quality improvements is at the heart of Technology upgrades.
Under this we have implemented following Improvement: -
1)Vertical Drive for BOPT has been developed.
2)First Batch of Li-ion Equipment supplied.

(iii) In the case of imported technology (imported during the last three years reckoned from the beginning of the financial year).

(a) The details of technology imported	- Not Applicable
(b) The year of import	- Not Applicable
(c) Whether the technology been fully absorbed	- Not Applicable
(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof	- Not Applicable

(iv) The expenditure incurred on Research and Development : NIL

(C) Foreign Exchange Earnings and Outgo

Foreign Exchange Earnings – ₹ 488 lakhs
Foreign Exchange Outgo – ₹ 2,567 lakhs

For and on behalf of the Board

Sd/-
Jai Prakash Agarwal
Chairman & Whole Time Director
DIN: 00242232

Date 14th August , 2023
Place: Goa

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ANNEXURE "B" TO THE BOARDS' REPORT

FORM NO. AOC.2
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

(i) Details of contracts or arrangements or transactions not at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	date(s) of approval by the Board	Amount paid as advances, if any:	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable								

(ii) Details of material contracts or arrangement or transactions at arm's length basis

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Not Applicable						

For and on behalf of the Board

Sd/-
Jai Prakash Agarwal
Chairman and Whole Time Director
DIN: 00242232

Date: 14th August, 2023.
Place: Goa

ANNEXURE "C" TO THE BOARDS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JOST'S ENGINEERING COMPANY LIMITED
Great Social Bldg.,
60 Sir P. M. Road,
Fort, Mumbai 400001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jost's Engineering Company Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, its agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended as on 31st March, 2023 (hereinafter referred to as "Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made there under;
II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the reporting period under audit)
V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a)The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b)The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c)The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the reporting period under audit)**
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the reporting period under audit)**
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the reporting period under audit)**
(i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
(j) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;
(k) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- **As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, there was a delay in submitting to BSE the disclosure of the Related Party transactions for which a penalty was imposed by BSE for delayed disclosure amounting to ₹ 17,700.00/- which was also duly paid by the Company.**

VI.The Following other laws specifically applicable to the industry to which the Company belongs and compliances of which is relied upon the representation by the management:

(a) The Factories Act, 1948;
(b) Micro, Small and Medium Enterprises Development Act, 2006;
(c) The Payment of Wages Act, 1936;
(d) The Employees' Provident Funds and Misc. Provisions Act, 1952;
(e) The Payment of Bonus Act, 1965;
(f) The Payment of Gratuity Act, 1972;
(g) Trade Union Act, 1926;
(h) Employees State Insurance Act, 1948;
(i) Minimum Wages Act, 1948;
(j) Environment (Protection) Act, 1986;
(k) The Contract Labour (Regulation and Abolition) Act, 1970
(l) The Apprentice Act, 1961

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

I.Secretarial Standards on Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.

II. The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited

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

Adequate notices were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period no specific events/actions occurred having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except the following:

·The Company has Altered the Capital Clause of Memorandum of Association due to stock-split/ Subdivision pursuant to a resolution passed by the members in the Extra-Ordinary General Meeting of the Company held dated 23rd March, 2023 and The Company has also accorded approval of the Board of Directors in the meeting of the board held dated 27.03.2023 to issue, offer and allot all the securities to the persons entitled thereto and has also accorded approval for issuance of new Share certificates thereof to the concerned persons due to stock-split and board fixes 29th April, 2023 as the allotment date for the purpose.

For AKSHAY GUPTA & COMPANY
COMPANY SECRETARIES

Sd/-
CS AKSHAY GUPTA
PROPRIETOR
Membership No. 56911
COP No: 21448
Peer review No.: 1872/2022
Unique Code No.: S2018RJ64900

Date : 15.07.2023
Place : Kota
UDIN : A056911E000618340

"ANNEXURE A"

To,
The Members,
JOST'S ENGINEERING COMPANY LIMITED
Great Social Bldg.,
60 Sir P. M. Road,
Fort, Mumbai 400001

Our report of even date is to be read along with this letter:

1.Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2.We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3.We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4.Whereever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5.The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6.The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For AKSHAY GUPTA &COMPANY
COMPANY SECRETARIES
Sd/-
CS Akshay Gupta
PROPRIETOR
Membership No.:56911
COP No: 21448
Peer Review No.: 1872/2022
Unique Code No.: S2018RJ64900

Place : Kota
Date : 15.07.2023
UDIN : A056911E000618340

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
MHE RENTALS INDIA PRIVATE LIMITED
304, 3rd Floor, Bharat Chamber, Sant Tukaram Road, Carnac Bunder Princess Dock Mumbai,
MH- 400009

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by MHE Rentals India Private Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, its agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2023 (hereinafter referred to as "Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

I. The Companies Act, 2013 (the Act) and the rules made there under;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit period under review)**

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') *to the extent applicable as a subsidiary of Public Company listed on BSE Limited:-*

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(b)The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
(d)The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021
(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the audit period under review)**
(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the company during the audit period under review)**
(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (**Not applicable to the company during the audit period under review)**
(i) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
(j) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;
(k) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI. The Following other laws specifically applicable to the industry to which the Company belongs and compliances of which is relied upon the representation by the management:
(a) The Factories Act, 1948;
(b) Micro, Small and Medium Enterprises Development Act, 2006;
(c) The Payment of Wages Act, 1936;
(d) The Employees' Provident Funds and Misc. Provisions Act, 1952;
(e) The Payment of Bonus Act, 1965;
(f) The Payment of Gratuity Act, 1972;
(g) Trade Union Act, 1926;
(h) Employees State Insurance Act, 1948;
(i) Minimum Wages Act, 1948;
(j) Environment (Protection) Act, 1986;
(k) The Contract Labor (Regulation and Abolition) Act, 1970
(h) The Apprentice Act, 1961

We have also examined compliance with the applicable clauses of the following:
I. Secretarial Standards issued by The Institute of Company Secretaries of India.

During the audit period, the Company has generally complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable, as mentioned above.

We further report that The Board of Directors of the Company is duly constituted with proper balance of Directors. There is no changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that during the audit period, no specific events/ actions occurred having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc., except that the company has issued Unsecured Optionally Convertible Debentures ("OCDs"), at a price of ₹ 1,00,000/- (Indian Rupees One Lakh Only) per OCD to the M/s Jost's Engineering Company Limited, Holding Company, on a private placement basis.

For AKSHAY GUPTA & COMPANY
COMPANY SECRETARIES

Place : Kota
Date : 26.07.2023
UDIN : A056911E000679181

Sd/-
CS AKSHAY GUPTA
PROPRIETOR
Membership No. 56911
COP No: 21448
Peer review No.: 1872/2022
Unique Code No.: S2018RJ64900

"ANNEXURE A"

To,
The Members
MHE RENTALS INDIA PRIVATE LIMITED
304, 3rd Floor, Bharat Chamber, Sant Tukaram
Road, Carnac Bunder Princess Dock Mumbai,
MH- 400009

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

1.Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2.We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3.We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4.Whereever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5.The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6.The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR AKSHAY GUPTA & COMPANY
COMPANY SECRETARIES
Sd/-
CS AKSHAY GUPTA
PROPRIETOR
Membership No.:56911
COP No: 21448
Peer Review No.: 1872/2022
Unique Code No.:S2018RJ64900

Place : Kota
Date : 26.07.2023
UDIN : A056911E000679181

ANNEXURE “D” TO THE BOARDS’ REPORT

REPORT ON CSR ACTIVITIES OF THE COMPANY

for the year ended March 31, 2023

1. Brief outline on CSR Policy of the Company

Your Company is committed to transforming health, education, sanitation & making available safe drinking water & social sector ecosystems and had been pursuing CSR initiatives even before it was mandated by law.

Your Company have always laid emphasis on progress with social commitment and believe strongly in core values of empowerment and betterment of not only the employees but also of communities. Your Company shall continue to make a meaningful and measurable impact in nation building, sustainable development, accelerated inclusive growth and social equity through its CSR initiatives. The targeted beneficiaries of CSR activities undertaken by your Company are the marginalized, disadvantaged, poor or deprived Sections of the communities.

As per the CSR Policy, the CSR Project are being identified and selected by the CSR Committee of the company considering various factors such as need assessment, available budget and measurable impacts, etc. For the period under review, your Company carried out the CSR activities either directly or through implementing Agency, under the Companies Act, 2013. During the year your company undertook several CSR initiatives in the field of Health, Education, Skill Development and various other activities as per CSR Policy of the Company.

2. Composition of the Committee

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Jai Prakash Agarwal	Chairman of CSR Committee and Chairman and Whole Time Director of the Company	2	2
2	Mr. Vishal Jain	Member of CSR Committee and Managing Director of the Company	2	2
3	Mr. Farokh kekhushroo Banatwalla	Member of CSR Committee and Independent Director of the Company	2	2

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the company.

The web link of the Composition of CSR Committee is https://josts.com/wp-content/uploads/2023/03/list-of-director-and-committee.pdf
The web link to the Contents of the CSR Policy and CSR projects approved by the Board is https://josts.com/wp-content/uploads/2022/11/CSR-Policy.pdf

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).- **Not Applicable**

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year.: **Not Applicable**

Sr .No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
	-	-	-

6. Average net profit of the company as per section 135(5): **₹ 455.11 Lakhs**

7. (a) Two per cent of average net profit of the company as per section 135(5): ₹ **9.11 Lakhs**

(b)Surplus arising out of the CSR projects or programmes or activities of the previous financial years.: **N.A.**

(c)Amount required to be set off for the financial year, if any: **N.A.**

(d)Total CSR obligation for the financial year (7a+7b-7c): ₹ **9.11 Lakhs**

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

Total Amount Spent for the Financial Year (₹ in Lakhs)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
9.11	Not Applicable		Not Applicable		

(b) Details of CSR amount spent against ongoing projects for the financial year:- **Not Applicable**

1	2	3	4	5		6	7	8	9	10	11	
Sr. No.	**Name of the Project.**	**Item from the list of activities in Schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Project duration.**	**Amount allocated for the project (in Rs.).**	**Amount spent in the current financial Year (in Rs.).**	**Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).**	**Mode of Implementao Direct (Yes/No).**	**Mode of Implementation Through Implementing Agency**	
				State.	**District.**						**Name**	**CSR Registration number.**
1												
2												
3												
	Total											

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

1	2	3	4	5		6	7	8	
Sr. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act.**	**Local area (Yes/ No).**	**Location of the project.**		**Amount spent for the project (in ₹)**	**Mode of implementation - Direct (Yes/No).**	**Mode of implementation - Through implementing agency.**	
				State.	**District.**			**Name.**	**CSR registration number**
1	Providing Education and hostel Facility to underpriviledged children	(ii) Promoting education	No	Garbhanga, Assam		1,60,000/-	No (Indirect)	Parijat Academy	CSR00041528
2	Training for skill development to below poverty line students	(ii) Skill Development & livelihood/ employment enhancement	No	Seraikela Kharsawan, Jharkhand		5,04,450/-	No (Indirect)	PANIIT Alumni Reach for India Foundation	CSR00000005
3	Providing Desktops to School	(ii) Promoting education	No	Kota, Rajasthan		6,642.67/-	Yes (Direct)	-	-
4	Providing walk behind Scrubbing machines to Hospital	(i) Promoting health care including preventive	No	Kota, Rajasthan		2,40,624/-	Yes (Direct)	-	-
	Total					**9,11,716.67/-**			

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

(e) Amount spent on Impact Assessment, if applicable: **Nil**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **9.11 Lakhs**

(g) Excess amount for set off, if any: Not Applicable

Sr. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135(5)	9.11
(ii)	Total amount spent for the Financial Year	9.11
(iii)	Excess amount spent for the financial year [(ii)-(i)]*	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

During the year the Company was required to spend ₹ 9.11 Lakh on CSR activities. During the financial year 2022-23, the Company had spent amount of ₹ 9.11 Lakh under review. Therefore, no amount remained unspent/un utilised as at the end of the financial year 2022-23.

9. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

Sr. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1							
2							
3							
	Total						

(b) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

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

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

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

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: **Not Applicable**

For and on behalf of the Board

	Sd /- **Jai Prakash Agarwal** **(Chairman CSR Committee).**	**Sd /-** **Vishal Jain** **(Managing Director & Chief Executive Officer).**
Date: 14th August, 2023	**Place: Goa**	**Place: California, US**

ANNEXURE "E" TO THE BOARDS' REPORT

Disclosure pursuant to Section 197 (12) of Companies Act, 2013 and Rule 5 of Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided below:

1.The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the year 2022-23:

Name of the Directors	Nature of Directorship	Ratio
Mr. Jai Prakash Agarwal	Executive Chairman	11.14:1
Mr.Vishal Jain	Vice Chairman and Managing Director	10.63:1
Mr. Shailesh Sheth	Non-Executive Independent Director	0.77:1
Mr. F. K. Banatwalla	Non-Executive Independent Director	0.77.1
Mr.Marco Wadia	Non-Executive Independent Director	0.43:1
Mrs. Shikha Jain	Non-Executive Director	0.40:1
Mr. Pramod Maheshwari	Non-Executive Independent Director	0.01:1
Mr. Sanjiv Swarup	Non-Executive Independent Director	0.01:1
Mrs. Rekha Bagry	Non-Executive Independent Director	0.01:1

Notes:

1.Directors' Remuneration includes sitting fees for attending board / committee meetings.

2. Employees for the above purpose, includes all employees excluding employees governed under collective bargaining

3. For computing median remuneration the employee who have worked for the complete financial year 2022-2023, have been considered.

(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary, in the financial year 2022-23:

Name	Designation	Percentage increasin remuneration
Mr. Jai Prakash Agarwal	Executive Chairman	-
Mr.Vishal Jain	Vice Chairman and Managing Director	-
Mr. Shailesh Sheth	Non–Executive Independent Director	-
Mr. F. K. Banatwalla	Non–Executive Independent Director	-
Mr.Marco Wadia	Non-Executive Independent Director	-
Mrs. Shikha Jain	Non–Executive Director	-
*Mr. Pramod Maheshwari	Non–Executive Independent Director	NA
*Mr. Sanjiv Swarup	Non–Executive Independent Director	NA
*Mrs. Rekha Bagry	Non–Executive Independent Director	NA
Mr. Rohit Jain	Chief Financial Officer	15
Mrs. Babita Kumari	Company Secretary	NA

Notes:

**Appointed as Non-Executive Independent Director of the company with effect from 7th February 2023.*

#Appointed as Company Secretary and compliance officer of the company with effect from 6th August, 2023

(iii) The number of permanent employees on the rolls of Company:

227 as on March 31st, 2023.

(iv) The percentage increase in the median remuneration of employees in the financial year 2022-23:

There is decrease of 21.01% in the median remuneration of employees for the financial year 2022-23 as compared to median remuneration of employees for the financial year 2021-22.

(v) Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is 13.86% average percentage increase in the financial year 2022-23, in the salaries of employees as compared to the average percentage increase of the previous financial year 2021-22.

For computing average percentage increase in the salaries of the employees, the employees who have worked for the complete financial year 2021-22 and 2022-23 have been considered to make the figures comparable.

(v) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Sd/-
Jai Prakash Agarwal
Chairman & Whole Time Director
DIN: 00242232

Date: 14th August, 2023
Place: Goa

ANNEXURE "F" TO THE BOARDS' REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Introduction

The FY 2022-23 commenced with the Indian economy facing headwinds in the form of inflationary pressures due to rising energy and food prices. Supply chain bottlenecks also remained a major constraint due to the protracted war in Europe and the accompanying global sanctions.

Despite a challenging start, the Indian economy has displayed resilience and grew 7.2% in FY 2022-23, aided by sound macroeconomic fundamentals and improved high frequency indicators. Sustained efforts taken by the Reserve Bank of India (RBI) to rein in inflation by increasing the repo rate by 250 basis points (bps) over the past year have been reasonably successful. The Government's continued thrust on infrastructure-driven, capex-led economic growth, together with signs of a revival of private sector investment in manufacturing and an improvement in capacity utilisation, has maintained the growth momentum.

The Government's push for growth through larger infrastructure spends continues in FY 2023-24. The private capex continues to provide tailwinds to the growth momentum. Buoyancy in tax collections during the current fiscal year supports the capex-led growth aspirations.
A healthy balance sheet of private players, improving consumer confidence and investment activity, as well as growing demand conditions, will provide support to economic growth in the near term.

A. Industry structure & developments:

- **Material Handling Division (MHD)**

The MHD manufactures and distributes material handling equipment, such as electric pallet trucks, platform/tow trucks, racking systems, electric/diesel forklifts, and reach trucks.

The MHD provides innovative solutions to its customers to save on their labour costs, material costs and conserve time, thereby increasing the efficiency of their processes. Josts has been catering to various industries for their material storage and transportation needs; loading and unloading, stacking and retrieving operations for over fifty years.

- **·Engineering Products Division (EPD)**

The EPD of the company deals in various product lines such as sound and vibration, environmental simulation, process control instrumentation, components, electrical test and measurement, nanotechnology and analytical solutions, heat and combustion solutions. The company is committed to providing environment-friendly technology while assisting its customers to enhance the performance of its products and processes.

Josts is associated with some of the world's leading brands that create cutting-edge engineering products for demanding industrial applications. We provide advanced solutions; a blend of innovation and technical expertise, and technical and commercial support in sales, commissioning, and post-sale services to these brands.

Infrastructure is one of the major supporting elements for the operation of industries. Accordingly, streamlining and upscaling of infrastructural facilities has been given a renewed thrust to achieve the avowed objectives of both economic growth and distributive equity. The higher budgetary allocation in improving infrastructure would give a major boost to generate more revenues by the engineering sector and the capital goods industry. The Government has allocated ₹99,107 crore (US$ 26.52 billion) in the Union Budget 2022-23 to improve transport infrastructure in the country so that the smooth movement of goods from one place to another can be made cost effective.

Josts Aerospace & Defense segment is expected to grow in accordance with the government's plans of executing its satellite launch missions and increasing expenditure on the modernization of aircraft & helicopter programs, various defense equipment, and system manufacturing projects. Increasing private ownership of the systems and components manufacturing sector and new product testing opportunities from both private and government labs, create a promising business potential for the company.

The power segment will continue to grow as the government and the private sector invest in Generation, Transmission, and Distribution companies for augmentation, upgrading and modernization of the network.

B. Opportunities and threats

With the Government of India initiating substantive policy reforms in the past 3 years and allocating higher budgets for indigenous procurement, the macro picture has become more positive for the business. The determined push by the GoI under the 'Make in India' initiative and 'Atmanirbhar vision' saw positive traction towards indigenous production. The material handling industry is expected to gain from robust demand for steel, power, mineral and other infrastructure industries.

Demand for Engineered Products from the capital goods sector is projected to remain high as the industry is demanding higher productivity, precision and accuracy and low-cost manufacturing solutions.

With the government's renewed focus on incentivizing the manufacturing sector, the logistics market will reap the benefits in the coming years. Growth in the e-commerce sector is also another significant demand driver for our products.

C. Risks and concerns

The Company faces various operational risks like geological risks, supply chain risk and procurement risks, client payment terms etc. Risk management has become an integral part of our strategy. We proactively identify potential risks and accordingly devise our short-term plans to mitigate any risk which could materially impact the company's long-term goals.

Economic Risk: A slump in economic growth may severely impact the infrastructure sectors, and similarly, the company's performance.

Mitigation: Josts has strategies in place to counter this: efficient cost management and tweaking the marketing mix.

Credit Risk: Delayed payments from customers may hamper the company's cash flow. This could influence our finances, affecting several other capital-dependent activities.

Mitigation: Josts has put tremendous emphasis on controlling its working capital to overcome this by building strong processes to continuously track the debtor's profile, and cash inflow to minimize such risks.

Cost Risk: The rise in the price of raw materials and competitive pricing may threaten the business.

Mitigation: To implement cost optimization our company has built long-term relationships with our vendors over the years. In addition, we have created a team dedicated to tracking the pricing of various materials.

HR Risk: Josts operation may be affected if the company does not have skilled employees that are motivated to compete, innovate or grow under pressure.

Mitigation: We focus on creating a group of driven people who are passionate and zealous about working hard and excelling in the industry. We pay attention to each employee's needs and ensure a good working environment. Training and team-building exercises are carried out regularly to minimize fatigue and increase performance.

D. Financial and operational performance

- **Material Handling Division (MHD)**

The performance of the material handling division has improved drastically during the year. MHD has shown tremendous growth in the Financial year 2022-23.
Revenue for the material handling division has increased by 32 % against last year's revenue mainly on account of increased demand and government initiative for the make in India movement. Profit before tax has increased by 59 % against last year due to cost optimization and an increase in volume.

Operational Review:

During the year, revenue has increased by 32%.

Profit before tax has increased to 5% IN FY23 against 4% in FY22.

Financial Review:

Particulars	FY23	FY22
Revenue (₹ in lacs)	10,025	7,572
Profit/Loss before tax (₹ in lacs)	487	307
Profit before tax (%)	5%	4%

- **Engineering Products Division (EPD)**

EPD's revenue increased by 57% in FY23. Our expected orders were on time due to proper movement. The delivery of imported materials was delayed because of the global supply chain disruption caused by the pandemic. Due to supply chain disruption, our margin has been impacted and reduced from 21% to 16% during the year.

Operational Review:

During the year, revenue increased by 57%. Profit before tax marginally reduced to 16% in FY 23 against 21% in FY22.

Financial Review:

Particulars	FY23	FY22
Revenue (₹ in lacs)	5,944	3,776
Profit before tax (₹ in lacs)	966	797
Profit before tax (%)	16%	21%

E. Outlook

The Indian Railways has undertaken several railway station redevelopment projects across the country.

The Rail Land Development Authority (RLDA) has been entrusted with the responsibility to upgrade and modernise major railway stations across India.

The Government aims to transform India into a global sporting powerhouse by undertaking mega-sports infrastructure projects that will have a long-term impact on health, education and tourism. The Indian Government has proposed a sports budget of ₹ 3,397 crore for FY 2023-24. This is an increase of 11% over the previous year's budget.

The Health sector has garnered significant attention from the Government after the pandemic. Both the Central and State Governments are focusing on building new hospitals and allied medical services like medical colleges on a large scale. We are also seeing significant investments from private players in the healthcare sector.

There is increased optimism about the strong revival of the aviation industry. With many major international airports under construction across the country, the handling capacity across airports is expected to increase substantially in the next 2-3 years. Further investments are planned in the second half of FY 2023-24 by the Government and private players to augment the facilities and infrastructure of airports.

Josts' Engineering Product division has a good presence in both private and government sectors. Capacity creation in sectors such as infrastructure, power, mining, oil & gas, refinery, steel, automotive, and consumer durables will certainly benefit this division.

Internal control systems and their adequacy

Josts has an adequate system of internal controls that ensure the efficacy of all operations and assure timely preparation and delivery of accounting records in adherence to the company's policies. It plays a significant role in the process of risk identification and mitigation. During the year, such controls were tested, and no material weaknesses in the design or operation were reported.

External auditors appointed by Josts monitor the internal control system and report to the senior management to ensure that corrective actions can be taken in case of any deficiencies. Furthermore, a risk-based program of internal audits assures the adequacy and effectiveness of internal controls.

F. Material developments in Human Resources / Industrial

Sustainable, profitable growth can only be achieved in an organization that focuses on the culture of performance; where employees are engaged and empowered to do their best.

We ensure that the work environment is conducive to the growth of employees. Significant HR initiatives were taken to ensure that the business operates without any impediments. Josts has 227 permanent employees as of 31st March 2023.

G) Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

Particulars	FY 23	FY 22	% change Y-o-Y
Debtors Turnover Ratio	4.11	3.45	19%
Inventory Turnover Ratio	13.66	8.94	53%
Interest Coverage Ratio	19.59	7.88	148%
Current Ratio	1.43	1.8	-20%
Debt Equity Ratio	0.02	0.03	-19%
Net Profit Margin (%)	4.32	3.95	9%
Return on Networth (%)	25.53	18.29	-30%

Inventory Turnover Ratio- Revenue from operations has increased from ₹ 11,348 lakhs to ₹ 15,968 lacs hence the ratio has increased.

Interest Coverage Ratio – Increase in interest coverage ratio is due to increase in EBIT from ₹ 592 lacs to ₹ 899 lacs.

Return on Networth – Due to increase in sales, the profitability has increased during the year in comparison to previous year which further resulted in increase in return on networth.

H. Cautionary Statements

Statements made in Management Discussion and Analysis are only predictions within the meaning of applicable securities laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook.

The Company assumes no responsibilities for the predictive statements herein, which may undergo changes in the future based on subsequent developments, information or events.

For and on behalf of the Board

Sd/-
Jai Prakash Agarwal
Chairman and Whole Time Director
DIN: 00242232

Date: 14th August, 2023
Place: Goa

ANNEXURE "G" TO THE BOARDS' REPORT

CORPORATE GOVERNANCE REPORT

The Corporate Governance Report for Financial Year 2022-23, which forms part of Board's Report, is prepared pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI (LODR)").

1. Company Philosophy on Corporate Governance

The Company continues to lay great emphasis on the highest standard of corporate governance. The Company has adopted an appropriate Corporate Governance framework to ensure accountability, transparency, timely disclosure and dissemination of information, ensuring meticulous compliance with applicable laws and regulations and conducting business in its best ethical manner.

The Board along with its committees undertake its fiduciary and trusteeship responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making. The Company provides access to the Board of all relevant information and resources to enable it to carry out its role effectively. The Company is committed to upholding the highest standards of Corporate Governance in its operations and will constantly endeavour to improve on theseaspects on an ongoing basis.

2. Board of Directors

a. Composition and Category of Directors, attendance of Directors at Board Meetings and Annual General Meeting, number of other Board of Directors or Committees in which a Director is a member or chairperson.

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and legal and provide leadership and guidance to the Company's management. The Directors contribute their diversified knowledge, experience and expertise in respective areas of their specialization for the growth of the Company.

As on 31st March, 2023, the Board of Directors of the Company comprised of Nine (9) Directors, of which Two (2) are Executive Directors, Six (6) are Independent Directors and One (1) is Non Executive Non-Independent Director. The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed both under Section 149 (7) of the Companies Act, 2013 and under SEBI (LODR). None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors as specified in SEBI (LODR). The Board does not have any Nominee Director representing any financial institution.

The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, meets with the requirements of Regulation 17 of SEBI (LODR).

The details of the Directors by category, attendance and other Directorship including Memberships/Chairmanships of Board Committees and number of shares held are:

Name	Designation	Category	No of Directorship in listed entities including this listed entity	No of Independent Directorship in listed entities including this listed entity	Number of membership in Audit/ Stakeholder Committee(s) including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity	No. of Equity Shares held
Mr. Jai Prakash Agarwal (DIN: 00242232)	Chairman & Whole Time Director	Promoter - Executive Director	1	0	2	0	2,65,982*
Mr. Vishal Jain (DIN: 00709250)**	Vice Chairman & Managing Director	Promoter, Executive Director	2	1	0	0	2,36,430*
Mr.Shailesh Sheth (DIN: 00041713)	Director	Non- Executive Independent Director	1	1	2	1	-
Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357)	Director	Non- Executive Independent Director	6	6	5	3	122*
Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802)	Director	Non- Executive Independent Director	3	3	5	4	-
Mrs. Shikha Jain (DIN: 06778623)	Director	Promoter, Non- Executive Director	1	0	0	0	2,25,642*
Mrs. Rekha Shreeratan Bagry (DIN: 08620347)	Director	Non-Executive Independent Director	2	2	0	0	0
Mr. Sanjiv Swarup (DIN: 00132716)	Director	Non-Executive Independent Director	6	6	5	3	0
Mr. Pramod Maheshwari (DIN: 00185711)	Director	Non-Executive Independent Director	2	1	0	0	0

**Number of shares held are as on 31st March, 2023 i.e. before stock split*
***Resigned from Career Point Limited with effect from 3rd August, 2023 from directorship.*

Board Procedure

The Board meets at least once a quarter and Board Meetings are held either at the Registered Office situated in Mumbai or at the Factory situated in Thane. The Meetings of the Board are generally scheduled well in advance and the notice of each Board Meeting is sent via e-mails to each Director. The Company provides the information as set out in Regulation 17 read with Part A of schedule II of the SEBI (LODR) to the Board and the Board Committees to the extent applicable. All the items drafted in the Agenda are accompanied by notes giving comprehensive information about the related subject and in certain matters such as financial/ business plans, financial results etc., detailed presentations for the same are made. The Agenda and the relevant notes are circulated well in advance separately to each Director. The members of the Board have complete access to all information of the Company. The Board, if deem necessary and depending upon the urgency and necessity of the matter, takes up any other item of business, which does not form part of the agenda. Urgent matters are also considered and approved by passing resolution through circulation, which are noted at the next Board Meeting. To enable the Board to discharge its responsibilities effectively, the members of the Board are briefed at every Board Meeting on the overall performance of the Company.

In addition to the above, pursuant to Regulation 24 of the SEBI (LODR),the Minutes of the Board Meetings of the Company's Unlisted Subsidiary Company, namely, MHE Rentals India Private Limited and JECL Engineering Limited and a statement of all significant transactions and arrangement entered into by the Unlisted Subsidiary Company are placed before the Board.

b. Attendance of each Director at the Board Meetings and the last Annual General Meeting

During the financial year ended March 31, 2023, 5 (Five) Board Meetings were held. The gap between two Board Meetings did not exceed 120 days. The attendance of each Director at Board Meetings and the last Annual General Meeting (AGM) is as under:

Name of the Director	No. of Board Meetings Attended	Attendance at last AGM held on 26th September, 2022
Mr. Jai Prakash Agarwal (DIN: 00242232)	5	Yes
Mr. Vishal Jain (DIN: 00709250)	5	Yes
Mr. Shailesh Sheth (DIN: 00041713)	5	Yes
Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357)	5	Yes
Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802)	5	Yes
Mrs. Shikha Jain (DIN: 06778623)	5	Yes
Mrs. Rekha Bagry (DIN: 08620347)	1	No*
Mr. Sanjiv Swarup (DIN: 00132716)	1	No*
Mr. Pramod Maheshwari (DIN: 00185711)	1	No*

** Appointed as Non- Executive Independent Director of the Company with effect from 7th February, 2023.*

Mrs. Shikha Jain, Non- Executive Director is the wife of Mr. Vishal Jain, Managing Director and Chief Executive Officer. No other Directors are related to each other. There were no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company other than the payment of sitting fees. Except Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357), Independent Non-executive Director, none other Independent Director or Non-Promoter -Non-Executive Director holds any Equity Share or Convertible instrument in the Company. Further, the Company has not granted any stock option to any of its Non-Executive Directors.

c. Directorship of Directors in other than this Company

Name of Director	Directorship in other Listed Companies	Category of Directorship
Mr. Jai Prakash Agarwal (DIN: 00242232)	• NIL	NIL
Mr. Vishal Jain (DIN: 00709250)	• Career Point Limited*	Director
Mr. Shailesh Sheth (DIN: 00041713)	• NIL	NIL
Mrs. Shikha Jain (DIN: 06778623)	• NIL	NIL
Mr.Farokh Kekhushroo Banatwalla (DIN: 02670802)	• Simmonds Marshall Limited • Uni Abex Alloy Products Limited	Director Director
Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357)	• Stovec Industries Limited • Mangalore Chemicals & Fertilisers Limited	Director Director
Mrs. Rekha Bagry (DIN: 08620347)	• Ramkrishna Forgings Ltd	Director
Mr. Sanjiv Swarup (DIN: 00132716)	• Responsive Industries Limited • Bharat Wire Ropes Limited	Director
Mr. Pramod Maheshwari (DIN: 00185711)	• Career Point Limited	Director

**Resigned with effect from 3rd August 2023.*

d. Number of Board Meetings held and dates on which held

During the financial year 2022-23, 5 (Five) meetings of the Board were held on the following dates:

1. 12th May, 2022;
2. 06th August, 2022;
3. 14th November, 2022;
4. 07th February, 2023.
5. 27th March, 2023

e. Familiarisation Programme for Independent Directors:

Consequent upon the applicability of Corporate Governance provisions to the Company from the financial year 2019-20, the Company is required to have Familiarization Programme for Independent Directors, pursuant to Regulation 25(7) of SEBI (LODR). The Regulation 25 (7) SEBI(LODR) stipulates that:

The Company shall familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes.

Familiarization module for Independent Directors:

1.The Company shall facilitate an orientation programme for the Independent Directors to provide an overview of business, operations and business model of the Company.

2.The programme shall also familiarize with the role, responsibilities and rights of the Independent Directors.

3. The programme shall also provide an opportunity to interact with the senior leadership team of the Company and help them to understand the service and product offerings, markets, finance, human resources, technology, quality, facilities and risk management and such other areas as may arise from time to time.

4. The company has imparted the familiarization program to the Independent Directors. The Familiarization program was conducted on 12th May, 2022, 06th August, 2022and 14th November, 2022, 07th February, 2023. The Weblink to access is: https://josts.com/wp-content/uploads/2023/04/Familiarisation-Programme_2022-23.pdf

F. Skills / Expertise / Competence of the Board of Directors:

As required under the provisions of Schedule V(C)(h) of the Listing Regulations, the Board of Directors has identified the core skills / expertise / competencies as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the Board as follows:

i)Knowledge of Company's business policies, major risks/threats and potential opportunities, technical/professional skills and specialized knowledge of Company's business.

ii) Business strategy & Analytics, Critical& Innovative thinking.
iii)Corporate Management and Corporate Governance.
iv)Financial including Accounting & Auditing, Management skills, administration.
v)Leadership and decision making.
vi)Behavioural skills -Attributes and competencies to use knowledge and skills for effective contribution to Company's growth.
vii)Risk identification- Legal and Regulatory compliance.
viii)Stakeholder Engagement & Market awareness.
ix)Business Ethics as well as Corporate Ethics.

All the present Directors of the company namely, Mr. Jai Prakash Agarwal (DIN: 00242232), Mr. Vishal Jain (DIN: 00709250), Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802), Mr. Shailesh Sheth (DIN: 00041713), Mr.Marco Philippus Ardeshir Wadia (DIN: 00244357), Mrs. Shikha Jain (DIN: 06778623), Mrs. Rekha Bagry (DIN: 08620347), Mr. Sanjiv Swarup (DIN: 00132716) and Mr. Pramod Maheshwari (DIN: 00185711) possess all the above skills.

g) In the opinion of the board, the Independent Directors fulfill the conditions specified in this regulations & are Independent of the management

3. COMMITTEES OF THE BOARD

A. AUDIT COMMITTEE

The terms of reference of the Audit Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and the rules made thereunder and regulation 18 of SEBI (LODR). Further, the Audit Committee has been granted powers as prescribed under regulation 18 of SEBI (LODR).

a. Terms of Reference

Terms of Reference will include inter alia the following:
(i) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
(ii)review and monitor the auditor's independence and performance, and effectiveness of audit process;
(iii)examination of the financial statement and the auditors' report thereon;
(iv)approval or any subsequent modification of transactions of the company with related parties:
(v)scrutiny of inter-corporate loans and investments;
(vi)valuation of undertakings or assets of the company, wherever it is necessary;
(vii)evaluation of internal financial controls and risk management systems;
(viii)monitoring the end use of funds raised through public offers and related matters.

b. Composition of the Audit Committee

Presently, the Audit Committee comprises of Three Directors, i.e. One Executive Promoter Director and Two Non- Executive Independent Directors. The members of the Committee are financially literate and have accounting and financial management expertise in terms of regulation 18 of SEBI (LODR). The Chairman of the Audit Committee is a Non- Executive Independent Director. The meetings of the Audit Committee were held through video conferencing. Both the Statutory and Internal Auditors of the Company are regular invitees to the Audit Committee meetings to brief the committee members on the respective reports.

The meeting of the Audit Committee is generally attended by the Chairman & Whole Time Director, Managing Director, Chief Financial Officer and other departmental heads. The quorum for the Audit Committee Meetings is 2 (Two) members.

During the Financial Year 2022-23, 5(Five) meetings of the Audit committee were held as follows:

- 12th May, 2022;
- 06th August, 2022;
- 14th November, 2022;
- 07th February, 2023
- 27th March, 2023

The Composition of the Audit Committee and the attendance of the Committee Members at the Meetings held during the Financial Year 2022-23 is as follows:

Name of the Director	Designation	Category	No. of Audit Committee Meetings attended
Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802)	Chairman	Non-Executive Independent Director	5
Mr. Shailesh Sheth (DIN: 00041713)	Member	Non-Executive Independent Director	5
Mr. Jai Prakash Agarwal (DIN: 00242232)	Member	Promoter – Executive Director	5

The Chairman of the Committee was present through video conferencing at the last Annual General Meeting of the Company to answer shareholders queries. The Committee reviews the reports of the Internal Auditor and Statutory Auditors and suggestions, if any, made by them and ensures that adequate follow-up action is taken by the management on observations and recommendations made by the respective auditors.

The maximum gap between any two meetings was less than 120 days

The draft minutes of the Audit Committee are circulated among members of the Committee before the same is placed before the Board. The minutes of the Audit Committee forms part of the Board Agenda.

B. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee is made in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR).

The terms of reference of the Nomination and Remuneration Committee includes the following:

1. Identification and nomination of suitable candidates for the Board's approval in relation to appointment and removal of Directors and Key Managerial Personnel and Senior Management.

2. Making recommendations to the Board in relation to the remuneration payable to the Directors and Key Managerial Personnel and Senior Management, in terms of the policy of the Company.

3. Formulating criteria for evaluation of performance of the Board of Directors and Independent Directors.

4. Developing a succession plan to ensure the systematic and long-term development of individuals in the Senior Management level to replace when the need arises due to deaths, disabilities, retirements, and other unexpected occurrence and to regularly review the plan.

As per Section 178(4) of the Act, the Nomination and Remuneration Committee shall, while formulating the policy under sub section (3) ensure that:

1. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

2. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

3. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

<u>Composition of the Nomination and Remuneration Committee</u>

During the Financial Year 2022-23, 3 (Three) meetings of the Nomination and Remuneration Committee were held on 12th May 2022, 06th August, 2022 and 07th February, 2023.

Name of the Director	Designation	Category	Number of Meetings attended
Mr.Shailesh Sheth (DIN: 00041713)	Chairman	Non-Executive Independent Director	3
Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357)	Member	Non-Executive Independent Director	3
Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802)	Member	Non-Executive Independent Director	3

<u>Performance evaluation criteria for independent Directors</u>

The Independent Directors and the Board are evaluated on the basis of the following criteria's:

1.Attendance and participations in the meetings.

2. Raising of concerns to the Board

3. Safeguard of confidential information

4.Rendering independent, unbiased opinion and resolution of issues at meetings.

5.Initiative in terms of new ideas and planning for the Company.
6.Safeguarding interest of whistle-blowers under vigil mechanism.
7.Timely inputs on the minutes of the meetings of the Board and Committee's, if any.

Remuneration to Non-Executive Directors

The Non-Executive Directors are paid sitting fees for attending Board Meeting and/or Committee Meetings.

The details of the sitting fees paid/payable to Non-Executive Directors for the year ended 31st March, 2023 is as follows:

Name of the Director	Sitting Fees (₹ In Lakhs)
Mr. Shailesh Sheth (DIN: 00041713)	3.05
Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802)	3.05
Mr. Marco Philippus Ardeshir Wadia (DIN: 00244357)	1.70
Mrs. Shikha Jain (DIN: 06778623)	1.60
Mrs. Rekha Bagry (DIN: 08620347)	0.35
Mr. Sanjiv Swarup (DIN: 00132716)	0.35
Mr. Pramod Maheshwari (DIN: 00185711)	0.35

Remuneration to Executive Directors

(I) Mr. Vishal Jain (DIN:00709250), Managing Director, was appointed as Vice Chairman and Managing Director for a period of 3 years w.e.f. 4th October, 2017 to 3rd October, 2020. He was then further re-appointed at the Board Meeting dated 15th June, 2020 for a further period of 3 years w.e.f. 4th October, 2020. The terms and conditions of appointment and remuneration are embodied in the agreement dated 15th June, 2020 respectively entered into between the Company and Mr. Vishal Jain.The salient terms and conditions are as under:

(i) Salary	
Basic Salary:	₹ 130,000/- per month
House Rent allowance:	₹ 65,000/- per month
Special Allowance:	₹ 155,000/- per month
Total Monthly Salary:	₹ 3,50,000/- (subject to tax)

(ii)Perquisites:

a)Reimbursement of Petrol / diesel expenses
As per the rules of the Company.
b) Reimbursement of Entertainment and Travelling Expenses
The Company shall reimburse actual entertainment and travelling expenses incurred by the Managing Director in connection with the Company's business.

(iii)Privilege Leave (PL):

(a) PL with pay, as per Company's Rules.
(b) Accumulation of PL and encashment, as per Company's Rules.

(iv)Provident Fund and Gratuity:
(a) Company's contribution to Provident Fund @ 12% of basic salary.
(b)Gratuity at the rate of 15 (Fifteen) days basic salary for every completed year of service or part there of in excess of six months.

(v)The Managing Director shall not be liable to retire by rotation so long as he continues to hold the office as Managing Director.
(vi)The terms and conditions of the said appointment and remuneration shall be in accordance with Schedule V and other applicable provisions of the Companies Act, 2013, or any amendments or re-enactment thereof.
(vii)The terms and conditions of the Agreement may be altered or varied from time to time by the Board of Directors in consultation with the Nomination and Remuneration Committee of the Board of Directors of the Company.
(viii)Either party may terminate the said Agreement by giving to other, advance notice of 3 months.

(II) Mr. Jai Prakash Agarwal (DIN: 00242232), was appointed as Executive Chairman for a period of 3 years w.e.f. 1st April, 2021. The remuneration payable to him was approved by the members of the company at their duly convened Extra Ordinary General Meeting dated 24th March, 2021

Remuneration Payable: -
i. Salary:
(a) Basic Salary ₹ 2,00,000/- per month
(b) House Rent allowance ₹ 80,000/- per month
(c) City Compensatory Allowance
₹ 1,10,385/- per month
Total Monthly Salary (a+b+c) ₹ 3,90,385/- (subject to tax)

ii) Perquisites:
a) Reimbursement of Petrol / diesel expenses
As per the rules of the Company.
b) Reimbursement of Entertainment and Travelling Expenses

The Company shall reimburse actual entertainment and travelling expenses incurred by the Executive Chairman in connection with the Company's business.

iii. Privilege Leave (PL):
(a) PL with pay, as per Company's Rules.
(b) Accumulation of PL and encashment, as per Company's Rules.

iv. Gratuity:
Gratuity at the rate of 15 (Fifteen) days basic salary for every completed year of service or part thereof in excess of six months.

C. CORPORTE SOCIAL RESPONSIBILITY COMMITTEE

The Company has a CSR Committee, in terms of Section 135 of the Companies Act, 2013. The Chairman of the Committee is Mr. Jai Prakash Agarwal (DIN:00242232), Executive Director of the Company. Mr. Vishal Jain (DIN: 00709250), Managing Director, Mr. F K Banatwalla (DIN: 02670802), Independent Director of the Company are the other members of the Committee.
During the year ended 31st March 2023, 2 (Two) Committee meeting was held i.e. on 14th November, 2022 and 7th February, 2023, which was attended by the members through Video Conferencing as under:

Name of the Director	Designation	Category	Number of Meetings attended
Mr. Jai Prakash Agarwal (DIN: 00242232)	Chairman	Executive Director	2
Mr. Vishal Jain (DIN: 00709250)	Member	Executive Director	2
Mr. Farokh Kekhushroo Banatwalla DIN: 02670802)	Member	Non-Executive Independent Director	2

D. SHARE TRANSFER COMMITTEE

The Company has a Share Transfer Committee comprising of Mr. Shailesh Sheth (DIN: 00041713), Chairman, Mr. Jai Prakash Agarwal (DIN: 00242232) and Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802), Members of the Committee, which was constituted on 7th February, 2023 with immediate effect. The Committee met 2 (Two) times during the year under review. The Board has delegated the power of Share Transfer to the Company's Registrar & Share Transfer Agents, who processes the transfers, in respect of physical and shares under Demat.

E.STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has a Stakeholder's Relationship Committee to oversee redressal of shareholders'/Investors' grievances relating to transfers, transmissions, issue of duplicate share certificate(s) and all other matters concerning shareholders' complaints. Mr. Shailesh Sheth, Independent Director of the Company is the Chairman of the Committee and other members of the Committee are Mr. Jai Prakash Agarwal and Mr. Farokh Kekhushroo Banatwalla. Mr. Rohit Jain, Chief Financial Officer was appointed as the Compliance Officer of the Company with effect from 07th February, 2022. Mrs. Babita Kumari was appointed as Company Secretary and Compliance Officer of the Company with effect from 6th August, 2022. During the Financial Year 2022-23, 4 (Four) meetings of the Stakeholders Relationship Committee were held i.e. on 18th May 2022, 06th August, 2022, 14th November, 2022 and 07th February, 2023. During the year under review, the Company had received and resolved 2 (Two) complaints from the investors and there were no investor complaints pending as on 31st March 2023.

The attendance of the Stakeholders Relationship Committee is given below:

Name of the Director	Designation	Category	No. of meetings attended
Mr.Shailesh Sheth (DIN: 00041713)	Chairman	Non-Executive Independent Director	4
Mr. Jai Prakash Agarwal (DIN: 00242232)	Member	Promoter – Executive Director	4
Mr. Farokh Kekhushroo Banatwalla (DIN: 02670802)	Member	Non-Executive Independent Director	4

The Chairman of the Committee was present through video conferencing at the last Annual General Meeting of the Company to answer shareholders queries.

4. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As stipulated by the Code for Independent Directors under Schedule IV to the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 6th February, 2023 and attended by the Independent Directors to review the performance of Non-Independent Directors (including the Chairman) and the Board as a whole. The Independent Directors also reviewed the quality content & timeline of the flow of information between the management and the board and its committees which is necessary to effectively and reasonably perform & discharge their duties.

5. INDUCTION AND TRAINING OF INDEPENDENT DIRECTOR

Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as the nature of industry in which the Company operates through induction programmes at the time of their appointment as Director. On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction programme giving brief description on Company's manufacturing, marketing, finance and other important aspects. The Company Secretary briefs the Directors about their legal and regulatory responsibilities as a Director. The induction for Independent Directors include interactive sessions with Business and Functional heads. The details of familiarization programmes for Independent Directors are uploaded on the website of the Company, i.e.www.josts.com: at the weblink https://josts.com/wp-content/uploads/2023/04/Familiarisation-Programme_2022-23.pdf

6. EVALUATION OF THE BOARD'S PERFORMANCE

One of the key functions of the Board is to monitor and review the Board evaluation framework. Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (LODR) Regulations, 2015, the Board has carried out evaluation of its own performance, performance of Individual Directors and as well as that of its Committees, including Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of Board's functioning such as composition of Board & its Committees, experience and competencies, performance of specific duties obligations, governance issues etc.

Separate exercise was carried out to evaluate the performance of individual Directors, including the Board as a whole, Chairman, who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgement, safeguarding of minority shareholder's interest etc.

7. GENERAL BODY MEETINGS

a) Location and time, where last three Annual General Meetings were held is given below:

Financial Year	Date	Location of the Meeting	Time	Particulars of Special Resolution
2020-21	4th September, 2020	Through - Video Conferencing ("VC')/ Other Audio-Visual Means ("OAVM)	04:00 P.M.	• Approval of the members pursuant to Section 185 of the Companies Act, 2013 authorizing the Board to give Loan(s) to Company's Subsidiary namely, MHE Rentals India Private Limited.
2021-22	9th September, 2021	Through - Video Conferencing ("VC')/ Other Audio-Visual Means ("OAVM)	02:00 P.M.	• Approval for shifting of the place of keeping the Register of Members at the Address of Registrar and Share Transfer Agent, namely, M/s. Big Share Services Pvt. Ltd. At 1st Floor, Bharat Tin Works Building, Vasant Oasis, Makwana Road, Marol, Andheri (East),Mumbai-400059, Maharashtra-India
2022-23	26th September, 2022	Through - Video Conferencing ("VC')/ Other Audio-Visual Means ("OAVM)	02:00 P.M.	• Approval of Employee Stock Option Plan titled as "Jost's Engineering Company Employee Stock Option Plan 2022"However, the Special Resolution was not passed with requisite majority.

b) Location and time, where Extraordinary General Meetings were held for last three years:

The details of Extraordinary General Meetings held during the last three financial years.

Financial Year	Date	Location of the Meeting	Time	Particulars of Special Resolution
2020-21	24th March, 2020	Through - Video Conferencing ("VC')/ Other Audio-Visual Means ("OAVM)	4:00 P.M.	Approval of the members pursuant to Section 185 of the Companies Act, 2013 authorizing the Board to give additional Loan(s) Company's Subsidiary, namely, MHE Rentals India Private Limited. However, the Special resolution was not passed with requisite Majority.
2021-22	No Extraordinary General Meetings were held.			
2022-23	23rd March, 2023	Through - Video Conferencing ("VC')/ Other Audio-Visual Means ("OAVM)	2:00 PM	• Regularization of Ms. Rekha Shreeratan Bagry (DIN: 08620347), as a Non-Executive Independent Director of the Company. • Regularization of Mr. Sanjiv Swarup (DIN: 00132716), as a Non-Executive Independent Director of the Company. • Regularization of Mr. Pramod Maheshwari (DIN: 00185711), as a Non-Executive Independent Director of the Company.

c) No special resolution was passed through Postal Ballot during the financial year 2022-23.

d) No special resolution is proposed to be passed through Postal Ballot at the ensuing Annual General Meeting.

8. MEANS OF COMMUNICATION

- Quarterly Results: The Company submits the quarterly/Annual financial results to the Stock Exchanges immediately after Board's Approval. The Annual, half yearly and Quarterly results are generally published in the 'The Free Press Journal' (English Edition) and 'Navshakti' (Marathi Edition), newspapers.

- Website: The Company's website www.josts.com. On this website the company displays various information such as Annual Reports, Notices of Board and General Meetings, Policies adopted by the company, unpaid dividend details, Quarterly/Annual results and various Statutory information as required by SEBI Regulations etc.

- BSE Corporate Compliance & Listing Centre (the 'Listing Centre'): BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, Notices issued to Shareholders, Quarterly/Annual Results, Outcome of Board Meetings etc among others are filed on the Listing Centre.

9. GENERAL SHAREHOLDERS' INFORMATION

1.	**Company Registration details**	The Company is registered in the State of Maharashtra, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L28100MH1907PLC000252.
2.	**Ensuing Annual General Meeting** Date, Time and Venue	Monday, 18th September, 2023 at 2:00 P.M. Through Video Conferencing or Other Audio-Visual Means.
3.	**Financial Year**	1st April, 2022 to 31st March, 2023.
4.	**Tentative Financial reporting for Financial Year 2023-2024 is as follows:** i. First Quarter ii. Second Quarter iii. Third Quarter iv. Fourth Quarter	Second week of August, 2023 Second week of November, 2023 First week of February, 2024 Fourth week of May, 2024
5.	**Newspapers wherein results are published.**	The Free Press Journal (English Edition) and Navshakti (Marathi Edition).
6.	**Website where the financial results, shareholding pattern, corporate governance report and annual report, etc. are uploaded.**	www.josts.com www.bseindia.com
7.	**Dates of Book Closure**	12th September, 2023 to 18th September, 2023 (Both days Inclusive).
8.	**Dividend**	A dividend of Rs. 1.5 per Share (75%) is recommended for the year ended 31st March, 2023. The Dividend (subject to Tax), if approved by the Shareholders at the ensuing AGM, will be paid within the stipulated time.
9.	**Listing on Stock Exchanges**	The Equity Shares of the Company are listed on: BSE Limited (BSE) Address: - Floor 25, P.J. Towers, Dalal Street, Fort, Mumbai-400 001
10	**Annual Listing Fees**	Annual Listing Fees for Financial year 2023-24 is paid to BSE Ltd.
11	**Stock Code**	505750
12	**ISIN**	INE636D01025 (upto 27th April, 2023) INE636D01033 (with effect from 28th April, 2023)
13	**Registrar and Share Transfer Agents**	M/s. Big Share Services Pvt. Ltd. Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai, 400093 Website: https://www.bigshareonline.com Email: investor@bigshareonline.com
14	**Share Transfer System**	The company has appointed M/s. Big Share Services Pvt. Ltd, Registrar and Share Transfer Agent of the Company for Share Registry work (Demat as well as Physical Shares). Matters related to share transfer and transmission are attended by the delegated authorities on a fortnightly basis. Share transfers are registered and returned within 15 days from the date of receipt, if the documents are in order in all respects. As per the requirement of Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained half-yearly certificates from Practicing Company Secretary for due compliance of share transfer formalities. However, it may be noted that as per SEBI stipulation the transfer of physical shares is not permitted with effect from 1st April 2019 except in cases where the claims are lodged for transmission or transposition of shares or where the transfer deed(s) lodged prior to above date were returned due to deficiency in the documents.
15	**Address for Correspondence**	The Company Secretary and Compliance Officer **Registered Office:** Great Social Building, 60 Sir Phirozeshah Mehta Road, Fort, Mumbai – 4000001/ **Factory**: C-7, Road No. 12, Wagle Industrial Estate, Thane West – 400604.

16	**Dematerialization of Shares and liquidity**	As on 31st March, 2023, 18,27,462 Equity Shares of the Company constituting appx. 97.95% of the Equity Share Capital are held in Dematerialized form whereas 38,284 Equity Shares constituting 2.05% are held physically. The Company's equity shares enjoys the DEMAT facilities with NSDL as well as CDSL.
17	**Electronic Clearing Services (ECS)**	Members who have furnished their bank account details to the Depository Participant/Share Transfer Agent will be used to pay the dividend by ECS.
18	**Investor Complaints to be addressed to**	Registrar and Share Transfer Agent, namely, M/s. Big Share Services Pvt. Ltd. or to the Company Secretary of the Company at the address for correspondence given above.
19	**Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity.**	There are no Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, which are likely to have impact on equity as at March 31st, 2023.
20	**Plant Locations**	C-7, Road No. 12, Wagle Industrial Estate, Thane West – 400604.

b) Distribution of Share Holding

Face value: ₹ 5/- each (as on March 31st ,2023)

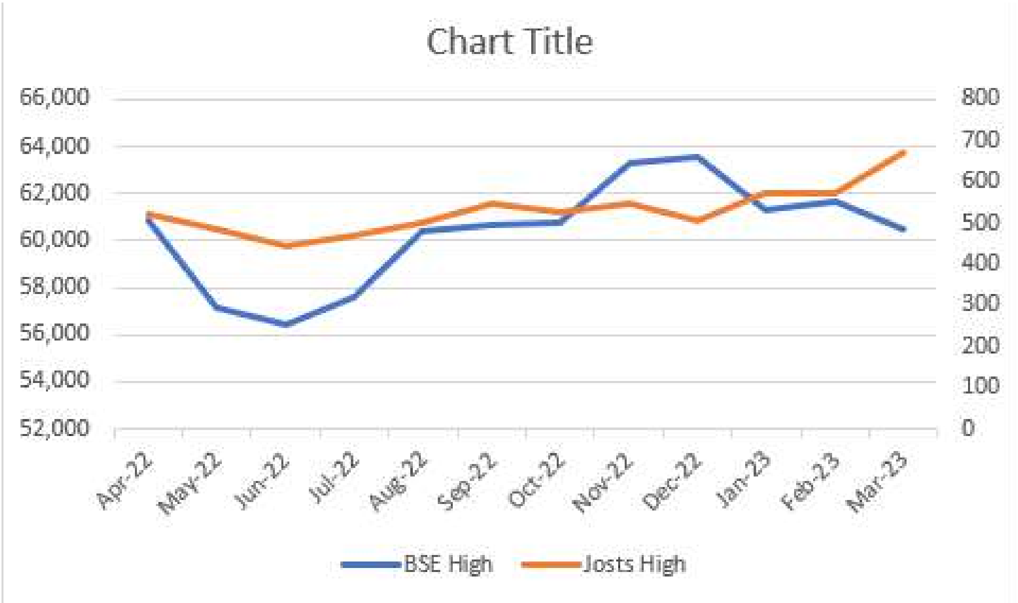
Range of Shares	Number of Shareholders	Percentage of Shareholders	Number of Shares held	Percentage of Total Capital
1-5000	1974	96.0117	196104	10.5108
5001-10000	39	1.8969	54688	2.9312
10001-20000	15	0.7296	44621	2.3916
20001-30000	4	0.1946	20256	1.0857
30001-40000	2	0.0973	14400	0.7718
40001-50000	2	0.0973	19200	1.0291
50001-100000	5	0.2432	76356	4.0925
100001 and above	15	0.7296	1440121	77.1874
Total	2,056	100	1,86,57,46	100

c) Shareholding Pattern as on 31st March, 2023.

Sr. No.	Category of Shareholders	No of Shares held	Percentage of Share Holding
1	Indian Promoters	9,23,144	49.48
2	Key Managerial Personnel	2	0
3	Financial Institutions/ Bank & Companies	1,190	0.06
4	Bodies Corporate	41837	2.24
5	Indian Public	819547	43.93
6	Non-Residents (NRI)	55135	2.96
7	IEPF	23966	1.28
8	Clearing Members	925	0.05
	Total	18,65,746	100

d) Performance in comparison to broad based indices

BSE SENSEX VS JOST'S ENGINEERING COMPANY LIMITED SHARE PRICE



c) Market Price Data of the Company

BSE Limited*				
Period	**Open Price**	**High Price**	**Low Price**	**Close Price**
April, 2022	459	521	433.1	485.2
May, 2022	473	484.8	375	441.8
June, 2022	423	444.7	390.15	410
July, 2022	413.95	469.4	400	464.9
August, 2022	450	500.05	421.3	488.55
September, 2022	490	545	466	500.15
October, 2022	512.85	524.45	465	488.9
November, 2022	492	546.05	465.2	470.9
December, 2022	490	507	445.15	488.35
January, 2023	470.15	573.9	441	500.75
February, 2023	484	570.85	483	520
March, 2023	535	668.8	515	644.85

*Source: Official website of BSE

f. Reconciliation of Share Capital Audit

In keeping with the requirements of the SEBI and stock exchanges, a reconciliation of share capital audit by a Practicing Company Secretary is carried out at the end of every quarter to reconcile the total admitted Equity capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital. The said audit confirms that the total issued/ paid-up Equity capital tallies with the total number of Equity shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL. As on 31st March, 2023, Equity Shares comprising 97.95% of the company's capital have been Dematerialization and balance shares comprising 2.05% are held in physical form.

Bifurcation of the category of shares in physical and electronic mode as on March 31, 2023 is given below:

Shares Held Through	No. of Shares	Percentage of Holding
NSDL	1647042	88.28
CDSL	180420	9.67
Physical	38284	2.05
Total	18,65,746	100

10. DISCLOSURES

a) All related party transactions that were entered into during the financial year were on arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and the SEBI (LODR). Details of related party transactions entered into by the Company are included in the Notes to Accounts.

Material individual transactions with related parties are in the normal course of business and do not have potential conflict with the interests of the Company at large. Transactions with related parties entered into by the Company in the normal course of Business are placed before the Audit Committee periodically. The policy on related party transactions as approved by the Board is uploaded on the Company's website www.josts.com .

b) The Audit Committee and the Board has adopted a Whistle-Blower policy which provides an environment where every director/ employee feels free and secure to report specific incidents of unethical behavior, actual or suspected incidents of fraud or violation of the Company's Code, investigate such reported incidents in a fair manner, taking appropriate disciplinary action against the delinquent director(s) and employee(s), ensuring that no director or employee is victimized or harassed for bringing such incidents to the attention of the Company. The company affirms that there was no incidence of reporting unethical behavior, actual or suspected fraud or violation of company's code of conduct during the financial year 2022-2023 and also affirms that no personnel has been denied access to the audit committee

c) i. The Company has complied with all the mandatory requirements of SEBI (LODR), 2015, except:

a. As per Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, there was a delay in submitting to BSE the disclosure of the Related Party transactions for which a penalty was imposed by BSE for delayed disclosure amounting to Rs. 17,700.00/- which was also duly paid by the Company.

Explanation to above delay in submission: Due to technical difficulties, there was a delay in filing the disclosure of Related Party Transactions. However, the Company shall ensure that such delays are avoided in future.

ii. The Company has complied with non-mandatory requirements of Part E of Schedule II of SEBI (LODR) except sending significant events to each household of shareholders.

d) The Nomination and Remuneration Committee and Board of Directors of the Company in their meeting held on August 6th, 2022 approved the Jost's Engineering Company Employee Stock Option Plan, 2022 (hereinafter to be referred as the "Plan") for grant of 1,20,000 Options to Eligible Employees of the Company and recommended the same to the Shareholders of the Company for their approval. However, the resolution was not passed with requisite majority.

e) The Company has Altered the Capital Clause of Memorandum of Association due to stock-split/ Subdivision pursuant to a resolution passed by the members in the Extra-Ordinary General Meeting of the Company held dated 23rd March, 2023 and the Company has also accorded approval of the Board of Directors in the meeting of the board held dated 27.03.2023 to issue, offer and allot all the securities to the persons entitled thereto and has also accorded approval for issuance of new Share certificates thereof to the concerned persons due to stock-split and board fixes 29th April, 2023 as the allotment date for the purpose.

11. The company has formulated Policy on Material Subsidiary pursuant to Regulation 16(1)(c) of SEBI (LODR) for the purpose of determining material Subsidiary to ensure Governance compliance by the Company. This policy is available on the website of the Company at www.josts.com.
In terms of the above policy, the company's subsidiary namely , MHE Rentals India Pvt. Ltd. is considered as a Material Subsidiary.

12. The Company has adopted the policy on Related Party Transactions. This policy is available on the website of the Company at www.josts.com.

13. Disclosure of commodity price risks and commodity hedging activities **Not Applicable**

14. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) – **Not Applicable**

15. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof – **Not Applicable**

16. Fees paid to Statutory Auditors of the Company:

Particulars	**Year ended 31st March, 2023**		
	Company	**Subsidiary**	**Total**
Statutory Audit Fees	11.25	0.25	11.5
Taxation matters	1	-	1
Other services	1.5	-	1.5
Out of pocket expenses	0.27	-	0.27
Total	14.02	0.25	14.27

17. Details of Sexual Harassment complaints received and redressed

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	NIL	NIL	NIL

18.LOANS AND ADVANCES

The details loans and advances in the nature of loans to MHE Rentals India Private Limited, Wholly Owned Subsidiary, in which directors are interested, are given in the notes to the financial Statements.

19. DETAILS OF MATERIAL SUBSIDIARIES

The Board of Directors of the Company has approved a policy for determining material subsidiaries which is in line with the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015, as amended from time to time. The policy has been uploaded on the company's website at www.josts.com.

The Company has one material subsidiary that is MHE Rentals India Private Limited. The details of material subsidiaries including the date and place of incorporation and the name and date of appointment of Statutory Auditors as required pursuant to Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is as follows:

S. No.	Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of Appointment of Statutory Auditor
1	MHE Rentals India Private Limited	21st December, 2016	West Bengal	Vinod Kumar & Associates	1st September, 2022

20. Non-compliance of requirements of Corporate Governance Report as per Schedule V of SEBI (LODR)

Nil

21. Disclosure of extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

1. The listed entity has moved towards a regime of financial statements with unmodified audit opinion.

2. The internal auditor submits his internal Audit Reports directly to the audit committee.

22. Details of Compliance of Corporate Governance Requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of SEBI (LODR) are as follows.

Sr. No.	Regulation	Particulars	Compliance observed for the following	Compliance Status Yes / No/N.A.
1.	17	Board of Directors	• Composition • Meetings • Review of compliance reports • Plans for orderly succession for appointments • Code of Conduct • Fees / compensation to Non-Executive Directors • Minimum information to be placed before the Board • Compliance Certificate • Risk assessment and management - Performance evaluation of Independent Directors	Yes
2.	18	Audit Committee	• Composition • Meetings • Powers of the Committee • Role of the Committee and review of information by the Committee	Yes
3.	19	Nomination and Remuneration Committee	• Composition • Role of the Committee	Yes
4.	20	Stakeholders' Relationship Committee	• Composition • Role of the Committee	Yes
5.	21	Risk Management Committee	Not Applicable	Not Applicable
6.	22	Vigil Mechanism	• Formulation of Vigil Mechanism for Directors and employees • Direct access to Chairperson of Audit Committee	Yes
7.	23	Related Party Transactions	• Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions • Approval including omnibus approval of Audit Committee • Review of Related Party Transactions	Yes except as mentioned under Disclosures
8.	24	Subsidiaries of the Company	i. Appointment of Independent Director on the Board of the Subsidiary Company. ii. Review of financial statements of unlisted subsidiary by the Audit Committee iii. Significant transactions and arrangements of unlisted subsidiary	Yes
9.	25	Obligations with respect to Independent Directors	1. Maximum directorships and tenure 2. Meetings of Independent Directors 3. Familiarization of Independent Directors	Yes
10	26	Obligations with respect to Directors and Senior Management	1. Memberships / Chairmanships in Committees 2. Affirmation on compliance of Code of Conduct by Directors and Senior Management. 3. Disclosure of shareholding by Non- Executive Directors. 4. Disclosures by Senior Management about potential conflicts of interest.	Yes
11	27	Other Corporate Governance requirements	1. Compliance with discretionary requirements 2. Filing of quarterly compliance report on Corporate Governance	Yes, except sending significant events to each household of shareholders. Yes
12	46(2)(b) to (i)	Website	i. Terms and conditions for appointment of Independent Directors ii. Composition of various Committees of the Board of Directors iii. Code of Conduct of Board of Directors and Senior Management Personnel iv. Details of establishment of Vigil Mechanism/ Whistle Blower policy v. Policy on dealing with Related Party Transactions vi. Policy of Corporate Social Responsibility vii. Policy for determining material subsidiaries viii. Details of familiarization programmes imparted to Independent Directors. ix. Other policies as required under the Law	Yes

23. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT:

The Board of Directors has adopted Code of Conduct for the Board of Directors and Senior Management Personnel of the Company in terms of Regulation 17 (5) of the SEBI (LODR). All Board members and Senior Management Personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2023. A declaration to this effect signed by the Managing Director and CEO is appended as **Annexure – 'I'** to this report. The said Code of Conduct may be viewed on the Company's website at www.josts.com .

24. CERTIFICATION FOR FINANCIAL REPORTING AND INTERNAL CONTROLS:

Pursuant to Regulation 17 (8) of the SEBI (LODR), a certificate duly signed by the Managing Director & CEO and Chief Financial Officer of the Company is appended as **Annexure 'II'** to this report.

25. CERTIFICATE FROM A PRACTISING COMPANY SECRETARY WITH RESPECT TO DISQUALIFICATION OR OTHERWISE OF DIRECTORS:

The Company has obtained a certificate from M/s. Akshay Gupta and Co., Practicing Company Secretary confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is appended hereto as **Annexure – 'III'.**

26. CERTIFICATE FROM A PRACTISING COMPANY SECRETARY FOR COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE:

A certificate from M/s. Akshay Gupta and Co., Practicing Company Secretary, regarding compliance of conditions of Corporate Governance as stipulated in Part E of Schedule V of the SEBI (LODR) is appended as **Annexure 'IV'** to this Report.

27. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

There is no demat suspense account /unclaimed suspense account opened by the Company as on 31st March, 2023.

28. PARTICULARS IN RESPECT OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE ENSUING 116TH ANNUAL GENERAL MEETING OF THE COMPANY, PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS REGULATIONS, 2015.

Mrs. Shikha Jain

Mrs. Shikha Jain (DIN: 00242232) aged about 49 years, holds a degree in Commerce. She has more than 6 years of experience in manufacturing sector. She is the Non Executive Non Independent Director of the Company appointed with effect from 12th August, 2016.

Mr. Jai Prakash Agarwal

Mr. Jai Prakash Agarwal (DIN: 00242232) aged about 65 years, Mr. Jai Prakash Agarwal (DIN: 00242232), is a graduate in Commerce and a Fellow member of the Institute of Company Secretaries of India. He has more than 43 years of experience in manufacturing sector.

The details of his directorship and membership in Companies are given below:

Sr. No.	Name of the Public Limited Company in which he is a Director	Chairman/ Director	Positions held in			
			Audit Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee	Corporate Social Responsibility Committee
1	Jost's Engineering Company Limited	Chairman and Whole Time Director	Member	-	Member	Chairman

Mr. Vishal Jain

Mr. Vishal Jain (DIN: 00709250), aged about 50 years, is BE, MBA. He has over 21 years' experience in roles spanning supply chain management, financial advisory and wealth management.

S. No.	Name of the Public Limited Company in which he is a Director	Chairman/ Director	Positions held in			
			Audit Committee	Nomination & Remuneration Committee	Stakeholder's Relationship Committee	Corporate Social Responsibility Committee
1	Jost's Engineering Company Limited	Managing Director and Chief Executive Officer	-	-	-	Member

For and on behalf of the Board

Sd/-
Jai Prakash Agarwal
Chairman & Whole Time Director
DIN: 00242232

Date: 14th August, 2023.
Place: Goa

ANNEXURE-"I" TO THE CORPORATE GOVERNANCE REPORT

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH JOST'S CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANGEMENT PERSONNEL OF THE COMPANY

As provided under Regulation 34 (3) read with Para D of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and the Senior Management Personnel have affirmed their compliance with Jost's Code of Conduct as applicable to them, for the Financial Year ended March 31, 2023

For and on behalf of the Board

Sd/-
Mr. Vishal Jain
Managing Director & CEO
DIN: 00709250

Date: 14th August, 2023.
Place: California,US

ANNEXURE-"II" TO THE CORPORATE GOVERNANCE REPORT

CERTIFICATION UNDER REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors
Jost's Engineering Company Limited

We have reviewed the financial statements and the cash flow statement of Jost's Engineering Company Limited for the year ended March 31, 2023 and that to the best of our knowledge and belief, we state that;

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading:

(ii)these statements together present a true and fair view of the Company's affairs and are in compliance with current accounting standards, applicable laws and regulations.

(b) there are no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.

(c) we accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

(d) we have indicated to the Auditors and the Audit Committee:

(i) significant changes, if any, in the internal control over financial reporting during the year.

(ii) significant changes, if any, in accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Jost's Engineering CompanyLimited

Sd/-
Mr. Vishal Jain
Vice Chairman and Managing Director
DIN: 00709250

Sd/-
Mr. Rohit Jain
Chief Financial Officer

Date: 18th May, 2023
Place: Thane

ANNEXURE-"III" TO THE CORPORATE GOVERNANCE REPORT

CCERTIFICATE FROM A PRACTISING COMPANY SECRETARY WITH RESPECT TO DISQUALIFICATION OR OTHERWISE OF DIRECTORS

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

To
The Members,
JOST'S ENGINEERING COMPANY LIMITED
GREAT SOCIAL BLDG60 SIR P M ROAD FORT
MUMBAI MH- 400001

We, **Akshay Gupta & Co., Company Secretaries** have examined the relevant registers, records, forms, returns and disclosures received from Directors of Jost's Engineering Company Limited having ***CIN: L28100MH1907PLC000252*** and having registered office at Great Social Building 60 Sir P M Road, Fort, Mumbai MH- 400001 and (hereinafter referred to as "the company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers.

We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending as on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Jai Prakash Agarwal	00242232	21/01/2015
2	Mr. Shailesh Rajnikant Sheth	00041713	27-11-1997
3	Mr. Marco Philippus Ardeshir Wadia	00244357	02-06-1998
4	Mr. Vishal Jain	00709250	21-01-2015
5	Mr. Farokh Kekhushroo Banatwalla	02670802	21-04-2009
6	Mrs. Shikha Jain	06778623	12-08-2016
7	Mr. Sanjiv Swarup	00132716	07-02-2023
8	Mr. Pramod Maheshwari	00185711	07-02-2023
9	Mrs. Rekha Shreeratan Bagry	08620347	07-02-2023

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

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

For AKSHAY GUPTA & CO.
COMPANY SECRETARIES

Sd/-
AKSHAY GUPTA
PROPRIETOR
MEMBERSHIP NO.: 56911
COP. NO. 21448
PEER REVIEW No.: 1872/2022
UNIQUE CODE NO.: S2018RJ64900

PLACE : KOTA
DATE : 14.07.2023
UDIN : A056911E000613082

ANNEXURE-"IV" TO THE CORPORATE GOVERNANCE REPORT

CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

(Pursuant to Regulation 34(3) and schedule V Part E of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
JOST'S ENGINEERING COMPANY LIMITED
GREAT SOCIAL BLDG60 SIR PM ROAD FORT
MUMBAI MH- 400001

We have examined the compliance of conditions of Corporate Governance by Jost's Engineering Company Limited having CIN: L28100MH1907PLC000252, for the year ended as on March 31, 2023 as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring Compliance with the conditions of the Corporate Governance as stipulated in the SEBI Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI Regulations.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For AKSHAY GUPTA & CO.
COMPANY SECRETARIES

Sd/-
AKSHAY GUPTA
PROPRIETOR
MEMBERSHIP NO.: 56911
COP. NO. 21448
PEER REVIEW No.: 1872/2022
UNIQUE CODE NO.: S2018RJ64900

PLACE: KOTA
Date : 14.07.2023
UDIN: A056911E000613346

INDEPENDENT AUDITORS' REPORT

To the Members of JOST'S ENGINEERING COMPANY LIMITED

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of JOST'S ENGINEERING COMPANY LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Sr. No	Key Audit Matter	Auditor's Response
1	**Revenue Recognition:** (Refer note 3.6 of the standalone financial statements) The Company deals in manufactured goods, traded goods, provide AMC services & representing principal on a commission basis. It sells a number of equipment's and services to its customers, mainly in domestic market through its own sales & distribution network. Sales contracts contain various performance obligations and other terms, including warranties and after sales services. The determination of when significant performance obligations have been met varies, can be the key consideration for revenue recognition, service and the warranty cost. The Company has analysed its various sales contracts and concluded on the principles for deciding in which period or periods the Company's sales transactions should be recognized as revenue. The accounting policies and the note to the standalone financial statements provide additional information on how the Company accounts for its revenue.	**Principal Audit Procedures:** • Read the Company's revenue recognition accounting policies and assessed compliance of the policies with Ind AS 115. • Assessed the design and tested the operating effectiveness of internal controls relating to revenue recognition. • Assessed the appropriateness of Company's identification of performance obligations in its contracts with customers, its determination of transaction price, including allocation thereof to performance obligations and accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115. • Scrutinized sales ledgers to verify completeness of sales transactions. • Tested the revenue recognized, on a sample basis, including testing of cut off assertion as at the year end. Our testing included tracing the information to agreements, price lists, invoices, proof of dispatches/deliveries. • Assessed the revenue recognized with substantive analytical procedures including review of price and quantity. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

Sr. No	Key Audit Matter	Auditor's Response
2.	**Trade Receivable:** (Refer note 11 of the standalone financial statements) Trade receivable balances are significant to the Company, as they amounted to ₹ 4,684 Lakh (gross) representing 71.82 % of the total current assets and 29.33 % of the total revenue of the Company for the year ended 31st March 2023. During the current financial year, the Company has recognized bad debts ₹ 84 Lakh. The collectability of trade receivables is a key element of the working capital management, which is managed on an ongoing basis by management. The determination as to whether a trade receivable is collectable involves management judgement. Specific factors management considers include the age of the balances, category of customers, existence of disputes, recent historical payments and any other available information concerning the creditworthiness of customers. Management uses the information to assist in their judgement to determine whether allowance for expected credit loss, bad debts is required.	**Principal Audit Procedures:** • Obtained an understanding of the Company's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers. • On a sample basis, requesting trade receivable confirmations and evidence of receipts from the customers subsequent to balance sheet date. • Analysis of ageing profile of the trade receivables to identify credit risks, reviewing historical Payment patterns and correspondence with customers on expected settlement dates. • Also evaluated the assumptions and estimates used by management to determine the recoverability, provision for doubtful and trade receivables. • Evaluated the provisions made for expected credit loss as per ECL model as specified by Ind AS 109. • Review of documents and other records for trade receivables considered as doubtful and bad.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- ·Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ·Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.

  If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ·Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'ANNEXURE A' a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, statement of profit and loss including other comprehensive income, the statement of cash flows and statement of changes in equity dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors as on March 31, 2023 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;

(f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate report in "ANNEXURE B". Our report expresses an unmodified opinion on adequacy and operative effectiveness of the Company's internal financial controls over financial reporting;

(g) With respect to the other matters to be included in the auditor's report in accordance with the requirements of section 197(16) of the Act, as amended.

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act;

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note-35 to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts on which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;

iv. A) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 49 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 49 to the standalone financial statements, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (A) and (B) contain any material misstatement.

v. The final dividend paid by the Company during the year which was declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 51(i) to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

Vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 01, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUP5711

Place: Mumbai
Date: May 18, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

In terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a)

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) According to the information and explanations given to us and the records of the Company examined by us, the Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has regular programme of physical verification of property, plant and equipment by which all the assets have been physically verified by the management during the year at regular intervals which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) The Company does not own any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and the records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and Rules made thereunder.

(ii)

(a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of ₹ 5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with banks or financial institutions are broadly in agreement with the books of account of the Company of the respective quarters and no material discrepancies have been observed.

(iii) During the year, the Company has granted unsecured loans to companies and other parties, details of which are reported below and the Company has not granted any loans, secured or unsecured, to firms or limited liability partnership during the year. The investments made by the Company during the year, are not prejudicial to its interest. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee or security or advances in nature of loans to companies, firms, limited liability partnership or any other parties during the year.

(a) (A) Based on the audit procedures carried out by us and as per the information and explanations given to us, the Company has granted loans and stood guarantee to Subsidiary Company as below:

Sr. No.	Loans (unsecured)	₹ in Lakh
(1)	Aggregate amount granted during the year - Subsidiary Company - Guarantee provided	 219 -
(2)	Balance outstanding as at balance sheet date - Subsidiary Company - Guarantee provided	 37 577

(B) Based on audit procedures carried out by us and as per the information and explanations given to us, the Company has granted unsecured loans to other parties as below:

Sr. No.	Loans (unsecured)	to employees
(1)	Aggregate amount granted during the year	20
(2)	Balance outstanding as at balance sheet date	73

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and terms and conditions of the unsecured loans granted during the year are, prima facie, not prejudicial to the Company's interest.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, in the case of loans given, the repayment of principle and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advances in the nature of loans to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans and advances in the nature of loans given.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans or advances in the nature of loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided by it, as applicable.

(v) According to the information and explanations given to us, the Company has neither accepted any deposit from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and rules made thereunder, to the extent applicable. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under Section 148(1) of the Companies Act, 2013 in respect of the products manufactured by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of manufacture of products and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including provident fund, Employees State Insurance, Income tax, Duty of customs, Goods and service tax, Cess and other material statutory dues applicable to the appropriate autorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, Employee State Insurance, Income-Tax, Duty of customs, Goods and Service Tax, Cess and other material statutory dues, in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to provident fund, employees state insurance, income-tax, cess, goods and service tax, value added tax, excise duty, custom duty and other material statutory dues which have not been deposited as at March 31, 2023 on account of any dispute, except as mentioned below:

Name of the statute	Nature of Dues	Amount (₹ in lakh)	Period to which the amount relates	Forum where dispute is pending
Goods & Services Tax Act, 2017	Goods & Services Tax	66	FY 2017-18	Jt. Commissioner of State Tax

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures (as defined under the Act).

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The company has not raised moneys by way of initial public offer or further public offer including debt instruments during the year. Accordingly, clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, was not required to be filed. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the

Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on the information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with its directors or persons connected to its directors. Accordingly, clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable to the Company.
(b) The Company has not conducted non-banking financial/housing finance activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable to the Company.
(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CICs. Accordingly, clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 48(a) to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

(xx) The Company has during the year spent the amount of Corporate Social Responsibility as required under sub section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

(xxi) The reporting under clause 3(xxi) is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For SHAH GUPTA & Co.
Chartered Accountants
Firm Registration No.: 109574W

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUP5711

Place: Mumbai
Date: May 18, 2023

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

The Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

We have audited the internal financial controls over financial reporting of **JOST'S ENGINEERING COMPANY LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (The "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to standalone financial statements

Company's internal financial controls system over financial reporting with reference to standalone financial statements

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUP5711
Place: Mumbai
Date: May 18, 2023

1. Corporate information

Jost's Engineering Company Limited (the 'Company') is incorporated in India. The Company's registered office is at Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai- 400001. The Company's primary business areas are material handling and engineered products. The Company's equity shares are listed on the Bombay Stock Exchange (BSE).

2. Basis for preparation of financial statements

2.1 Statement of compliance :

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

2.2 Basis of preparation :

The financial statements have been prepared on an accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The Company has prepared these Financial Statements as per the format prescribed in Schedule III of the Companies Act, 2013

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 Basis of measurement :

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities 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.

2.4 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 the normal operating cycle;

ii. Held primarily for the purpose of trading;

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 the normal operating cycle;

ii. It is held primarily for the purpose of trading;

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.

STANDALONE BALANCE SHEET
As at 31st March, 2023

₹ in Lakh

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4A	342	362
(b) Capital work-in-progress	4B	22	22
(c) Right of use assets	4C	114	67
(d) Intangible assets	4D	17	13
(e) Financial assets			
(i) Non-current investments	5	1,248	603
(ii) Other non-current financial assets	6	264	120
(f) Deferred tax assets (net)	37	138	128
(g) Income tax assets (net)	7	10	19
(h) Other non-current assets	8	260	252
Total non-current assets		**2,416**	**1,586**
(2) Current assets			
(a) Inventories	9	1,260	1,077
(b) Financial assets			
(i) Current investments	10	16	114
(ii) Trade receivables	11	4,495	3,267
(iii) Cash and cash equivalents	12A	182	134
(iv) Bank balances other than cash and cash equivalents (iii) above	12B	7	210
(v) Loans	13	110	140
(vi) Other current financial assets	14	28	75
(c) Other current assets	15	424	265
Total Current Assets		**6,522**	**5,282**
Total Assets		**8,937**	**6,868**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	16	93	93
(b) Other equity	17	4,033	3,396
Total Equity		**4,126**	**3,489**
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Lease liabilities		92	54
(ii) Other non-current financial liabilities	18	19	37
(b) Non-current provisions	19	136	169
Total non-current liabilities		**247**	**260**
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	20	101	102
(ii) Lease liabilities		28	18
(iii) Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		369	162
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,944	1,997
(iv) Other current financial liabilities	22	106	131

STANDALONE BALANCE SHEET
as at 31st March, 2023 (Contd...)

₹ in Lakh

Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
(b) Other current liabilities	23	782	551
(c) Current provisions	24	166	131
(d) Income tax liabilities (net)	25	68	27
Total current liabilities		**4,564**	**3,119**
Total liabilities		**4,811**	**3,379**
Total equity and liabilities		**8,937**	**6,868**

Corporate information and Significant accounting policies, key accounting estimates and judgements (1-3)
See accompanying notes to the standalone financial statements
As per our report of even date attached

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

Vedula Prabhakar Sharma
Partner
Membership No. 123088

Place: Mumbai
Date: 18th May, 2023

For and on behalf of Board of Directors

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Rohit Jain
Chief Financial officer

Babita Kumari
Company Secretary
Membership No. A40774

Place: Thane
Date: 18th May, 2023

STANDALONE STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2023

(₹ in Lakh, except EPS)

	Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
1	Revenue from operations	26	15,968	11,348
2	Other income	27	84	41
3	**Total income [1+2]**		**16,052**	**11,389**
4	**Expenses**			
	(a) Cost of materials consumed	28	6,351	4,613
	(b) Purchases of stock-in-trade	29	4,435	2,543
	(c) Changes in inventories of finished and work-in-progress and stock-in- trade	30	(82)	(76)
	(d) Employee benefits expense	31	1,947	1,870
	(e) Finance costs	32	82	45
	(f) Depreciation and amortization expense	33	123	98
	(g) Other expenses	34	2,224	1,645
5	**Total expenses**		**15,080**	**10,738**
	Profit before tax [3-4]		**972**	**651**
6	**Tax expenses**			
	(i) Current tax	37	282	202
	(ii) Deferred tax	37	(10)	1
	(iii) Short provision for tax relating to previous years	37	6	1
	Total tax expenses		**278**	**204**
7	**Profit for the year [5-6]**		**694**	**447**
8	**Other comprehensive income / (loss)**			
	A) Items that will not be reclassified to profit or loss (net of tax)			
	(i) Remeasurement of employee benefits obligations		(1)	5
	Total other comprehensive income / (loss)		**(1)**	**5**
	Total comprehensive income for the year		**693**	**451**
9	**Earnings per equity share (of ₹ 5/- each)**			
	(1) Basic (in ₹)		37	24
	(2) Diluted (in ₹)		37	24

Corporate information and Significant accounting policies, key accounting estimates and judgements (1-3)
See accompanying notes to the standalone financial statements
As per our report of even date attached

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

For and on behalf of Board of Directors

Vedula Prabhakar Sharma
Partner
Membership No. 123088

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Place: Mumbai
Date: 18th May, 2023

Rohit Jain
Chief Financial officer

Babita Kumari
Company Secretary
Membership No. A40774

Place: Thane
Date: 18th May, 2023

STANDALONE STATEMENT OF CHANGES IN EQUITY
for the year ended 31st March, 2023

A. Equity share capital

(1) For the year ended March 31, 2023 ₹ in Lakh

Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2023
93	-	-	-	93

(2) For the year ended March 31, 2022 ₹ in Lakh

Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
93	-	-	-	93

B. Other equity ₹ in Lakh

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	General reserve	Re-measurements gain/(loss) on the defined employee benefit plans	
Balance as at March 31, 2021	**1,064**	**1,708**	**230**	**(30)**	**2,972**
Profit for the year		447	-	-	447
Payment of dividend		(28)	-	-	(28)
Other comprehensive income arising from re-measurement of employee benefits obligation (net of tax)		-	-	5	5
Balance as at March 31, 2022	**1,064**	**2,127**	**230**	**25)**	**3,396**
Profit for the year		694	-	-	694
Payment of dividend		(56)	-	-	(56)
Other comprehensive income arising from re-measurement of employee benefits obligation (net of tax)		-	-	(1)	(1)
Balance as at March 31, 2023	**1,064**	**2,764**	**230**	**(26)**	**4,032**

As per our report of even date attached

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

Vedula Prabhakar Sharma
Partner
Membership No. 123088

Place: Mumbai
Date: 18th May 2023

For and on behalf of Board of Directors

Jai Prakash Agarwal
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Chief Financial officer

Babita Kumari
Company Secretary
Membership No. A40774

Place: Thane
Date: 18th May 2023

STANDALONE CASH FLOW SATEMENT
for the year ended 31st March, 2023

₹ in Lakh

	Particulars	March 31, 2023		March 31, 2022	
A	**Cash flow from operating activities**				
	Profit before taxes		**972**		**651**
	Adjustments for:				
	Depreciation and amortisation expense	123		99	
	Finance income on amortisation of deposits	(1)		-	
	Fair value gain on mutual fund investment	-		(1)	
	Dividend income	(1)		(1)	
	Interest income	(27)		(28)	
	Finance costs	60		12	
	Provision for expected credit loss	64		(46)	
	Bad debts written off	84		88	
	Unrealised foreign exchange gain	(18)		2	
	Sundry balances written off/back	-		13	
	Provision for warranty claims	107		104	
	Provision for inventory#	0		28	
	Inventory written off	26		17	
	Sales tax written off	38	**455**	17	**304**
	Operating profit before working capital changes		**1,427**		**955**
	Adjustments for (increase) / decrease in:				
	Trade receivables	(1,380)		(519)	
	Inventories	(209)		(8)	
	Other non-current financial assets	(189)		(49)	
	Other current financial assets	116		(3)	
	Other current asset	(92)		(201)	
	Other non-current assets	(8)		-	
	Current loans	31		31	
	Adjustments for increase/ (decrease) in:				
	Trade payables	1,174		24	
	Other current financial liabilities	(25)		8	
	Other current liabilities	231		316	
	Other non current liabilities	(18)		1	
	Change in non-current provisions	(33)		31	
	Change in current provisions	(73)	**(475)**	(103)	**(472)**
	Cash generated from operations		**952**		**483**
	Net income tax paid (net of refunds)		(238)		(215)
	Net cash generated from operating activities (A)		**714**		**268**
B	**Cash flow from investing activities**				
	Purchase of property, plant and equipment and intangible assets	(79)		(151)	
	Right of use of asset	(75)		-	
	Proceeds from sale of property, plant and equipment	-		1	
	Bank balances other than classified as cash and cash equivalents	204		(20)	
	Investment in fixed deposits	(128)		-	
	Proceed/purchase of mutual funds investments (net)	98		(101)	
	Investment in 9% debenture of subsidiary	(300)		-	
	Investment in equity shares of subsidiary	(345)		-	
	Interest received	27		28	
	Dividend received	1		1	
	Net cash generated from investing activities (B)		**(597)**		**(243)**

STANDALONE CASH FLOW SATEMENT

for the year ended 31st March, 2023 (Contd...)

₹ in Lakh

	Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
c	**Cash flow from financing activities**				
	Proceeds from/ (repayment) of working capital loans	(1)		(59)	
	Dividend paid	(56)		(28)	
	Payment of lease liabilities	48		(20)	
	Finance costs	(60)		(12)	
	Net cash (used) in financing activities (C)		**(69)**		**(119)**
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		**48**		**(94)**
	Cash and cash equivalents at the beginning of the year		134		228
	Cash and cash equivalents at the end of the year (refer note 12A)		**182**		**134**

figures are below rounding off norms adopted by the company

Cash and cash equivalents include in the statement of cash flows comprising the following : ₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	91	131
In EEFC account	90	-
Cash on hand	1	3
Total	**182**	**134**

Reconciliations part of cash flows

₹ in Lakh

Particulars	April 01, 2022	Cash flows (net)	New leases	March 31, 2023
Cash credit	102	1	-	101
Lease liabilities (including current maturities)	72	(32)	80	120
Total	**174**	**(31)**	**80**	**221**

Particulars	April 01, 2021	Cash flows (net)	New leases	March 31, 2022
Cash credit	157	55	-	102
Vehicle loan	4	(4)	-	-
Bank overdraft	6	(6)	-	-
Lease liabilities (including current maturities)	11	(20)	81	72
Total	**178**	**25**	**81**	**174**

Note to Cash Flow Statement:

1. The cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".
2. Previous years' figures have been regrouped wherever necessary.

As per our report of even date attached

For Shah Gupta & Co.
Chartered Accountants
Firm Registration No. 109574W

Vedula Prabhakar Sharma
Partner
Membership No. 123088

Place: Mumbai
Date: 18th May,2023

For and on behalf of Board of Directors

Jai Prakash Agarwal
Chairman
DIN - 00242232

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Vice Chairman & Managing Director
DIN - 00709250

Rohit Jain
Chief Financial officer

Babita Kumari
Company Secretary
Membership No. A40774

Place: Thane
Date: 18th May, 2023

1. Corporate information

Jost's Engineering Company Limited (the 'Company') is incorporated in India. The Company's registered office is at Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai- 400001. The Company's primary business areas are material handling and engineered products. The Company's equity shares are listed on the Bombay Stock Exchange (BSE).

2. Basis for preparation of financial statements

2.1 Statement of compliance :

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by the Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

2.2 Basis of preparation :

The financial statements have been prepared on an accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The Company has prepared these Financial Statements as per the format prescribed in Schedule III of the Companies Act, 2013

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 Basis of measurement :

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities 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.

2.4 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 the normal operating cycle;

ii. Held primarily for the purpose of trading;

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 the normal operating cycle;

ii. It is held primarily for the purpose of trading;

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.

2.5 Key accounting estimates and judgements :

The preparation of financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following note

a. Estimated useful life of PPE & intangible assets - refer note 4A & 4D

b. Probable outcome of matters included under contingent liabilities - refer note 35

c. Estimation of defined benefit obligation - refer note 44

d. Estimation of tax expense and tax payable - refer note 37

e. Measurement of lease liabilities and right of use asset (ROUA) - refer note 41

f. Recoverability of trade receivables – refer note 11

g. Lease – refer note 41

h. Impairment of financial assets

2.5.1 Impairment of property, plant and equipment :

Determining whether property, plant, and equipment are 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 the present value. When the actual future cash flows are less than expected, a material impairment loss may arise.

2.5.2 Useful lives of property, plant and equipment :

Property, plant, and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year-end. Their lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

2.5.3 Discount rate - defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates, and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.5.4 Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on the evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in an outflow of resources embodying economic benefits, which involves judgments 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.

2.5.5 Recoverability of trade receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

2.5.6 Lease

The application of Ind AS 116 requires Company to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. In determining the lease term, we consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Assessing whether a contract includes a lease also requires judgement. Estimates are required to determine the appropriate discount rate used to measure lease liabilities. The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of use asset in a similar economic environment. The IBR therefore reflects what the Company 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.5.7 Recognition of deferred tax assets

Deferred Tax resulting from "temporary difference" between the carrying amount of an asset or liability in the balance sheet and its tax base book profit and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable probable certainty that the asset will be adjusted in future. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

2.5.8 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3. Significant Accounting Policies :

3.1 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 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) Derecognition of Assets:

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 and Loss.

c) Depreciation:

Depreciation is provided (other than on capital work-in-progress) on a written down value (WDV) basis over the estimated useful lives of assets as prescribed under Schedule II of the Companies Act, 2013. 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 lives of assets are 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 life 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.

The estimated useful lives of PPE are as follows :

Sr. no.	Particulars	Useful life
1	Factory building	5 - 60 Years
2	Computers & data processing units	3 – 6 Years
3	General furniture & fittings	10 Years
4	Office equipment	5 Years
5	Plant & machinery	15 Years
6	Vehicles	8 – 10 Years

3.2 Intangible assets :

a) Recognition and measurement :

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a written down value over their estimated useful lives, 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.

b) Derecognition of intangible assets :

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.

c) Amortisation :

Amortization is recognized in the income statement on a Written Down Value (WDV) basis over the estimated useful lives of intangible assets or on 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 amortized from the date they are available for use.

The estimated useful life are as follows :

Sr. no.	Particulars	Useful life
1	Intangible Asset	2 – 10 Years

3.3 Leases :

The Company's lease asset classes consist of leases for buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognises a right-of-use asset ("ROU") at the commencement date of the lease and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The ROU asset is measured at an amount equal to the lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is recognized at the date of initial application. The lease liability is measured at the present value of the remaining lease payments discounted using lease incremental borrowing rate at the date of initial application

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

3.4 Impairment of property, plant and equipment and intangible assets :

At the end of each reporting period, the Company reviews the carrying amounts of Property, Plant and Equipment and other intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, the Company estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately in the Statement of Profit or Loss.

3.5 Inventories :

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition in accounted for as follows:

Raw materials, stores & spares parts and traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated cost of completion and cost necessary to make the sale.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the Company.

3.6 Revenue recognition :

The Company derives revenue from sale of material handling and engineered products. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation.

a) Sale of goods :

Sales are recorded net of trade discounts, quantity discounts, rebates, indirect taxes. Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer which generally coincides with dispatch of goods from factory/stock points, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made. Sales also include, sales of scrap, waste, rejection etc.

b) Dividend and Interest income :

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

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.

c) Rendering of services

Revenue from rendering of services is recognised over time considering the time elapsed. The transaction price of these services is recognised as a contract liability upon receipt of advance from the customer, if any, and is released on a straight line basis over the period of service.

d) Contract assets, contract liabilities and trade receivables

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues (which we refer to as unearned revenues) and advance from customers are classified as contract liabilities. A receivable is recognised by the Company when the control over the goods is transferred to the customer such as when goods are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 0 to 90 days.

e) Commission income

Commission income on sales of equipment and spares is charged for rendering of services and for the use of the company's sales and distribution network. Such revenue is recognised in the accounting period in which the services are rendered in accordance with the agreement with the parties.

3.7 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).

3.8 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 . 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

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest) is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income are reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Defined benefit costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in statement of profit and loss.

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. Vesting occurs upon completion of five years of service. The Company makes contributions to gratuity fund held with a trust formed for this purpose through Life Insurance Corporation of India. The Company provides for its gratuity liability based on an independent actuarial valuation carried out at each balance sheet date using the projected unit credit method.

3.9 Taxes on Income :

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and 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 and 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.

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 taxes (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 and 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.

3.10 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.

Product warranty

Provision for product warranty is recognized for the best estimates of the average cost involved for replacement/repair etc. of the product sold before the balance sheet date. These estimates are determined using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on corrective actions on product failures. The estimates for accounting of warranties are reviewed and revisions are made as required.

3.11 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.

3.12 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 the statement of profit and loss.

Financial assets

Classification and subsequent measurement

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit and loss (FVTPL), transaction costs that are attributable to the acquisition of the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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

The company measures its financial assets at fair value at each balance sheet date.

In this context, quoted investments are fair valued adopting the techniques defined in level 1 of fair value hierarchy of Ind-AS 113 "Fair Value Measurement" and unquoted investments, where the observable input is not readily available, are fair valued adopting the techniques defined in level 3 of fair value hierarchy of Ind AS 113 and securing the valuation report from the certified valuer. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classification

The Company classifies a financial asset in accordance with the below criteria:

i.The Company's business model for managing the financial asset and

ii.The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the company classifies its financial assets into the following categories:

i.Financial assets measured at amortized cost

ii.Financial assets measured at fair value through other comprehensive income (FVTOCI)

iii.Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at the amortized cost if both the following conditions are met :

a. The company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and

b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if both of the following conditions are met:

a. The company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, the company recognizes dividend income from such instruments in the statement of profit and loss and fair value changes are recognized in other comprehensive income (OCI).

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the statement of profit and loss.

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 increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 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 transaction that are within the scope of Ind AS 115, the company always measures the loss allowance at an amount equal to life time 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 and Loss if such gain or loss would have otherwise been recognized in the Statement of Profit and 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 on 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

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 and loss.

Offsetting of financial instruments

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

Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations.

Impairment of non-financial assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired, if such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. Impairment losses are reversed in the statement of profit and loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

Fair value measurement

The company measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1:Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.13 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.

3.14 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).

3.15 Segment reporting :

The Company's business activity falls within two segments viz. Material Handling and Engineering Products. Segments are organized based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Investments, tax related assets and other assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as “ Unallocable”

3.16 Borrowing cost :

Borrowings costs that are attributable to the acquisition or construction of qualifying assets up to the date when they are ready for their intended use and other borrowing costs are charged to profit and loss account. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.17 Investments in subsidiaries :

Investments in subsidiaries are carried at cost/deemed cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.18 Dividend to Equity Shareholders :

Dividend to equity shareholders is recognised as a liability and deducted from shareholders' Equity, in the period in which the dividends are approved by the equity shareholders in the general meeting

3.19 Rounding of amounts :

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

3.20 Events after reporting date :

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3.21 Cash flow statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

4A. Property, plant and equipment

₹ in Lakh

Particulars	Leasehold buildings	Plant & machinery	Furniture and fixtures	Vehicles	Computer & peripheral	Office equipment	Tangibles total
Gross carrying amount							
Balance as at April 1, 2021	**19**	**405**	**72**	**26**	**87**	**14**	**623**
Additions	-	93	6	14	33	4	150
Disposals	-	2	-	7	-	-	9
Balance as at March 31, 2022	**19**	**496**	**78**	**33**	**119**	**18**	**764**
Additions	-	42	-	-	28	1	72
Disposals	-	-	-	-	1	-	1
Balance as at March 31 2023	**19**	**539**	**78**	**33**	**147**	**19**	**835**
Accumulated depreciation							
Balance as at April 1, 2021	**8**	**174**	**48**	**15**	**76**	**12**	**333**
Additions	1	51	7	4	12	2	77
Disposals	-	1	-	7	-	-	8
Balance as at March 31, 2022	**9**	**224**	**54**	**13**	**88**	**14**	**402**
Additions	1	53	6	6	24	2	91
Disposals#	-	-	-	-	0	-	0
Balance as at March 31 2023	**10**	**277**	**60**	**19**	**111**	**16**	**493**
Net carrying amount							
Balance as at March 31, 2022	**10**	**273**	**23**	**20**	**31**	**4**	**362**
Balance as at March 31 2023	**9**	**262**	**17**	**14**	**36**	**3**	**342**

figures are below rounding off norms adopted by the company

Notes :

1. The Company does not own any immovable property other than property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee.
2. Cash credit and bank overdraft are secured by immovable properties at C-7, Wagle Industrial Estate, Thane and plant and machineries of the company.

4B. Capital work-in-progress

₹ in Lakh

Balance as at March 31, 2022	**22**
Additions	-
Capitalised during the year	-
Balance as at March 31, 2023	**22**

Capital work-in-progress ageing schedule (as on March 31, 2023) ₹ in Lakh

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in process	-	-	-	-	-
Projects temporarily suspended#	-	-	0	21	22
Total	**-**	**-**	**0**	**21**	**22**

figures are below rounding off norms adopted by the company

Capital work-in-progress ageing schedule (as on March 31, 2022) ₹ in Lakh

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in process Projects temporarily suspended#	- -	- -	0 -	21 -	22 -
Total	**-**	**-**	**0**	**21**	**22**

figures are below rounding off norms adopted by the company

Notes:

1. Capital work in progress as at 31st March 2023 primarily represents other expenses incurred in relation to purchase of land at Murbad, Thane.
2. There are no capital work-in-progress, where the actual cost of an asset/project has already exceeded the estimated cost as per original plan or actual timelines for completion of an asset/project have exceeded the estimated timelines as per original plan. Accordingly, no additional disclosure is required

4C. Right of use assets

₹ in Lakh

Particulars	Lease of office premises	Total
Balance as at April 1, 2021	**45**	**45**
Additions Disposals	75 -	75 -
Balance as at March 31, 2022	**120**	**120**
Additions Disposals	75 -	75 -
Balance as at March 31, 2023	**195**	**195**
Accumulated depreciation		
Balance as at April 1, 2021	**35**	**35**
Additions (refer note 39) Disposals	17 -	17 -
Balance as at March 31, 2022	**52**	**52**
Additions (refer note 39) Disposals	28 -	28 -
Balance as at March 31, 2023	**80**	**80**
Net carrying amount **Balance as at March 31, 2022** **Balance as at March 31, 2023**	 **67** **114**	 **67** **114**

4D. Intangible assets

₹ in Lakh

Particulars	Lease of office premises	Total
Balance as at April 1, 2021	**51**	**51**
Additions Disposals	1 7	1 7
Balance as at March 31, 2022	**45**	**45**
Additions Disposals	8 -	8 -
Balance as at March 31, 2023	**53**	**53**
Accumulated depreciation		
Balance as at April 1, 2021	**33**	**33**
Additions (refer note 39) Disposals	4 5	4 5
Balance as at March 31, 2022	**32**	**32**
Additions Disposals	4 -	4 -
Balance as at March 31, 2023	**36**	**36**
Net carrying amount **Balance as at March 31, 2022** **Balance as at March 31, 2023**	 **13** **17**	 **13** **17**

Notes:
There are no intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan. Accordingly, no additional disclosure is required.

5. Non-current investments

Particulars	Face Value	As at March 31,2023		As at March 31,2022	
	Per share	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
A Investments in equity instruments (unquoted fully paid up):					
(i) of Subsidiary - at cost					
MHE Rentals India Private Limited	₹ 10	80,04,900	946	60,18,000	602
JECL Engineering Limited	₹ 10	10,000	1	-	-
(i) Others - at cost					
Zoroastrian Co-Operative Bank Limited	₹ 25	4,000	1	4,000	1
			948		**603**
B Investment in debentures (Unquoted fully paid up) :					
(i) of Subsidiary - at cost					
MHE Rentals India Private Limited	₹ 1,00,000	300	300	-	-
			300		**-**
Total			**1,248**		**603**
Aggregate amount of unquoted investments			1,248		603

6. Other non-current financial assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Security deposits	21	24
Bank deposits with more than 12 months maturity#	179	51
Prepaid lease hold land##	0	0
Interest accured but not due on fixed deposits	1	-
Tender deposit	63	45
Total	**264**	**120**

Represents bank deposits under lien in respect of bank guarantees provided to customers and letter of credit issued to vendors of ₹ 845 Lakh (Previous year : ₹ Nil)
figures are below rounding off norms adopted by the company

7. Income tax assets (net)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provisions ₹ 202 Lakh (as at March 31, 22 ₹ 118 Lakh)	10	19
Total	**10**	**19**

8. Other non-current assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances	252	252
Prepaid expenses	8	-
Total	**260**	**252**

9. Inventories (At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	487	384
Work-in-progress	44	58
Finished goods	390	352
Stock-in-trade	355	297
Stores and spares	12	14
	1,288	**1,105**
Less: Provision for inventory	(28)	(28)
Total	**1,260**	**1,077**

Note: Inventories have been pledged as security against bank guarantee, letter of credit, cash credit facility, details relating to which has been described in note 20.

10. Current investments

₹ in Lakh

Particulars	As at March 31,2023		As at March 31, 2023	As at March 31, 2022
	Unit value	Number of units		
Investments in mutual fund - FVTPL (quoted)				
Nippon India Low Duration Fund - Direct Plan Daily Idcw Plan	1,007.22	1,009.06	10	10
Nippon India Low Duration Fund - Daily Idcw Plan	452.16	1,008.97	5	4
Edelweiss Liquid Fund Direct Plan Growth	2,859.37	34.97	1	100
Total			**16**	**114**
Aggregate market value of quoted investments			16	114
Aggregate amount of quoted investments			9	108

11. Trade receivables

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good	5	9
Unsecured, considered good	4,490	3,258
Credit impaired	189	125
	4,684	**3,392**
Less: Allowance for doubtful trade receivables	(189)	(125)
Total	**4,495**	**3,267**

11.1 Certain receivables are secured against security deposits taken from customers.
11.2 For lien/ charge details against trade receivables, refer note 20
11.3 Trade receivables are dues in respect of services rendered in the normal course of business.
11.4 The normal credit period allowed by the company ranges from 0 to 90 days

11.5 Receivable from related parties (refer note 41)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
MHE rentals india private limited	63	26
Stovec industries limited#	0	0
Chambal fertiliser and chemicals limited	-	1

figures are below rounding off norms adopted by the company

11.6 Movement in expected credit loss allowance

₹ in Lakh

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	125	171
Impairment loss allowance on trade receivable	64	(46)
Balance at the end of the year	**189**	**125**

Trade receivables ageing schedule (as at March 31, 2023)

₹ in Lakh

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	1,808	1,962	490	173	35	27	4,495
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired#	0	3	9	84	35	27	158
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed trade receivables – credit impaired	-	-	-	-	-	31	31
Total	**1,808**	**1,965**	**499**	**257**	**70**	**85**	**4,684**
Allowance for doubtful trade receivables							**(189)**
Total trade receivables	**1,808**	**1,965**	**499**	**257**	**70**	**85**	**4,495**

figures are below rounding off norms adopted by the company

Trade receivables ageing schedule (as at March 31, 2022)

₹ in Lakh

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	1,569	1,370	206	81	12	29	3,267
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired#	0	3	4	41	14	28	90
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi)Disputed trade receivables – credit impaired	-	-	-	1	-	34	35
Total	**1,569**	**1,373**	**210**	**123**	**26**	**91**	**3,392**
Allowance for doubtful trade receivables							**(125)**
Total trade receivables	**1,569**	**1,373**	**210**	**123**	**26**	**91**	**3,267**

figures are below rounding off norms adopted by the company

12A. Cash and cash equivalents

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- in current accounts	91	131
- in EEFC account	90	-
Cash on hand	1	3
Total	**182**	**134**

12B. Bank balances other than cash and cash equivalents

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Bank deposits with maturity more than 3 months but less than 12 months at inception - in margin money#	4	207
In earmarked accounts		
- unpaid dividend accounts##	3	3
Total	**7**	**210**

Represents bank deposits under lien in respect of bank guarantees provided to customers and letter of credit issued to vendors of ₹ Nil (Previous year : ₹ 747 Lakh)

##The above mentioned cash and bank balances are restricted cash and bank balances which are to be used for specified purposes. All other cash and bank balances are available for the operating activities.

13. Loans (Unsecured)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Loans		
to subsidiary#	37	70
to employees	73	70
Total	**110**	**140**

Loan is given for business purpose and terms and conditions have been stipulated w.r.t. the loan given to the subsidiary.

Details of loans and advances in the nature of loans to related parties:

₹ in Lakh

Name of Company	As at March 31, 2023		As at March 31, 2022	
	Maximum amount outstanding during the year	Amount outstanding	Maximum amount outstanding during the year	Amount outstanding
MHE Rentals India Private Limited	105	37	102	70

14. Other current financial assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (unless stated otherwise)		
Tender deposits	27	59
Accrued commission on corporate guarantee	1	-
Duty recoverable	-	4
Interest accrued but not due on fixed deposits#	0	12
Total	**28**	**75**

figures are below rounding off norms adopted by the company

15. Other current assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (unless stated otherwise)		
Balance with government authorities		
- VAT deposit#	8	24
- Deposit with GST (under protest) (refer note 35)	3	-
Prepaid expense	79	41
Other advances	1	-
Advance to employees##	-	0
Advance to suppliers	333	200
Total	**424**	**265**

The company has paid on account of demand raised, to be adjusted against the refund
figures are below rounding off norms adopted by the company

16. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	₹ in Lakh	Number of shares	₹ in Lakh
Share capital				
(a) Authorized				
Equity shares of ₹ 5/- each	20,00,000	100	20,00,000	100
(b) Issued and subscribed	18,65,746	93	18,65,746	93
Equity shares of ₹ 5/- each				
Total	**18,65,746**	**93**	**18,65,746**	**93**

a. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	₹ in Lakh	Number of shares held	₹ in Lakh
Opening balance at the beginning of the year	18,65,746	93	9,32,873	93
Add: Shares issued during the year	-	-	-	-
Add: Stock split during the year (refer note (b) below)	-	-	9,32,873	-
Less : equity shares cancelled during the year	-	-	-	-
Total	**18,65,746**	**93**	**18,65,746**	**93**

b. Pursuant to the approval of the shareholders accorded on March 24, 2021 at the Extra Ordinary General meeting through Video Conferencing/Other Audio-Visual Means conducted by the Company, each equity share of face value of ₹ 10/- per share was split into two equity shares of face value of ₹ 5/- per share, with effect from May 21, 2021.

c. Rights, preferences and restrictions attached to equity shares:
The company has only one class of issued shares i.e Equity Shares having par value of ₹ 5/ each.The Equity Shares of the Company have voting rights and are subject to the restrictions as prescribed under the Companies Act, 2013. Each holder of equity share is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of directors is subject to approval of shareholders in the ensuing Annual general meeting.

d. Details of shares held by each shareholder holding more than 5% Shares:

Name of shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Jai Prakash Agarwal	2,65,982	14%	2,65,982	14%
Mrs. Krishna Agarwal	1,12,130	6%	97,600	5%
Mrs. Shikha Jain	2,25,642	12%	2,25,642	12%
Mr. Vishal Jain	2,36,430	13%	2,36,430	13%
Mr. Sharad K. Shah	1,65,069	9%	1,58,120	8%

e. Details of Promoters shareholding :

Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Mr. Jai Prakash Agarwal	2,65,982	14%	2,65,982	14%	-
Mrs. Anita Agarwal	41,480	2%	41,480	2%	-
Jai Prakash Agarwal and Sons (HUF)	-	0%	14,530	1%	(100%)
Mrs. Krishna Agarwal	1,12,130	6%	97,600	5%	15%
Mr. Rajendra Kumar Agarwal	41,480	2%	41,480	2%	-
Mrs. Shikha Jain	2,25,642	12%	2,25,642	12%	-
Mr. Vishal Jain	2,36,430	13%	2,36,430	13%	-

(f) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments.
(g) There are no bonus shares issued or bought back during the period of five years immediately preceding the reporting date.
(h) No calls are unpaid by any director or officer of the company at the end of the reporting period.
(i) As per records of the Company, no shares have been forfeited by the Company during the year.
(j) Shares Alloted as Fully Paid-Up Pursuant to Contracts Without Payment Being Received in Cash During the Year of five Years Immediately Preceding the Date of The Balance Sheet is Nil

17. Other equity

₹ in Lakh

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	General reserve	Re-measurements gain/(loss) on the defined employee benefit plans	
Balance as at March 31, 2021	**1,064**	**1,708**	**230**	**(30)**	**2,972**
Profit for the year	-	447	-	-	447
Payment of dividend	-	(28)	-	-	(28)
Other comprehensive income arising from re- measurement of employee benefits obligation (net of tax)	-	-	-	5	5
Balance as at March 31, 2022	**1,064**	**2,127**	**230**	**(25)**	**3,396**
Profit for the year	-	694			694
Payment of dividend	-	(56)	-	-	(56)
Other comprehensive income arising from re-measurement of employee benefits obligation (net of tax)	-	-	-	(1)	(1)
Balance as at March 31, 2023	**1,064**	**2,765**	**230**	**(26)**	**4,033**

Notes:

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

(ii) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

(iii) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

18. Other non-current financial liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Dealer deposits	19	37
Total	**19**	**37**

19. Non-current provisions

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for superannuation	16	16
Provision for gratuity (refer note 42)	85	112
Provision for compensated absences (refer note 42)	35	41
Total	**136**	**169**

20. Borrowings (at amortised cost)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Working capital loans from banks (secured)		
Cash credit/overdraft (refer note a below)	101	102
Loan repayable on demand from bank	-	-
Total	**101**	**102**

Borrowing have been drawn at following rate of interest

Particulars	Rate of interest
Cash Credit/Overdraft	9.00% p.a. to 10.25% p.a.

Note :

a. Working capital loans from banks of ₹ 101 Lakh (31 March, 2022 ₹ 102 Lakh) are secured by :

i). pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts of the Company, both present and future.

ii). pari passu second charge on immovable properties at C-7, Wagle Industrial Estate, Thane and plant and machineries of the company.

b. The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of stocks of raw materials, finished goods, work-in-process, stores and spares and book debts, immovable properties and plant and machinery of the Company. There are no material discrepancies in the amount of current assets between financial information and books of accounts, having regard to the items of reconciliation state below :

Inventories

₹ in Lakh

Particulars	June'22	Sept'22	Dec'22	March'23
Amount as per FFR submitted to Banks	1,686	1,493	1,684	1,324
Amount as per books of accounts	1,530	1,480	1,715	1,288
Difference	(156)	(13)	31	(36)
Reasons	Company has submitted data to banks as per agreed timelines. However, accounts got finalised after due reconciliation and review by auditors. Moreover, the utilization of the working capital limits was much lower than the drawing power / sanctioned limits throughout the year.			

Trade Receivables

₹ in Lakh

Particulars	June'22	Sept'22	Dec'22	March'23
Amount as per FFR submitted to Banks	4,385	4,833	4,676	4,726
Amount as per books of accounts	4,382	4,694	4,674	4,682
Difference	(4)	(139)	(2)	(44)
Reasons	Company has submitted data to banks as per agreed timelines. However accounts got finalised after due reconciliation and review by auditors			

Trade Payables

₹ in Lakh

Particulars	June'22	Sept'22	Dec'22	March'23
Amount as per FFR submitted to Banks Amount as per books of accounts	2,514 2,503	2,497 2,495	2,566 2,565	3,061 2,723
Difference	(11)	(2)	(1)	(338)
Reasons	Company has submitted data to banks as per agreed timelines. However accounts got finalised after due reconciliation and review by auditors			

21. Trade payables

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 46)	369	162
Total outstanding dues of creditors other than micro enterprises and small enterprises Provision for expense	2,944	1,997
Total	**3,313**	**2,159**

Trade payables ageing schedule (as at March 31, 2023)

₹ in Lakh

Particulars	Outstanding for following periods from due date of payment					Accrued expense	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	369	-	-	-	-	-	369
(ii) Others	847	1,759	31	28	31	248	2,944
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**1,216**	**1,759**	**31**	**28**	**31**	**248**	**3,313**

Trade payables ageing schedule (as at March 31, 2022)

₹ in Lakh

Particulars	Outstanding for following periods from due date of payment					Accrued expense	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	162	-	-	-	-	-	162
(ii) Others	749	957	56	36	21	178	1,997
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**911**	**957**	**56**	**36**	**21**	**178**	**2,159**

Payables other than acceptances are normally settled within 180 days.

22. Other current financial liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed dividends	3	3
Employee benefits payable	103	128
Total	**106**	**131**

23. Other current liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory remittances	112	113
Revenue received in advance	152	82
Other current liability#	-	0
Contract liabilities	518	356
Total	**782**	**551**

Figures are below rounding off norms adopted by the company

24. Current provisions

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for Superannuation short	-	-
Provision for gratuity (refer note 42)	62	57
Provision for compensated absences (refer note 42)	21	20
Other Provisions		
Provision for warranty claims	83	54
Total	**166**	**131**

25. Income tax liabilities (net)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for tax (net of advance tax ₹ 214 lakh (as at March 31,2022 ₹ 175 lakh))	68	27
Total	**68**	**27**

26. Revenue from operations

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products		
Domestic turnover#	13,953	9,173
Export turnover	488	628
	14,441	**9,801**
Sale of services		
Sale of services - AMC and others	1,026	875
	1,026	**875**
Other operating revenues		
Commission income	493	657
Scrap & sundry sales	8	11
Miscellaneous income	-	4
	501	**672**
Total	**15,968**	**11,348**

The Company do not have any customers where total value of trade during the year is more than 10% of the Turnover.

Ind AS 115 Revenue from Contracts with Customers

Sales are recorded net of trade discounts, quantity discounts, rebates, indirect taxes. Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer which generally coincides with dispatch of goods from factory/stock points, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 38):

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customer - Sale of products	14,441	9,801
Revenue from contracts with customer - Sale of services	1,026	875
Other operating revenue	501	672
Total revenue from operations	**15,968**	**11,348**
India	15,480	10,720
Outside India	488	628
Total revenue from operations	**15,968**	**11,348**
Timing of revenue recognition		
At a point in time	15,968	11,348
Total revenue from operations	**15,968**	**11,348**

Timing of revenue recognition

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Goods transferred at a point in time	14,441	9,801
Services transferred at a point in time	1,026	875
Total revenue from contracts with customers	**15,467**	**10,676**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue as per contracted price	15,571	10,819
Less: Discounts	(1)	(3)
Less: Sales return	(103)	(140)
Less: Commission	-	-
Revenue from contracts with customers	**15,467**	**10,676**

Performance Obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 90 days from delivery. There are no material unsatisfied performance obligation outstanding at the year end.

The performance obligations of the Company are part of contracts that have an original expected duration of less than one year and accordingly, the Company has applied the practical expedient and opted not to disclose the information about it's remaining performance obligations in accordance with paragraph 121 of IND AS 115

Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Trade receivables (refer note 11)	4,495	3,267
Contract liabilities (refer note 23)	518	356

Trade receivables are non interest bearing and are generally on terms of 0 to 90 days.

Contract assets includes amounts related to contractual right to consideration for completed performance objectives not yet invoiced.

As at 31 March, 2023 ₹ 189.30 Lakh (previous ₹ 125.14 Lakh) was recognised as provision for allowance for doubtful debts on trade receivables.

Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract. Short term advances are detailed in note 23.

Set out below is the amount of revenue recognised from:

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amounts included in contract liabilities at the beginning of the year	356	214
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	342	186

27. Other income

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income:		
- interest received on bank deposits	8	17
- interest received on 9% debentures	11	-
- on income tax refund	1	2
- from other interest income	9	11
	29	**30**
Exchange rate difference (net)	12	-
Provisions/liability no longer required written back	34	-
VAT interest received#	-	0
Dividend income	1	1
Commission income on corporate guarantee	6	9
Finance income on security deposit	1	1
Other non operating income	1	-
Total	**84**	**41**

figures are below rounding off norms adopted by the company

28. Cost of materials consumed

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Raw material consumed		
Inventory at the beginning of the year	384	482
Add: Purchases	6,455	4,515
Less: Inventory at the end of the year	487	384
Total	**6,351**	**4,613**

Breakup of cost of material consumed

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cost of material consumed		
Steel	228	240
Batteries	969	954
Others (Tyres, Controller, motor, battery charger etc.)	5,154	3,419
Total	**6,351**	**4,613**

29. Purchases of stock-in-trade

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of traded goods		
Engineered equipments	3,679	1,888
Other components, accessories, spares, etc.	756	655
Total	**4,435**	**2,543**

30. Changes in inventories of finished and work-in-progress and stock in trade

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening stock		
Finished goods	352	149
Work-in-progress	58	91
Stock-in-trade	297	391
A	**707**	**631**
Closing stock		
Finished goods	390	352
Work-in-progress	44	58
Stock-in-trade	355	297
B	**789**	**707**
A-B	**(82)**	**(76)**

31. Employee benefits expense

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages, allowances and bonus	1,795	1,751
Contribution to provident and other funds (refer note 42)	40	40
Gratuity expense (refer note 42)	18	16
Staff welfare expenses (net)	94	63
Total	**1,947**	**1,870**

32. Finance costs

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expenses on :		
- Interest expense on term loan, cash credit & bank overdraft	50	12
- Interest on lease liabilities (refer note 39)	10	6
- Others#	-	0
Bank charges	22	27
Total	**82**	**45**

figures are below rounding off norms adopted by the company

33. Depreciation and amortisation expense

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 4A)	91	77
Amortisation of intangible assets (refer note 4D)	4	4
Depreciation of right of use assets (refer note 4C)	28	17
Total	**123**	**98**

34. Other expenses

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sub contract and labour charges	296	248
Stores and spare parts consumed	22	22
Fuel and power	45	33
Repairs & maintenance (factory and office)	15	26
Repairs to machinery	9	9
Rent	26	36
Rates and taxes	7	10
Sales tax of earlier year write off (incl interest and tax amt)	38	17
Insurances	7	12
Travelling expenses	119	112
Postage, telephone and internet	26	23
Commission on sales	10	14
Testing and calibration	146	66
Printing and stationery	11	11
Legal and professional charges	190	69
Conveyance expenses	257	195
Provision for doubtful debts	64	(46)
Bad debts written off	84	88
Provision for doubtful advances & deposits	4	-
Loss on sale of property, plant and equipments	-	1
Freight on sales	361	276
Motor vehicle expenses	13	5
Directors' fees	10	7
Exchange rate difference (net)	-	1
Provision for inventory#	0	28
Inventory write-off	26	17
Auditor's Remuneration		
- Audit Fees	11	18
- For taxation matters	1	3
- For other services	2	5
- Reimbursement of out of pocket expenses#	0	0
CSR expenses (refer note 47)	9	-
Miscellaneous expenses	415	339
Total	**2,224**	**1,645**

figures are below rounding off norms adopted by the company

35. Contingent liabilities and commitments (to the extent not provided for)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities :		
a) Claims against the company not acknowledged as debts :		
-Sales Tax demands (Net)	-	29
-Goods & Service Tax Demand	66	-
b) On account of corporate guarantee to bankers on behalf of subsidiary for facilities availed by them (amount outstanding at close of the year)	577	1,998
c) Bank guarantees	772	716
d) Letter of credit issued to vendor	73	31

There are numerous interpretative issues relating to the supreme court (SC) judgement on PF dated February 28, 2019. The company will update its provision, on receiving further clarity on the subject.

36. Capital commitments

The estimated amount of contracts remaining to be executed on capital account & other commitments and not provided for:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Capital commitment -Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	**302**	**302**

Note:
The Company is in the process of acquiring leasehold land including building at a price of ₹ 554 lakhs and has entered into an agreement on April 12, 2018. The land is located at MIDC Murbad, District Thane. The rationale behind investment is for expansion of Company's manufacturing activities.

37. Taxation

The major component of tax expenses for the year are as under :

₹ in Lakh

Particulars	Year ended	
	March 31, 2023	**March 31, 2022**
Current income tax	282	202
Short provision for tax relating to previous years	6	1
Deferred tax	(10)	1
Total income tax expense	**278**	**204**

₹ in Lakh (except as otherwise stated)

Particulars	Year ended	
	March 31, 2023	**March 31, 2022**
Reconciliation:		
Profit before tax	971	652
Applicable tax rate	25.17%	25.17%
Computed expected tax expense	244	164
Add:		
Short provision for tax relating to previous years	6	1
Expenses disallowed	117	91
Deferred tax	(10)	1
Income from other source	7	7
Ind AS impact (net)	1	1
Less:		
Other income offered seperately	(7)	(7)
Expenses allowed	(80)	(54)
Income tax expense as per profit & loss account	**278**	**204**
Effective tax rate	**28.63%**	**31.35%**

Deferred tax relates to the following:

₹ in Lakh

Particulars	Balance Sheet	
	As at March 31, 2023	**As at March 31, 2022**
Deferred tax asset (net) comprises of timing difference on account of :		
Difference between WDV of property, plant and equipment as per books of accounts & income tax	13	6
Provision for employee benefits	58	73
Provision for doubtful debts and advances	47	35
Provision for warranty	21	15
Lease liabilities	(1)	(1)
Deferred tax asset	**138**	**128**

Deferred tax relates to the following:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance as on April 01, 2022	128	131
Tax income / (expense) during the year recognized in profit & loss a/c	10	(1)
Differences on other comprehensive income#	0	(2)
Closing balance	**138**	**128**

figures are below rounding off norms adopted by the company

38. Segment reporting

For management purpose, the company is organized into business units based on its products and services.
Primary segment information (by business segment):

I. Material handling division

II. Engineered products

The company has disclosed business segments as the primary segments. The segments have been identified taking into account the nature of the products, the differing risks & returns, the organizational structure and internal reporting system.

₹ in Lakh

Particulars	For the year ended March 31, 2023			For the year ended March 31, 2022		
	Material handling	Engineered products	Total	Material handling	Engineered products	Total
Segment revenue						
Sale of products	9,778	4,663	14,441	7,352	2,449	9,801
Sale of services	238	788	1,026	205	670	875
Commission income#	-	493	493	0	657	657
Other income	8	-	8	15	-	15
	10,024	**5,944**	**15,968**	**7,572**	**3,776**	**11,348**
Unallocated income			84			41
Total			**16,052**			**11,389**
Segment results						
Segment results/ operating Profit	487	966	1,453	307	797	1,104
Unallocated income			84			41
(including income from interest/dividend)						
Unallocated expenses			483			449
Interest expenses			82			45
Profit before tax			**972**			**651**
Provision for taxation – current tax			282			202
Short provisions for income tax in respect of earlier years			6			1
Deferred tax			(10)			1
Profit after tax			**694**			**447**
Other information						
Segment assets	4,260	2,389	6,649	3,286	1,843	5,129
Unallocated assets			2,288			1,739
Total assets			**8,937**			**6,868**
Segment liabilities	2,492	1,907	4,399	1,899	1,123	3,022
Unallocated liabilities			4,538			3,846
(Including share capital and reserves)						
Total liabilities			**8,937**			**6,868**
Cost incurred during the financial year to acquire segment fixed assets	61	17	78	99	46	145
Cost incurred during the financial year to acquire segment fixed assets (unallocated)			2			6
Depreciation	46	43	89	44	32	76
Depreciation (unallocated)			34			22

#figures are below rounding off norms adopted by the company

Note:
The Company has disclosed business segments as the primary segments. The segments have been identified taking into account the nature of the products, the differing risks & returns, the organisational structure and internal reporting system. The Company's operations predominantly relate to manufacturing of material handling equipment. The other business segment reported is engineered products.

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

There are no reportable geographical segments as the export turnover is not significant. Segment results include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.

39. Leases

The company's leasing arrangements are in respect of operating leases for office premises. The rent period range between 1 years to 5 years and usually renewable on mutually agreed terms.

a. The movement in lease liabilities during the year:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	72	11
Additions during year	70	75
Finance costs incurred during the year	10	6
Payment of lease liabilities	(32)	(20)
Closing balance	**120**	**72**

b. The carrying value of the right of use and depreciation charged during the year

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	67	10
Additions during year	75	75
Depreciation charged during the year	28	17
Closing balance	**114**	**67**

c. Amounts recognised in statement of profit or loss:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation on right of use asset	28	17
Finance costs incurred during the year	10	6
Rent expense	(32)	(20)
Total amounts recognised in profit or loss	**6**	**3**

d. Maturity analysis of lease liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Maturity analysis of contractual undiscounted cash flows		
Less than one year	38	32
One to five years	106	145
More than five years	-	-
Total undiscounted lease liability	**144**	**177**
Non-current lease liability	92	54
Current lease liability	28	18
Total lease liability	**120**	**72**

40. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average shares outstanding - basic	18,65,746	18,65,746
Weighted average shares outstanding - diluted	18,65,746	18,65,746

Net profit available to equity shareholders of the company used in the basic and diluted earnings per equity share was determined as follows:

₹ in Lakh, except EPS

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Earnings available to equity shareholders	693	448
Earnings available for equity shareholders for diluted earnings per share	693	448
Basic earnings per share	37	24
Diluted earnings per share	37	24

41. Related party information

A. Names of related parties and nature of relationship:

Nature of relationship	Name of related party
Subsidiary company	MHE Rentals India Private Limited JECL Engineering Limited
Key managerial personnel (KMP)	Mr. Jai Prakash Agarwal, Executive Chairman and Director Mr. Vishal Jain, Vice Chairman & Managing Director Mr. Rohit Jain, Chief Financial Officer (CFO) Mrs. Babita Kumari, Company Secretary Mr. Qamar Ali, Company Secretary (till 11.02.2022) Ms. Prajakta Patil, Company Secretary (till 30.04.2021)
Independent directors	Mr. Farokh Kekhushroo Banatwalla Mr. Shailesh Rajnikant Sheth Mr. Marco Philippus Ardeshir Wadia Mr. Sanjiv Swarup Mrs. Rekha Bagry Mr. Pramod Maheshwari
Woman Director	Mrs. Shikha Jain
Relative of KMPs and where transaction exists	Mrs. Anshu Agarwal Mr. Rajendra Agarwal
Company in which director is interested and where transaction exists	Chambal Fertilizer and Chemicals Limited Stovec Industries Limited

B. Transactions with Related parties:

The details of transactions with related parties for the year ended March 31, 2023 are as follows:

₹ in Lakh

Particulars	As at March 31, 2023								Total
	Subsidiary	Wholly owned subsidiary	Company in which director is interested and where transaction exists		Others				
	MHE Rentals India Private Limited	JECL Engineering Limited	Stovec Industries Limited	Chambal Fertiliser and Chemicals Limited	Independent directors	Woman director	KMPs	Relative of KMPs and where transaction exists	
Transactions									
Commission received	6	-	-	-	-	-	-	-	6
Interest on 9% debentures	11	-	-	-	-	-	-	-	11
Interest on loan given	9	-	-	-	-	-	-	-	9
Investment - purchase of 9% debentures	300	-	-	-	-	-	-	-	300
Investment - purchase of equity of subsidiary	-	-	-	-	-	-	302	42	344
Loan given	219	-	-	-	-	-	-	-	219
Repayment of loan given	253	-	-	-	-	-	-	-	253
Sale of goods/services	98	-	1	2	-	-	-	-	101
Purchase of goods/services	41	-	-	-	-	-	-	-	41
Sitting fees paid	-	-	-	-	9	2	-	-	11
Dividend paid#	-	-	-	-	0	7	15	1	23
Remuneration	-	-	-	-	-	-	-	12	12
Investment in equity shares	-	1	-	-	-	-	-	-	1
Balances as at March 31, 2023									
Outstanding balance receivable / (payable)									
Trade receivables#	**63**	**-**	**0**	**-**	**-**	**-**	**-**	**-**	**64**
Loans and advances	**37**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**37**
Corporate guarantees	**577**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**577**

#figures are below rounding off norms adopted by the company

The details of transactions with related parties for the year ended March 31, 2022 are as follows:

₹ in Lakh

Particulars	As at March 31, 2022								Total
	Subsidiary	Wholly owned subsidiary	Company in which director is interested and where transaction exists		Others				
	MHE Rentals India Private Limited	JECL Engineering Limited	Stovec Industries Limited	Chambal Fertiliser and Chemicals Limited	Independent directors	Woman director	KMPs	Relative of KMPs and where transaction exists	
Transactions									
Commission received	11	-	-	-	-	-	-	-	11
Interest on loan given	9	-	-	-	-	-	-	-	9
Loan given	80	-	-	-	-	-	-	-	80
Repayment of loan given	110	-	-	-	-	-	-	-	110
Sale of goods/services	211	-	2	14	-	-	-	-	227
Purchase of goods/ services	3	-	-	-	-	-	-	-	3
Sitting fees paid	-	-	-	-	6	1	-	-	7
Dividend paid	-	-	-	-	-	3	8	1	12
Remuneration	-	-	-	-	-	-	-	13	13
Balances as at March 31, 2022									
Outstanding balance receivable / (payable)									
Trade receivables#	**26**	**-**	**0**	**1**	**-**	**-**	**-**	**-**	**27**
Loans and advances	**70**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**70**
Corporate guarantees	**1,998**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1998**

#figures are below rounding off norms adopted by the company

Terms and conditions of transactions with related parties :

The services provided to and received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and will be settled in cash.

C. Compensation of key managerial personnel of the company

₹ in Lakh

Particulars	2022-23	2021-22
Short-term employment benefits	117	112
Post-employment benefits	5	5

Transactions with key managerial personnel :

Nature of transactions	Year ended March 31, 2023	Year ended March 31, 2022
Salary and allowances paid/payable to KMPs*:		
Mr. Qamar Ali	-	5
Ms. Prajakta Patil#	-	0
Ms Babita Kumari	8	-
Mr. Rohit Jain	24	20
Mr. Jai Prakash Agarwal	44	44
Mr. Vishal Jain	42	42

#figures are below rounding off norms adopted by the company

*Excludes gratuity and long term compensated absences which are actuarially valued at company level and where separate amounts are not identifiable.

42. Employee benefit plans:

1.a. Post employment defined benefit plans :

The company makes annual contributions to the employee's group gratuity assurance scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following tables set out the funded status of the gratuity plans and the amounts recognized in the company's financial statements as at March 31, 2023 and March 31, 2022.

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	189	205
Interest cost	9	9
Current service cost	13	13
Actuarial(gains)/losses on obligations - due to change in demographic assumptions	1	-
Actuarial (gains)/losses on obligations - due to change in finanancial assumptions	(6)	(2)
Experience Gain/(Loss) on Plan Assets	2	(8)
Benefits Paid	(41)	(28)
Present value of benefit obligations at the end of the year	**167**	**189**
Change in plan assets		
Fair value of plan assets atthe beginning of the year	20	46
Return on plan assets excluding interest income	5	5
Contributions by the employer	40	1
Benefits paid from the fund	(41)	(28)
Experience Gain/(Loss) on Plan Assets	(4)	(4)
Fair value of plan assets at the end of the year	**20**	**20**
Net (liability)/asset recognised in the balance sheet	**(147)**	**(169)**

Amount for the year ended March 31, 2023 and March 31, 2022 recognized in the statement of profit and loss under employee benefits expenses.

₹ in Lakh

Recognized in profit and loss	Year ended	
	March 31, 2023	March 31, 2022
Current service cost	13	13
Net interest cost	4	3
Expenses recognized	**17**	**17**

Amount for the year ended March 31, 2023 and March 31, 2022 recognized in statement of other comprehensive income:

₹ in Lakh

Recognized in other comprehensive income	Year ended	
	March 31, 2023	March 31, 2022
Actuarial (gains) / losses on obligation for the year	37	43
Remeasurements during the period due to		-
- Changes in financial assumptions	(6)	(2)
- Changes in demographic assumptions	1	-
- Experience adjustments	2	(8)
- Actual return on plan assets less interest on plan assets	4	4
Net (income)/expense for the year recognized in OCI	**38**	**37**

The weighted-average assumptions used to determine benefit obligations as at March 31, 2023 and March 31, 2022 are set out below:

Weighted average actuarial assumptions	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	5.75%
Weighted average rate of increase in compensation levels	5.00%	5.00%

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Sensitivity analysis				
Discount rate (0.5% movement)	(1.17%)	1.21%	(1.36%)	1.41%
Define benefit obligation (₹ in Lakhs)	165	169	187	192
Future salary growth (0.5% movement)	1.23%	(1.20%)	1.41%	(1.38%)
Define benefit obligation (₹ in Lakhs)	169	165	192	187

Additional details :

Methodology adopted for valuation is projected unit credit method.
Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis. Since investment is with insurance company, assets are considered to be secured.
Assumptions regarding future mortality experience are set in accordance with the Indian Assured Lives Mortality (2012-14) Urban.
Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.
The estimates of future salary increases, considered in actuarial valuation, takes into account of inflation, seniority, promotions and other relevant factors, such as supply and demand in the employment market.
Actuarial gains/losses are recognized in the period of occurrence under other comprehensive income (OCI). All above reported figures of OCI are gross of taxation.

Maturity profile of projected benefit obligation:

₹ in Lakh

Projected benefits payable in future years from the date of reporting	March 31, 2023	March 31, 2022
Within 1 year	82	78
1-2 year	45	43
2-3 year	18	37
3-4 year	13	15
4-5 year	10	11
5-9 years	21	25
10 years and above	13	18

1.b. Defined contribution plans :

Amounts recognised as expenses towards contributions to provident and family pension fund, employee state insurance corporation and other funds by the company are as below : (refer note 31)

Particulars	Year ended ₹ in Lakh	
	March 31, 2023	March 31, 2022
Contribution to provident and family pension fund	37	37
Contribution to employees state insurance scheme (ESIC)	2	2
Contribution to labour welfare fund#	0	0
Contribution to employees deposit linked insurance (EDLI)	1	1

Figures are below rounding off norms adopted by the company

2. Other long term employee benefits :

Privilege leave and sick leave assumptions

The liability towards compensated absences (privilege leave and sick leave) for the year ended March 31, 2023 is based on acturial valuation carrried out by using projected accrual benefit method which resulted in decrease in liability by ₹ 5 lakh. (previous year - increased by ₹ 12 lakh).

a. Financial assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	5.75%
Salary escalation rate	5.00%	5.00%

b. Demographic assumptions

Particulars	As at March 31, 2023	As at March 31, 2022
Employee turnover (age years)		
21-30	23.00%	34.00%
31-40	14.00%	21.00%
41-50	22.00%	14.00%
51 & above	28.00%	19.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Urban

43. 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 note 21 to the financial statements.
The gearing ratio at the end of the reporting period was as follows:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Total debt	101	102
Total equity	4,126	3,490
Debt to equity ratio	**0.02**	**0.03**

44.Financial instruments

a. Financial instruments by category

The fair values of the financial 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 a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:
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 institutions approximate their carrying amounts largely due to the short-term maturities of these instruments. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.
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.
Accounting classification and fair value :

The following table shows the carrying amount and fair value of financial assets and financial liabilities :
Financial instrument by category :

₹ in Lakh

Particulars	Note No.	As at March 31, 2023			Fair value		
		Fair value routed through profit & loss	Carrying at amortised cost	Total	Level 1	Level 2	Level 3
Financial assets at amortized cost:							
Non-current Assets							
(i) Investments	5	-	1,248	1,248	-	-	-
(ii) Others	6	-	264	264	-	-	-
Current assets							
(i) Investments	10	16	-	16	16	-	-
(ii) Cash and cash equivalents	12A	-	182	182	-	-	-
(iii) Bank balances	12B	-	7	7	-	-	-
(iv) Trade receivables	11	-	4,495	4,495	-	-	-
(v) Loans	13	-	110	110	-	-	-
(vi) Other financial assets	14	-	28	28	-	-	-
Total financial assets		**16**	**6,334**	**6,350**	**16**	-	-

Financial liabilities at amortized cost:							
Non-current liabilities							
(i) Lease liabilities		-	92	92	-	-	-
Current liabilities							
(i) Borrowings	20	-	101	101	-	-	-
(ii) Lease liabilities		-	28	28	-	-	-
(iii) Trade payables	21	-	3,313	3,313	-	-	-
(iv) Other financial liabilities	22	-	106	106	-	-	-
Total financial liabilities		-	**3,640**	**3,640**	-	-	-

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.

₹ in Lakh

Particulars		As at March 31, 2022			Fair value		
		Fair value routed through profit & loss	Carrying at amortised cost	Total	Level 1	Level 2	Level 3
Financial assets at amortized cost:							
Non-current Assets							
(i) Investments	5	-	603	603	-	-	-
(ii) Others	6	-	120	120	-	-	-
Current assets							
(i) Investments	10	114	-	114	114	-	-
(ii) Cash and cash equivalents	12A	-	134	134	-	-	-
(iii) Bank balances	12B	-	210	210	-	-	-
(iv) Trade receivables	11	-	3,267	3,267	-	-	-
(v) Loans	13	-	140	140	-	-	-
(vi) Other financial assets	14	-	75	75	-	-	-
Total financial assets		**114**	**4,549**	**4,663**	**114**	-	-
Financial liabilities at amortized cost:							
Non-current liabilities							
(i) Lease liabilities		-	54	54	-	-	-
Current liabilities							
(i) Borrowings	20	-	102	102	-	-	-
(ii) Lease liabilities		-	18	18	-	-	-
(iii) Trade payables	21	-	2,159	2,159	-	-	-
(iv) Other financial liabilities	22	-	131	131	-	-	-
Total financial liabilities		-	**2,464**	**2,464**	-	-	-

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.

45. Financial risk management framework :

The Company is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates and other market changes. The Company's exposure to market risk relates to foreign currency exchange rate risk.

Foreign currency risk management:
The Company undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arise. Exposure to currency risk relates to the company's operating activities when transactions are denominated in a different currency from the Company's functional currency.

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.
The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to other foreign currencies is not material.
A change of 10% in foreign currency would have following impact on profit before tax

Particulars	2022-23		2021-22	
	₹ in Lakh 10% Increase	₹ in Lakh 10% decrease	₹ in Lakh 10% Increase	₹ in Lakh 10% decrease
Trade receivables				
In EUR	4	(4)	19	(19)
In GBP#	0	(0)	1	(1)
In USD	-	-	4	(4)
Trade Payables				
In EUR	(20)	20	(8)	8
In USD	(7)	7	-	-

Figures are below rounding off norms adopted by the company

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The carrying amount of company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹ in Lakh	Amount in foreign currency in lakhs	₹ in Lakh	Amount in foreign currency in lakhs
Trade Receivable				
In EUR#	36	0	188	2
In GBP#	3	0	6	0
In USD	-	-	39	1
Trade Payable				
In EUR	199	2	78	1
In USD#	70	1	-	-

Figures are below rounding off norms adopted by the company

Interest rate 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. In order to optimize the Company's position with regards to interest expenses and to manage the interest rate risk, management performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and variable rate financial instruments.

Exposure to interest rate risk: ₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2023
Fixed rate instruments		
Financial liabilities	-	-
Variable rate instruments		
Financial liabilities	101	102

Interest rate sensitivity:

Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact of (decrease/increase in net income)

₹ in Lakh

Particulars	March 31, 2023		March 31, 2022	
	Sensitivity analysis	Impact on profit and loss	Sensitivity analysis	Impact on profit and loss
Variable rate borrowings				
Interest rate increase by	1%	1	1%	1
Interest rate decrease by	1%	1	1%	1

Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. The Company maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

Liquidity risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity analysis for financial liabilities:

The following are the remaining contractual maturities of financial liabilities as at 31st March 2023: ₹ in Lakh

Particulars	Note No.	As at March 31, 2023		
		0 to 1 Year	More than 1 year	Total
Financial liabilities				
Non-current Liabilities				
(i) Lease Liabilities	18A	-	92	92
Current liabilities				
(i) Borrowings	21	101	-	101
(ii) Lease liabilities	18B	28	-	28
(iii) Trade payables	22	3,313	-	3,313
(iv) Other financial liabilities	23	106	-	106
Total financial liabilities		**3,548**	**92**	**3,640**

The following are the remaining contractual maturities of financial liabilities as at 31st March 2022 :

₹ in Lakh

Particulars	Note No.	As at March 31, 2023		
		0 to 1 Year	More than 1 year	Total
Financial liabilities				
Non-current Liabilities				
(i) Lease Liabilities	18A	-	54	54
Current liabilities				
(i) Borrowings	21	102	-	102
(ii) Lease liabilities	18B	18	-	18
(iii) Trade payables	22	2,159	-	2,159
(iv) Other financial liabilities	23	131	-	131
Total financial liabilities		**2,410**	**54**	**2,464**

46. Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-23, to the extent the company has received intimation from the "Suppliers" regarding their status under the Act.

₹ in Lakh

Particulars	As at	
	March 31, 2023	March 31, 2022
i. Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act). Principal amount due to micro and small enterprise. Interest due on above.	369	162
ii. Interest paid by the company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.	- -	- -
iii. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

47. Corporate social responsibility

As per Section 135 of the Companies Act 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

The CSR activities of the company are generally carried out through charitable organisations, where funds are allocated by the Company. These organisations carry out the CSR activities as specified in the schedule VII of the companies Act, 2013 on behalf of the company.

₹ in Lakh

Particulars	Year ended March 31, 2023
Gross amount required to be spent by the company during the year.	9
Amount spent during the year on:	
(i) Construction/acquisition of any asset	-
(ii) On purposes other than (i) above	9
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	-
The total of previous years' shortfall amounts	-
Amount sanctioned and provision made in books as per notification issued by The Ministry of Corporate Affairs dated January 22, 2021, amending the companies (Corporate Social Responsibility Policy) Rules, 2014.	9
Reason for shortfall	Not applicable
Nature of CSR activities	Education support in rural areas, equipment support in hospitals and training institute.

48. Additional regulatory information

a. Financial ratio disclsoure

₹ in Lakh

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% variance
Current ratio (in times)	Current assets	Current liabilities	1.43	1.80	(20.60%)
Debt-Equity ratio (in times)	Total debt	Shareholders equity	0.02	0.03	(18.56%)
Debt service coverage ratio (in times)*	Earnings available for debt service	Debt service	14.97	7.88	89.93%
Return on equity ratio (in %)*	Net profit for the year	Average shareholder's equity	18.20%	13.67%	33.13%
Inventory turnover ratio**	Cost of goods sold OR sales	Average inventory = (Opening + Closing balance / 2)	13.66	8.94	52.78%
Trade receivables turnover ratio	Revenue from operations	Average trade Receivable	4.11	3.75	9.72%
Trade payables turnover ratio	Net purchase value	Average trade payable	3.98	3.87	2.83%
Net capital turnover ratio***	Revenue from operations	Working capital (Current assets - Current liabilities)	8.16	4.58	78.07%
Net profit ratio (in %)	Net profit for the year	Revenue from operations	4.34%	3.95%	9.94%
Return on capital employed (in %)*	Profit befor tax and finance costs	Capital employed (Networth + Deferred tax liabilities)	25.53%	18.29%	(30.04%)
Return on investment (in %)****	Income generated from treasury investments	Average invested funds in treasury investments	0.04	0.00	17101.87%

* due to increase in net profit.

** due to increase in revenue from operations.

*** due to increase in revenue and improvement in working capital.

**** due to interest income on investment in 9% debentures in subsidiary during the year

b. Relation with struck off Companies

(i) Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. Other information:

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Compliance with number of layers of companies

The Company has complied with number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction of number of layers) Rules, 2017.

(iv) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(v) Borrowing from banks and financial institutions for specific purpose

All the borrowings from banks and financial institutions have been used for the specific purposes for which they have been obtained.

(vi) Undisclosed income
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vii) Details of crypto currency or virtual currency
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) Title deeds of immovable properties not held in name of the company
The company does not own any immovable properties other than leasehold properties.

(ix) Revaluation of Property, Plant & Equipment
The company has not revalued any of its Property , Plant & Equipments during the year.

(x) Loans / Advances in the nature of loans to Promoters,Directors,KMP's and Related Parties
The Company has advanced Loans to its subsidiary for which terms and conditions have been stipulated and the same are not repayable on demand.

(xi) Registration of charges or satisfaction with Registrar of Companies (ROC)
All the charges or satisfaction of which is required to be registered with Registrar of Companies(ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act 2013 and rules made thereunder.

49. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Further, the Company has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

50. A. Disclosure as per Regulation 53(f) of SEBI (Listing Obligation and Disclosure Requirements) Regulations :
Loans and advances in the nature of loans given to subsidiaries, associates and others and investments in shares of the company by such parties:

₹ in Lakh

Name of party and relationship	Amount outstanding as on March 31, 2023	Amount outstanding as on March 31, 2022	Maximum balance outstanding during the year March 31, 2023	Maximum balance outstanding during the year March 31, 2022
MHE Rentals India Private Limited	37	70	105	102

B. Disclosure as per Section 186 of the Companies Act, 2013
The details of loans, guarantees and investments under section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:
i. Details of investments made are given in note 5.
ii. Details of corporate guarantees issued are given in note 35.

51. Events occuring after balance sheet date
(i) The Board in its meeting held on 18th May 2023 has recommended a dividend of ₹ 1.5/- per share on equity share of face value ₹ 2/- each, i.e. 75% to the members of the Company. This amount is to be paid after approval from the members in the ensuing annual general meeting.
(ii) The equity shares having face value of ₹ 5/- each fully paid up has been sub-divided into equity shares having face value of ₹ 2 each fully paid up w.e.f. 28th April 2023.

52. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received presidential assent in september 2020. The said code is made effective prospectively from May 3, 2023. The company is assessing the impact, if any, of the Code.

53. Balances of certain debtors/creditors, deposits received/paid and advances are subject to confirmation and reconcillation. In the opinion of the management balances are stated at realisable value and no adjustments will be required.

54. Previous year figures have been regrouped/reclassified wherever necessary to conform to current year figures.

55. The Financial Statements were approved by the Audit Committee and Board of Directors on May 18, 2023.

For and on behalf of Board of Directors

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Rohit Jain
Chief Financial officer

Babita Kumari
Company Secretary
Membership No. A40774

Place: Thane
Date: 18th May, 2023

INDEPENDENT AUDITORS' REPORT

Opinion

We have audited the accompanying consolidated Ind AS financial statements of JOST'S ENGINEERING COMPANY LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries, (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2023, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate financial statements of the one subsidiary referred to below in the Other Matter section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing, as specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Sr. No	Key Audit Matter	Auditors Response
1	**Revenue Recognition:** (Refer note 3.6 of the consolidated financial statements) The Group Company deals in manufactured goods, traded goods, provide AMC services & representing principal on a commission basis and material handling rental business. It sells a number of equipment's and services to its customers, mainly in domestic market through its own sales & distribution network. Sales contracts contain various performance obligations and other terms, including warranties and after sales services. The determination of when significant performance obligations have been met varies, can be the key consideration for revenue recognition, service and the warranty cost. The Group has analysed its various sales contracts and concluded on the principles for deciding in which period or periods the Company's sales transactions should be recognized as revenue. The accounting policies and the note to the consolidated financial statements provide additional information on how the Group accounts for its revenue.	**Principal Audit Procedures:** Read the Group revenue recognition accounting policies and assessed compliance of the policies with Ind AS 115. • Assessed the design and tested the operating effectiveness of internal controls relating to revenue recognition. • Assessed the appropriateness of Group's identification of performance obligations in its contracts with customers, its determination of transaction price, including allocation thereof to performance obligations and accounting policies for revenue recognition in accordance with the accounting principles laid down in Ind AS 115. • Scrutinized sales ledgers to verify completeness of sales transactions. • Tested the revenue recognized, on a sample basis, including testing of cut off assertion as at the year end. Our testing included tracing the information to agreements, price lists, invoices, proof of dispatches/deliveries. • Assessed the revenue recognized with substantive analytical procedures including review of price and quantity. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.

Sr. No	Key Audit Matter	Auditors Response
2	**Trade Recievable** (Refer note 11 of the consolidated financial statements) Trade receivable balances are significant to the Group as they amounted to ₹ 4,859 Lakh (gross) representing 72.68 % of the total current assets and 28.19 % of the total revenue of the Group for the year ended 31st March 2023. During the current financial year, the group Company has recognized bad debts ₹ 85 Lakh. The collectability of trade receivables is a key element of the working capital management, which is managed on an ongoing basis by management. The determination as to whether a trade receivable is collectable involves management judgement. Specific factors management considers include the age of the balances, category of customers, existence of disputes, recent historical payments and any other available information concerning the creditworthiness of customers. Management uses the information to assist in their judgement to determine whether allowance for expected credit loss, bad debts is required.	**Principal Audit Procedure** • Obtained an understanding of the group's processes and controls relating to the monitoring of trade receivables and review of credit risks of customers. • On a sample basis, requesting trade receivable confirmations and evidence of receipts from the customers subsequent to balance sheet date. • Analysis of ageing profile of the trade receivables to identify credit risks, reviewing historical Payment patterns and correspondence with customers on expected settlement dates. • Also evaluated the assumptions and estimates used by management to determine the recoverability, provision for doubtful and trade receivables. • Evaluated the provisions made for expected credit loss as per ECL model as specified by Ind AS 109. • Review of documents and other records for trade receivables considered as doubtful and bad.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management Responsibilities for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company's, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the companies included in in the Group is also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Consolidated Financial Statements. We communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements/financial information of a subsidiary, whose financial statements reflect total assets of ₹ 1,905 Lakh as at March 31, 2023, total revenues of ₹ 1,352 Lakh and net cash outflows amounting to ₹ 25 Lakh for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor. Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary, incorporated in India, as noted in the 'Other Matter' paragraph we give in the "ANNEXURE A" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditor on separates financial statements of subsidiary incorporated in India, referred in the Other Matters paragraph above we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

(c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary companies incorporated in India, none of the directors of the Holding Company and its subsidiary companies incorporated in India is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f)With respect to the adequacy of the internal financial controls over financial reporting of the Group covered under the Act, and the operating effectiveness of such controls, refer to our separate report in **'ANNEXURE B'.**

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion, and to the best of our information and according to the explanations given to us, and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us the remuneration paid / provided by the Holding Company and Subsidiary company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act.

(h) With respect to the other matters to be included in the auditors' report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 37 to the consolidated financial statements;

ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.; and

iii. There has been no delay in transferring amounts required to be transferred to the Investor Education and Protection Fund.

iv. A) The respective management of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and other auditors of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the Note 51 to the consolidated financial statements, no funds have been advances or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

B) The respective management of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary respectively that, to the best of its knowledge and belief, as disclosed in the Note 51 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditor of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representation under sub-clause (A) and (B) contain any material misstatement.

v. The final dividend paid by the Holding Company during the year which was declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. As stated in note 52(i) to the consolidated Ind AS financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 01, 2023 to the Holding Company and its subsidiaries which are Companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUO2743

Place: Mumbai
Date: May 18, 2023

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE

The Annexure referred to in paragraph1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(xxi) There are no qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements except for the following:

Sr. No.	Name	CIN	Relationship	Clause number of the CARO report which is qualified or adverse
1	MHE Rental India Private Limited	U71290MH2016PTC311695	Subsidiary	vii (a)

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUO2743

Place: Mumbai
Date: May 18, 2023

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)
Report on the internal financial controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **JOST'S ENGINEERING COMPANY LIMITED** ("the Company" or "the Holding Company") and its subsidiaries, which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiaries, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the one subsidiary incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company, its subsidiaries which are companies incorporated in India.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of other auditors referred to in the Other Matters paragraph below, the Holding Company, its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal control over financial reporting established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to one subsidiary, which is company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India. Our opinion is not modified in respect of this matter.

For **SHAH GUPTA & Co.**
Chartered Accountants
Firm Registration No.: 109574W

Vedula Prabhakar Sharma
Partner
Membership No.: 123088
UDIN: 23123088BGVVUO2743

Place: Mumbai
Date: May 18, 2023

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

₹ in Lakh

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
Assets			
(1) Non-current assets			
(a) Property, plant and equipment	4A	1,937	2,137
(b) Capital work-in-progress	4B	22	22
(c) Right of use assets	4C	114	67
(d) Intangible assets	4D	17	13
(e) Financial assets			
(i) Non-current investments	5	1	1
(ii) Other non-current financial assets	6	265	121
(f) Deferred tax assets (net)	39	138	128
(g) Income tax assets (net)	7	10	19
(h) Other non-current assets	8	260	252
Total non-current assets		**2,764**	**2,761**
(2) Current assets			
(a) Inventories	9	1,260	1,077
(b) Financial assets			
(i) Current investments	10	16	114
(ii) Trade receivables	11	4,617	3,427
(iii) Cash and cash equivalents	12A	185	161
(iv) Bank balances other than cash and cash equivalents (iii) above	12B	14	217
(v) Loans	13	73	70
(vi) Other current financial assets	14	28	75
(c) Income tax assets	15	23	22
(d) Other current assets	16	470	269
Total current assets		**6,686**	**5,432**
Total assets		**9,450**	**8,193**
Equity and liabilities			
(1) Equity			
(a) Equity share capital	17	93	93
(b) Other equity	18	3,739	3,205
		3,832	**3,298**
Non-controlling interest		135	304
Total equity		**3,967**	**3,602**
Liabilities			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	116	456
(ii) Lease liabilities		92	54
(iii) Other non-current financial liabilities	20	19	37
(b) Non-current provisions	21	165	197
Total non-current liabilities		**392**	**744**

(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	436	672
(ii) Lease liabilities		28	18
(iii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		369	162
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,911	2,026
(iv) Other current financial liabilities	24	262	229
(b) Other current liabilities	25	845	578
(c) Current provisions	26	172	135
(d) Income tax liabilities (net)	27	68	27
Total current liabilities		**5,091**	**3,847**
Total liabilities		**5,483**	**4,591**
Total equity and liabilities		**9,450**	**8,193**

Corporate information and Significant accounting policies, key accounting estimates and judgements (1 - 3)
See accompanying notes to the consolidated financial statements
As per our report of even date attached

F**or Shah Gupta & Co.**
Chartered Accountants
Firm Registration Number : 109574W

For and on behalf of the Board of Directors

'Vedula Prabhakar Sharma
Partner
'Membership No. 123088

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Place: Mumbai
Date: May 18, 2023

Rohit Jain
Chief Financial Officer

Babita Kumari
Company Secretary
Memebership No.A40774

Place: Thane
Date: May 18, 2023

CONSOLIDATED STATEMENT OF PROFIT & LOSS

for the year ended 31st March, 2023

(₹ in Lakh, except EPS)

	Particulars	Note No.	Year ended March 31, 2023	Year ended March 31, 2022
1	Revenue from operations	28	17,239	12,435
2	Other income	29	60	25
3	**Total income [1+2]**		**17,299**	**12,460**
4	**Expenses**			
	(a) Cost of materials consumed	30	6,343	4,458
	(b) Purchases of stock-in-trade	31	4,468	2,546
	(c) Changes in inventories of finished and work-in-progress and stock-in- trade	32	(82)	(75)
	(d) Employee benefits expense	33	2,646	2,578
	(e) Finance costs	34	159	152
	(f) Depreciation and amortization expense	35	325	283
	(g) Other expenses	36	2,431	1,858
	Total expenses		**16,290**	**11,800**
5	**Profit before tax [3-4]**		**1,009**	**660**
6	**Tax expenses**			
	(i) Current tax	39	282	202
	(ii) Deferred tax	39	(10)	1
	(iii) Short provision for tax relating to previous years	39	6	1
	Total tax expenses		**278**	**204**
7	**Profit for the year [5-6]**		**731**	**456**
8	**Other comprehensive income**			
	A) Items that will not be reclassified to profit or loss (net of tax)			
	(i) Remeasurement of employee benefits obligations		10	4
	Total other comprehensive income		**10**	**4**
	Total comprehensive income for the year		**741**	**460**
	Net profit attributable to:			
	(i) Owner of the company		708	450
	(ii) Non-controling interests		23	6
	Profit of the year		**731**	**456**

	Other comprehensive income attributable to: (i) Owner of the company (ii) Non-controling interests#		 6 4	 4 (0)
	Other comprehensive income for the year		**10**	**4**
	Total comprehensive income attributable to: (i) Owner of the company (ii) Non-controling interests		 714 27	 454 6
	Total comprehensive income for the year		**741**	**460**
9	**Earnings per equity share (of ₹ 5/- each)** (1) Basic (in ₹) (2) Diluted (in ₹)		 39 39	 24 24

figures are below rounding off norms adopted by the company

Corporate information and Significant accounting policies, key accounting estimates and judgements (1 - 3)
See accompanying notes to the consolidated financial statements
As per our report of even date attached

For Shah Gupta & Co.
Chartered Accountants
Firm Registration Number : 109574W

Vedula Prabhakar Sharma
Partner
Membership No. 123088

Place: Mumbai
Date: May 18, 2023

For and on behalf of the Board of Directors

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Rohit Jain
Chief Financial Officer

Babita Kumari
Company Secretary
Memebership No. A40774

Place: Thane
Date: May 18, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity share capital

(1) For the year ended March 31, 2023

₹ in Lakh

Balance as at April 1, 2022	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2023
93	-	-	-	93

(2) For the year ended March 31, 2022

₹ in Lakh

Balance as at April 1, 2021	Changes in equity share capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance as at March 31, 2022
93	-	-	-	93

B. Other equity

₹ in Lakh

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	General reserve	Re-measurements gain/(loss) on the defined employee benefit plans	
Balance as at March 31, 2021	**1,064**	**1,511**	**230**	**(19)**	**2,786**
Profit for the year	-	450	-	-	450
Payment of dividend	-	(28)	-	-	(28)
Other comprehensive income arising from re-measurement of employee benefits obligation (net of tax)	-	-	-	4	4
Others	-	(7)	-	-	(7)
Balance as at March 31, 2022	**1,064**	**1,926**	**230**	**(15)**	**3,205**
Profit for the year	-	708	-	-	708
Payment of dividend	-	(56)	-	-	(56)
Other comprehensive income arising from re-measurement of employee benefits obligation (net of tax)	-	-	-	6	6
Others	(145)	21	-	-	(124)
Balance as at March 31, 2023	**919**	**2,598**	**230**	**(9)**	**3,739**

As per our report of even date attached

For Shah Gupta & Co.
Chartered Accountants
Firm Registration Number : 109574W

Vedula Prabhakar Sharma
Partner
Membership No. 123088

Place: Mumbai
Date: May 18, 2023

For and on behalf of the Board of Directors

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Rohit Jain
Chief Financial Officer

Babita Kumari
Company Secretary
Memebership No.A40774

Place: Thane
Date: May 18, 2023

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

₹ in Lakh

	Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
A	**Cash flow from operating activities**				
	Profit before taxes		**1,009**		**660**
	Adjustments for:				
	Depreciation and amortisation expense	325		283	
	Loss on sale of asset	17		10	
	Finance income on amortisation of deposits	(1)		-	
	Dividend income	(1)		(1)	
	Interest income	(8)		(22)	
	Finance costs	132		116	
	Provision for expected credit loss	64		(16)	
	Bad debts written off	85		92	
	Unrealised foreign exchange gain	(18)		2	
	Provision for warranty claims	107		104	
	Provision for inventory#	0		28	
	Inventory written off	26		17	
	Sales tax written off	38	**766**	17	**630**
	Operating profit before working capital changes		**1,775**		**1,290**
	Adjustments for (increase) / decrease in:				
	Trade receivables	(1,341)		(499)	
	Inventories	(209)		41	
	Other non-current financial assets	(60)		(3)	
	Other current financial assets	(13)		(38)	
	Other current asset	(132)		(129)	
	Other non-current assets	(9)		(46)	
	Current loans	(3)		1	
	Adjustments for increase/ (decrease) in:				
	Trade payables	1,443		(2)	
	Other current financial liabilities	32		3	
	Other current liabilities	(61)		299	
	Other non current liabilities	(18)		50	
	Change in non-current provisions	(32)		10	
	Change in current provisions	(70)	**(473)**	(69)	**(382)**
	Cash generated from operations		**1,302**		**908**
	Net income tax paid (net of refunds)		(238)		(244)
	Net cash generated from operating activities (A)		**1,064**		**664**
B	**Cash flow from investing activities**				
	Purchase of property, plant and equipment and intangible assets	(102)		(323)	
	Right of use of asset	(75)		-	
	Proceeds from sale of property, plant and equipment	15		18	
	Bank balances other than classified as cash and cash equivalents	203		(15)	
	Proceeds/investment in fixed deposits (net)	(128)		-	
	Proceed/purchase of mutual funds investments (net)	98		(101)	
	Investment in equity shares of subsidiary	(345)		-	
	Interest received	8		22	
	Dividend received	1		1	
	Net cash used in investing activities (B)		**(325)**		**(398)**
C	**Cash flow from financing activities**				
	Net proceeds/(repayment) of working capital loans	(28)		-	
	Proceeds from/(repayment) of short term borrowings	(35)		411	
	Proceeds from/(repayment) of long term borrowings	(512)		(554)	
	Dividend paid	(56)		(28)	
	Repayment of lease liabilities	48		(20)	
	Finance cost	(132)		(116)	
	Net cash used in financing activities (C)		**(715)**		**(307)**

	Net increase/(decrease) in cash and cash equivalents (A+B+C) Cash and cash equivalents at the beginning of the year		24 161		(41) 202
	Cash and cash equivalents at the end of the year (refer note 12A)		**185**		**161**

figures are below rounding off norms adopted by the company

Cash and cash equivalents include in the statement of cash flows comprising the following :

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
In current accounts	94	158
In EEFC account	90	-
Cash on hand	1	3
Total	**185**	**161**

Reconciliations part of cash flows

Particulars	April 01, 2022	Cash flows (net)	New leases	March 31, 2023
Cash credit/bank overdraft	194	(28)	-	166
Loan for machineries	774	(629)	-	145
Lease liabilities (including current maturities)	72	(32)	80	120
Total	**1,040**	**(689)**	**80**	**431**

Particulars	April 01, 2021	Cash flows (net)	New leases	March 31, 2022
Cash credit/bank overdraft	240	(46)	-	194
Vehicle loan	4	(4)	-	-
Loan for machineries	920	(146)	-	774
Lease liabilities (including current maturities)	11	(20)	81	72
Total	**1,175**	**(216)**	**81**	**1,040**

Note to Cash Flow Statement:

1.The cash flow statement has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows".

2 Previous years' figures have been regrouped wherever necessary.

As per our report of even date attached

For Shah Gupta & Co.
Chartered Accountants
Firm Registration Number : 109574W

Vedula Prabhakar Sharma
Partner
Membership No. 123088

Place: Mumbai
'Date: May 18, 2023

For and on behalf of the Board of Directors

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Rohit Jain
Chief Financial Officer

Babita Kumari
Company Secretary
Memebership No.A40774

Place: Thane
'Date: May 18, 2023

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

Jost's Engineering Company Limited (the 'Company') is incorporated in India. The holding company's registered office is at Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai- 400001. The group's primary business areas are material handling and engineered products. The holding company's equity shares are listed on the Bombay Stock Exchange (BSE).

2. Basis for preparation of financial statements

2.1 Statement of compliance :

The Consolidated Financial Statements ("the financial statements") relate to the Company and its subsidiary (collectively "the group"). These Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

2.2 Basis of preparation :

The consolidated financial statements have been prepared on an accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements except where a newly issued Accounting Standard is initially adopted or a revision to an existing Accounting Standard requires a change in the accounting policy hitherto in use. The group has prepared these Financial Statements as per the format prescribed in Schedule III of the Companies Act, 2013

The consolidated financial statements are presented in ('INR') which is the group's functional currency and all the values are rounded off to the nearest lakh except when otherwise indicated.

2.3 Basis of measurement :

The consolidated financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities 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.

2.4 Principles of Consolidation:

i. The Consolidated Financial Statements incorporates the Financial Statements of the Holding Company and its subsidiary. For this purpose, an entity which is, directly or indirectly, controlled by the Holding Company is treated as subsidiary. The Holding Company together with its subsidiaries constitute the Group. Control exists when the Holding Company, directly or indirectly, having power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to use its power to affect its returns.

ii.Consolidation of a subsidiary begins when the Holding Company, directly or indirectly, obtains control over the subsidiary and ceases when the Holding Company, directly or indirectly, loses control of the subsidiary. Income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the date the Holding Company, directly or indirectly, gains control until the date when the Holding Company, directly or indirectly, ceases to control the subsidiary.

iii. The Consolidated Financial Statements of the Group combines the Financial Statements of the Holding Company and its subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation. The accounting policies of subsidiary have been harmonised to ensure the consistency with the policies adopted by the Holding Company except depreciation, where the Company follows Written Down Value (WDV) method whereas the subsidiary is following Straight Line Method (SLM). The Consolidated Financial Statements have been presented to the extent possible, in the same manner as Holding Company's standalone financial statements. Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests and have been shown separately in the financial statements.

iv. Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiary attributable to interests which are not owned, directly or indirectly, by the Holding Company.

2.5 Current or non-current classification :

The group 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 the normal operating cycle;
ii. Held primarily for the purpose of trading;
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 the normal operating cycle;
ii. It is held primarily for the purpose of trading;
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 group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

2.6 Key accounting estimates and judgements :

The preparation of consolidated financial statements requires management to make judgements, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgements based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about critical judgements in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following note

a. Estimated useful life of PPE & intangible assets - refer note no 4A & 4D
b. Probable outcome of matters included under contingent liabilities - refer note 35
c. Estimation of defined benefit obligation - refer note 44
d. Estimation of tax expense and tax payable - refer note 37
e. Measurement of lease liabilities and right of use asset (ROUA) - refer note 41
f. Recoverability of trade receivables – refer note 11
g. Lease – refer note 18
h. Impairment of financial assets

2.6.1 Impairment of property, plant and equipment :

Determining whether property, plant, and equipment are 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 the present value. When the actual future cash flows are less than expected, a material impairment loss may arise.

2.6.2 Useful lives of property, plant and equipment :

Property, plant, and equipment represent a significant proportion of the asset base of the group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of the company's assets are determined by the management at the time the asset is acquired and reviewed at each financial year-end. Their lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

2.6.3 Discount rate - defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates, and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

2.6.4 Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on the evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in an outflow of resources embodying economic benefits, which involves judgments 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.

2.6.5 Recoverability of trade receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

2.6.6 Lease

The application of Ind AS 116 requires group to make judgements and estimates that affect the measurement of right-of-use assets and liabilities. In determining the lease term, we consider all facts and circumstances that create an economic incentive to exercise renewal options (or not exercise termination options). Assessing whether a contract includes a lease also requires judgement. Estimates are required to determine the appropriate discount rate used to measure lease liabilities. The group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of use asset in a similar economic environment. The IBR therefore reflects what the group 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

2.6.7 Recognition of deferred tax assets

Deferred Tax resulting from "temporary difference" between the carrying amount of an asset or liability in the balance sheet and its tax base book profit and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a probable certainty that the asset will be adjusted in future. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

2.6.8 Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3. Significant Accounting Policies :

3.1 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 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) Derecognition of Assets:

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 and loss.

b) Depreciation:

The Group has provided depreciation on a Written Down Value (WDV) basis over the estimated useful lives of assets as prescribed under Schedule II of the Companies Act, 2013.

The economic useful lives of assets are assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating 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.

The estimated useful lives of PPE are as follows :

Sr. no.	Particulars	Useful life
1	Factory Building	5 - 60 Years
2	Computers & Data Processing Units	3 – 6 Years
3	General Furniture & Fittings	10 Years
4	Office Equipment	5 Years
5	Plant & Machinery	15 Years
6	Vehicles	8 – 10 Years

The subsidiary MHE Rentals India Private Limited has provided depreciation on a Straight-Line Method (SLM) basis over the estimated useful lives of assets as prescribed under Schedule II of the Companies Act, 2013,the estimated useful lives of PPE are as follows :

Sr. no.	Particulars	Useful life
1	Plant & Machinery	10 - 15 Years
2	Spares	5 Years
3	Tools & Tackles	3 Years

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 lives of assets are 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 life 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.

3.2 Intangible assets :

a) Recognition and measurement :

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a written down value over their estimated useful lives, 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.

b) Derecognition of intangible assets :

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.

c) Amortisation :

The group recognizes amortization on a Written Down Value (WDV) basis over the estimated useful lives, which reflects the pattern in which the asset's economic benefits consumed. Intangible assets that are not available for use are amortized from the date they are available for use.

The estimated useful life are as follows :

Sr. no.	Particulars	Useful life
1	Intangible Asset	2 – 10 Years

The subsidiary MHE Rentals India Private Limited has provided depreciation on a Straight-Line Method (SLM) basis over the estimated useful lives which reflects the pattern in which the asset's economic benefits are consumed

Sr. no.	Particulars	Useful life
1	Intangible Asset	3 Years

3.3 Leases :

The group's lease asset classes consist of leases for buildings. The group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves the use of an identified asset (ii) the group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the group has the right to direct the use of the asset.

The group recognises a right-of-use asset ("ROU") at the commencement date of the lease and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the group recognises the lease payments as an operating expense on a straight line basis over the term of the lease.

The ROU asset is measured at an amount equal to the lease liability. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is recognized at the date of initial application. The lease liability is measured at the present value of the remaining lease payments discounted using lease incremental borrowing rate at the date of initial application.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets. Lease liability and ROU asset have been separately presented in the balance sheet and lease payments have been classified as financing cash flows.

3.4 Impairment of property, plant and equipment and intangible assets :

At the end of each reporting period, the group reviews the carrying amounts of Property, Plant and Equipment and other intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of individual asset, the group estimates the recoverable amount of the cash generating unit to which an individual asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing, value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Profit and Loss..

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. The reversal of an impairment loss is recognized immediately in the Statement of Profit or Loss.

3.5 Inventories :

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition in accounted for as follows:

Raw materials, stores & spares parts and traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realizable value represents the estimated selling price for inventories in the ordinary course of business less all estimated cost of completion and cost necessary to make the sale.

Due allowances are made for slow moving and obsolete inventories based on estimates made by the group.

3.6 Revenue recognition :

The group derives revenue from sale of material handling and engineered products. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation.

a) Sale of goods :

Sales are recorded net of trade discounts, quantity discounts, rebates, indirect taxes. Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer which generally coincides with dispatch of goods from factory/stock points, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made. Sales also include, sales of scrap, waste, rejection etc.

b) Dividend and Interest income :

Dividend income from investments is recognised when the group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the group and the amount of income can be measured reliably).

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the group 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.

c) **Rendering of services**

Revenue from rendering of services is recognised over time considering the time elapsed. The transaction price of these services is recognised as a contract liability upon receipt of advance from the customer, if any, and is released on a straight line basis over the period of service.

d) **Contract assets, contract liabilities and trade receivables**

Revenues in excess of invoicing are classified as contract assets (which we refer as unbilled revenue) while invoicing in excess of revenues (which we refer to as unearned revenues) and advance from customers are classified as contract liabilities. A receivable is recognised by the group when the control over the goods is transferred to the customer such as when goods are delivered as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. The average credit period on sale of goods is 0 to 90 days.

e) Commission income

Commission income on sales of equipment and spares is charged for rendering of services and for the use of the group's sales and distribution network. Such revenue is recognised in the accounting period in which the services are rendered in accordance with the agreement with the parties.

3.1 Foreign currencies :

The consolidated financial statements are presented in Indian rupees, which is the functional currency of the group. Transactions in currencies other than the group'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).

3.2 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 group’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 group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the group make monthly contributions at a specified percentage of the covered 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 group recognizes such contributions as an expense when incurred.

a) **Defined benefit plans**

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Re-measurements, comprising actuarial gains and losses, the effect of changes to asset ceiling (if applicable) and the return on plan assets (excluding net interest) is recognized in other comprehensive income in the period in which they occur. Re-measurements recognized in other comprehensive income are reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in the Statement of Profit and Loss in the period of plan amendment.

Defined benefit costs comprising service cost (including current and past service cost and gains and losses on curtailments and settlements) and net interest expense or income is recognized in statement of profit and loss.

The defined benefit obligation recognized in the balance sheet represents the actual deficit or surplus in the group'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 group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Vesting occurs upon completion of five years of service. The group makes contributions to gratuity fund held with a trust formed for this purpose through Life Insurance Corporation of India. The group provides for its gratuity liability based on an independent actuarial valuation carried out at each balance sheet date using the projected unit credit method.

3.9 Taxes on Income :

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and 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 and 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.

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 taxes (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 group 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 and 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.

3.10 Provisions :

Provisions are recognized when the group has a present obligation (legal or constructive) as a result of past event, it is probable that the group 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.

Product warranty
Provision for product warranty is recognized for the best estimates of the average cost involved for replacement/repair etc. of the product sold before the balance sheet date. These estimates are determined using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidences based on corrective actions on product failures. The estimates for accounting of warranties are reviewed and revisions are made as required.

3.11 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.

3.12 Financial instruments :

Financial assets and liabilities are recognised when the group 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 the statement of profit and loss.

Financial assets
Classification and subsequent measurement

Initial recognition and measurement
All financial assets are recognized initially at fair value, plus in the case of financial assets not recorded at fair value through profit and loss (FVTPL), transaction costs that are attributable to the acquisition of

the financial assets. However, trade receivables that do not contain a significant financing component are measured at transaction price.

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

The group measures its financial assets at fair value at each balance sheet date. In this context, quoted investments are fair valued adopting the techniques defined in level 1 of fair value hierarchy of Ind-AS 113 "Fair Value Measurement" and unquoted investments, where the observable input is not readily available, are fair valued adopting the techniques defined in level 3 of fair value hierarchy of Ind AS 113 and securing the valuation report from the certified valuer. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Classification

The group classifies a financial asset in accordance with the below criteria:

i.The group's business model for managing the financial asset and
ii.The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the company classifies its financial assets into the following categories:
i.Financial assets measured at amortized cost
ii. Financial assets measured at fair value through other comprehensive income (FVTOCI)
iii. Financial assets measured at fair value through profit or loss (FVTPL)

A financial asset is measured at the amortized cost if both the following conditions are met :

a. The group's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at FVTOCI if both of the following conditions are met:

a. The group's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
b. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

However, the group recognizes dividend income from such instruments in the statement of profit and loss and fair value changes are recognized in other comprehensive income (OCI).

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. This is a residual category applied to all other investments of the company. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the statement of profit and loss.

Impairment

The group 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 increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 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 transaction that are within the scope of Ind AS 115, the group always measures the loss allowance at an amount equal to life time expected credit losses. The group 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 group 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 group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognizes its retained interest in the asset and an associated liability for the amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of the transferred financial asset, the group 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 and loss if such gain or loss would have otherwise been recognized in the statement of profit and loss on disposal of the financial asset.

Financial liabilities

Classification

Financial liabilities and equity instruments issued by the group 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 group 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 on 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

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 and loss.

Offsetting of financial instruments

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

Reclassification of financial assets / liabilities

After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The group's senior manageme

-nt determines change in the business model as a result of external or internal changes which are significant to the group's operations.

Impairment of non-financial assets

The group assesses at each balance sheet date whether there is any indication that an asset may be impaired, if such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. Impairment losses are reversed in the statement of profit and loss only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognized.

Fair value measurement

The group measures financial instruments at fair value in accordance with accounting policies at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1:Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the balance sheet on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

3.13 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.

3.1 4 Earnings per share :

The group 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).

3.15 Segment reporting :

The group's business activity falls within two segments viz. Material Handling and Engineering Products. Segments are organized based on business which have similar economic characteristics as well as exhibit similarities in nature of products and services offered, the nature of production processes, the type and class of customer and distribution methods.

Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”

3.16 Borrowing cost :

Borrowings costs that are attributable to the acquisition or construction of qualifying assets up to the date when they are ready for their intended use and other borrowing costs are charged to profit and loss account. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.17 Investments in subsidiaries :

Investments in subsidiaries are carried at cost/deemed cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of investment is assessed and an impairment provision is recognised, if required immediately to its recoverable amount. On disposal of such investments, difference between the net disposal proceeds and carrying amount is recognised in the statement of profit and loss.

3.18 Dividend to Equity Shareholders :

Dividend to equity shareholders is recognised as a liability and deducted from shareholders’ Equity, in the period in which the dividends are approved by the equity shareholders in the general meeting

3.19 Rounding of amounts :

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

3.20 Events after reporting date :

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

3.21 Cash flow statement :

Cash flows are reported using the indirect method, whereby profit / (loss) before exceptional items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

4A. Property, plant and equipment

₹ in Lakh

Particulars	Leasehold buildings	Plant & machinery	Furniture & fixtures	Vehicles	Computer & peripheral	Office equipment	Tangibles total
Gross carrying amount							
Balance as at April 1, 2021	**19**	**2,700**	**72**	**26**	**87**	**14**	**2,918**
Additions	-	267	6	14	33	4	324
Disposals	-	35	-	7	-	-	42
Balance as at March 31, 2022	**19**	**2,932**	**78**	**33**	**120**	**18**	**3,200**
Additions	-	98	-	-	28	1	127
Disposals	-	51	-	-	1	-	52
Balance as at March 31 2023	**19**	**2,979**	**78**	**33**	**147**	**19**	**3,275**
Accumulated depreciation							
Balance as at April 1, 2021	**8**	**659**	**48**	**15**	**76**	**12**	**818**
Additions	1	235	7	4	12	2	261
Disposals	-	9	-	7	-	-	16
Balance as at March 31, 2022	**9**	**885**	**55**	**12**	**88**	**14**	**1,063**
Additions	1	255	6	6	24	2	294
Disposals#	-	19	-	-	0	-	19
Balance as at March 31 2023	**10**	**1,121**	**61**	**18**	**112**	**16**	**1,338**
Net carrying amount							
Balance as at March 31, 2022	**10**	**2,047**	**23**	**21**	**32**	**4**	**2,137**
Balance as at March 31 2023	**9**	**1,858**	**17**	**15**	**35**	**3**	**1,937**

figures are below rounding off norms adopted by the company

Notes :

1. The Group does not own any immovable property other than property where the Company is the lessee and the lease agreements are duly executed in favour of the lessee
2. Cash credit and bank overdraft are secured by immovable properties at C-7, Wagle Industrial Estate, Thane and plant and machineries of the company..

4B.Capital work-in-progress

₹ in Lakh

Balance as at March 31, 2022	**22**
Additions	-
Capitalised during the year	-
Balance as at March 31, 2023	**22**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Capital work-in-progress ageing schedule (as on March 31, 2023) ₹ in Lakh

Particulars	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in process	-	-	-	-	-
Projects temporarily suspended#	-	-	0	21	22
Total	-	-	**0**	**21**	**22**

figures are below rounding off norms adopted by the company

Capital work-in-progress ageing schedule (as on March 31, 2022) ₹ in Lakh

Particulars	Amount in CWIP for a period of				
	Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in process#	-	0	-	21	22
Projects temporarily suspended	-	-	-	-	-
Total	-	**0**	-	**21**	**22**

figures are below rounding off norms adopted by the company

Notes :

1. Capital work in progress as at 31st March 2023 primarily represents other expenses incurred in relation to purchase of land at Murbad, Thane.
2. There are no capital work-in-progress, where the actual cost of an asset/project has already exceeded the estimated cost as per original plan or actual timelines for completion of an asset/project have exceeded the estimated timelines as per original plan. Accordingly, no additional disclosure is required

4C. Right of use assets

₹ in Lakh

Particulars	Lease of office premises	Total
Balance as at April 1, 2021	**45**	**45**
Additions Disposals	75 -	75 -
Balance as at March 31, 2022	**120**	**120**
Additions Disposals	75 -	75 -
Balance as at March 31, 2023	**195**	**195**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh

Particulars	Lease of office premises	Total
Accumulated depreciation		
Balance as at April 1, 2021	**35**	**35**
Additions (refer note 41) Disposals	17 -	17 -
Balance as at March 31, 2022	**52**	**52**
Additions (refer note 41) Disposals	28 -	28 -
Balance as at March 31, 2023	**80**	**80**
Net carrying amount **Balance as at March 31, 2022** **Balance as at March 31, 2023**	 **67** **114**	 **67** **114**

4D. Intangible assets

₹ in Lakh

Particulars	Computer software & licences	Total
Gross carrying amount		
Balance as at April 1, 2021	**56**	**56**
Additions Disposals	1 7	1 7
Balance as at March 31, 2022	**50**	**50**
Additions Disposals	8 -	8 -
Balance as at March 31, 2023	**58**	**58**
Accumulated depreciation		
Balance as at April 1, 2021	**37**	**37**
Additions Disposals	5 5	5 5
Balance as at March 31, 2022	**37**	**37**
Additions Disposals	4 -	4 -
Balance as at March 31, 2023	**41**	**41**
Net carrying amount **Balance as at March 31, 2022** **Balance as at March 31, 2023**	 **13** **17**	 **13** **17**

Note: There are no intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan. Accordingly, no additional disclosure is required.

5. Non-current investments

Particulars	Face Value	As at March 31,2023		As at March 31,2022	
	Per share	No. of shares	₹ in Lakh	No. of shares	₹ in Lakh
A Investments in equity instruments (unquoted fully paid up): (i) Others - at cost Zoroastrian Co-Operative Bank Limited	₹ 25	4,100	1	4,100	1
Total			**1**		**1**
Aggregate amount of unquoted investments			1		1

6. Other non-current financial assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
(Unsecured, considered good, unless otherwise stated)		
Security deposits	22	25
Bank deposits with more than 12 months maturity#	179	51
Prepaid lease hold land##	0	0
Interest accured but not due on fixed deposits	1	-
Tender deposit	63	45
Total	**265**	**121**

Represents bank deposits under lien in respect of bank guarantees provided to customers and letter of credit issued to vendors of ₹ 845 Lakh (Previous year : ₹ Nil)
figures are below rounding off norms adopted by the company

7. Income tax assets (net)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provisions ₹ 202 Lakh (as at March 31, 22 ₹ 118 Lakh))	10	19
Total	**10**	**19**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

8. Other non-current assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Capital advances Prepaid expenses	252 8	252 -
Total	**260**	**252**

9. Inventories (At lower of cost and net realisable value)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	487	384
Work-in-progress	44	58
Finished goods	390	352
Stock-in-trade	355	297
Stores and spares	12	14
	1,288	**1,105**
Less: Provision for inventory	(28)	(28)
Total	**1,260**	**1,077**

Note: Inventories have been pledged as security against bank guarantee, letter of credit, cash credit facility, details relating to which has been described in note 22.

10. Current investments

₹ in Lakh

Particulars	As at March 31,2023		As at March 31, 2023	As at March 31, 2022
	Unit value	Number of units		
Investments in mutual fund - FVTPL (quoted)				
Nippon India Low Duration Fund - Direct Plan Daily Idcw Plan	1,007.22	1,009.06	10	10
Nippon India Low Duration Fund - Daily Idcw Plan	452.16	1,008.97	5	4
Edelweiss Liquid Fund Direct Plan Growth	2,859.37	34.97	1	100
Total			**16**	**114**
Aggregate market value of quoted investments			16	114
Aggregate amount of quoted investments			9	108

11. Trade receivables

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Secured, considered good	5	9
Unsecured, considered good	4,612	3,418
Credit impaired	242	165
	4,859	**3,592**
Less: Allowance for doubtful trade receivables	(242)	(165)
Total	**4,617**	**3,427**

11.1 Certain receivables are secured against security deposits taken from customers.
11.2 For lien/ charge details against trade receivables, refer note 22
11.3 Trade receivables are dues in respect of services rendered in the normal course of business.
11.4 The normal credit period allowed by the company ranges from 0 to 90 days

11.5 Receivable from related parties (refer note 43)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Stovec industries limited#	0	0
Chambal fertiliser and chemicals limited	-	1

figures are below rounding off norms adopted by the company

11.6 Movement in expected credit loss allowance

₹ in Lakh

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Balance at the beginning of the year	165	181
Impairment loss allowance on trade receivable	77	(16)
Balance at the end of the year	**242**	**165**

Trade receivables ageing schedule (as at March 31, 2023) ₹ in Lakh

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	1,805	2,087	490	173	35	27	4,617
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired#	0	3	12	85	35	27	162
(iv)Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	9	11	-	20
(vi) Disputed trade receivables – credit impaired	-	-	-	-	-	60	60
Total	**1,805**	**2,090**	**502**	**267**	**81**	**114**	**4,859**
Allowance for doubtful trade receivables							(242)
Total trade receivables	**1,805**	**2,090**	**502**	**267**	**81**	**114**	**4,617**

figures are below rounding off norms adopted by the company

Trade receivables ageing schedule (as at March 31, 2022

₹ in Lakh

Particulars	Outstanding for following periods from due date of payment						
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables – considered good	1,563	1,535	207	81	12	29	3,427
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired#	0	3	4	41	14	28	90
(iv) Disputed trade receivables– considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables – credit impaired	-	-	-	1	14	60	75
Total	1,563	1,538	211	123	40	117	3,592
Allowance for doubtful trade receivables							(165)
Total trade receivables	**1,563**	**1,538**	**211**	**123**	**40**	**117**	**3,427**

figures are below rounding off norms adopted by the company

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

12A. Cash and cash equivalents

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks		
- in current accounts	94	158
- in EEFC account	90	-
Cash on hand	1	3
Total	**185**	**161**

12B. Bank balances other than cash and cash equivalents

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Bank deposits with maturity more than 3 months but less than 12 months at inception		
- in margin money#	11	214
In earmarked accounts		
- unpaid dividend accounts##	3	3
Total	**14**	**217**

Represents bank deposits under lien in respect of bank guarantees provided to customers and letter of credit issued to vendors of ₹ Nil (Previous year : ₹ 747 Lakh)

##The above mentioned cash and bank balances are restricted cash and bank balances which are to be used for specified purposes. All other cash and bank balances are available for the operating activities.

13. Loans (Unsecured)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good unless otherwise stated		
Loans to employees	73	70
Total	**73**	**70**

14. Other current financial assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (unless stated otherwise)		
Tender deposits	27	59
Accrued commission on corporate guarantee	1	-
Duty recoverable	-	4
Interest accrued but not due on fixed deposits#	0	12
Total	**28**	**75**

figures are below rounding off norms adopted by the company

15. Income tax assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Advance tax and tax deducted at source less provision	23	22
Total	**23**	**22**

16. Other current assets

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good (unless stated otherwise)		
Balance with government authorities		
- VAT deposit#	8	24
- Deposit with GST (under protest) (refer note 37)	3	-
Prepaid expense	81	43
Other advances	2	1
Advance to employees	21	1
Income accrued but not due	7	-
Advance to suppliers	348	200
Total	**470**	**269**

The company has paid on account of demand raised, to be adjusted against the refund

17. Equity share capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares	₹ in Lakh	Number of shares	₹ in Lakh
Share capital				
(a) Authorized				
Equity shares of ₹ 5/- each	20,00,000	100	20,00,000	100
(b) Issued and subscribed				
Equity shares of ₹ 5/- each	18,65,746	93	18,65,746	93
Total	**18,65,746**	**93**	**18,65,746**	**93**

a. Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting year:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number of shares held	₹ in Lakh	Number of shares held	₹ in Lakh
Opening balance at the beginning of the year	18,65,746	93	9.32.873	93
Add: Shares issued during the year	-	-	-	-
Add: Stock split during the year (refer note (b) below)	-	-	9,32,873	-
Less : equity shares cancelled during the year	-	-	-	-
Closing balance at the end of the year	**18,65,746**	**93**	**18,65,746**	**93**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

b. Pursuant to the approval of the shareholders accorded on March 24, 2021 at the Extra Ordinary General meeting through Video Conferencing/Other Audio-Visual Means conducted by the Company, each equity share of face value of ₹ 10/- per share was split into two equity shares of face value of ₹ 5/- per share, with effect from May 21, 2021.

c. Rights, preferences and restrictions attached to equity shares:

The company has only one class of issued shares i.e Equity Shares having par value of ₹ 5/ each.The Equity Shares of the Company have voting rights and are subject to the restrictions as prescribed under the Companies Act, 2013. Each holder of equity share is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of directors is subject to approval of shareholders in the ensuing Annual general meeting.

d. Details of shares held by each shareholder holding more than 5% Shares:

Name of shareholders	As at March 31, 2023		As at March 31, 2022	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Jai Prakash Agarwal	2,65,982	14%	2,65,982	14%
Mrs. Krishna Agarwal	1,12,130	6%	97,600	5%
Mrs. Shikha Jain	2,25,642	12%	2,25,642	12%
Mr. Vishal Jain	2,36,430	13%	2,36,430	13%
Mr. Sharad K. Shah	1,65,069	9%	1,58,120	8%

e. Details of Promoters shareholding :

Promoter name	As at March 31, 2023		As at March 31, 2022		% Change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Mr. Jai Prakash Agarwal	2,65,982	14%	2,65,982	14%	-
Mrs. Anita Agarwal	41,480	2%	41,480	2%	-
Jai Prakash Agarwal and Sons (HUF)	-	0%	14,530	1%	(100%)
Mrs. Krishna Agarwal	1,12,130	6%	97,600	5%	15%
Mr. Rajendra Kumar Agarwal	41,480	2%	41,480	2%	-
Mrs. Shikha Jain	2,25,642	12%	2,25,642	12%	-
Mr. Vishal Jain	2,36,430	13%	2,36,430	13%	-

(f) There are no shares reserved for issue under options and contracts / commitments for the sale of shares / disinvestments.
(g) There are no bonus shares issued or bought back during the period of five years immediately preceding the reporting date.
(h) No calls are unpaid by any director or officer of the company at the end of the reporting period.
(i) As per records of the Company, no shares have been forfeited by the Company during the year.
(j) Shares Alloted as Fully Paid-Up Pursuant to Contracts Without Payment Being Received in Cash During the Year of five Years Immediately Preceding the Date of The Balance Sheet is Nil

18. Other equity

₹ in Lakh

Particulars	Reserves and surplus			Other comprehensive income	Total
	Securities premium	Retained earnings	General reserve	Re-measurements gain/(loss) on the defined employee benefit plans	
Balance as at March 31, 2021	**1,064**	**1,511**	**230**	**(19)**	**2,786**
Profit for the year	-	450	-	-	450
Payment of dividend	-	(28)	-	-	(28)
Other comprehensive income arising from re-measurement of employee benefits obligation (net of tax)	-	-	-	4	4
Others	-	(7)	-	-	(7)
Balance as at March 31, 2022	**1,064**	**1,926**	**230**	**(15)**	**3,205**
Profit for the year	-	708	-	-	708
Payment of dividend	-	(56)	-	-	(56)
Other comprehensive income arising from re-measurement of employee benefits obligation (net of tax)	-	-	-	6	6
Others	(145)	21	-	-	(124)
Balance as at March 31, 2023	**919**	**2,598**	**230**	**(9)**	**3,739**

Notes:

(i) General reserve

Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013

(ii) Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings is a free reserve available to the Company.

(iii) Securities Premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

19. Non-Current Borrowings

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Secured : Loan from banks & Financial Institutions	116	456
Total	**116**	**456**

Note: Loan from banks and financial institutions are secured by hypothecatio of specific underlying fixed assets. These loans carry a rate of interest @ 8.5% to 12% repayable in monthly installments which varies from 48 to 60 months

20. Other non-current financial liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Dealer deposits	19	37
Total	**19**	**37**

21. Non-current provisions

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for superannuation	16	16
Provision for gratuity (refer note 44)	114	140
Provision for compensated absences (refer note 44)	35	41
Total	**165**	**197**

22. Borrowings (at amortised cost)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Working capital loans from banks (secured)		
Cash credit/overdraft (refer note a below)	166	194
Current maturity of term loans (Refer Note 19)		
Machineries	145	318
Unsecured		
Loan from Director	125	160
Total	**436**	**672**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Borrowing have been drawn at following rate of interest

Particulars	Rate of interest
Cash Credit/Overdraft	9.00% p.a. to 10.25% p.a.
Unsecured Loan	11% p.a.

Note:

a. Working capital loans from banks of ₹ 166 Lakh (31 March, 2022 ₹ 194 Lakh) are secured by:

i. pari passu first charge by way of hypothecation of stocks of raw materials, finished goods, work-in-process, consumables (stores and spares) and book debts of the Company, both present and future.

ii) pari passu second charge on immovable properties at C-7, Wagle Industrial Estate, Thane and plant and machineries of the company.

b. Term loan from banks are secured by specific underlying fixed assets. These loans carry a rate of interest @ 8.5% to 12% repayable in monthly installments which varies from 48 to 60 months

c. The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks during the year on the basis of security of stocks of raw materials, finished goods, work-in-process, stores and spares and book debts, immovable properties and plant and machinery of the Company. There are no material discrepancies in the amount of current assets between financial information and books of accounts, having regard to the items of reconciliation state below :

Inventories

₹ in Lakh

Particulars	June'22	Sept'22	Dec'22	March'23
Amount as per FFR submitted to Banks Amount as per books of accounts	1,686 1,530	1,493 1,480	1,684 1,715	1,324 1,288
Difference	(156)	(13)	31	(36)
Reasons	Company has submitted data to banks as per agreed timelines. However, accounts got finalised after due reconciliation and review by auditors. Moreover, the utilization of the working capital limits was much lower than the drawing power / sanctioned limits throughout the year.			

Trade Receivables

₹ in Lakh

Particulars	June'22	Sept'22	Dec'22	March'23
Amount as per FFR submitted to Banks Amount as per books of accounts	4,385 4,382	4,833 4,694	4,676 4,674	4,726 4,682
Difference	(4)	(139)	(2)	(44)
Reasons	Company has submitted data to banks as per agreed timelines. However accounts got finalised after due reconciliation and review by auditors			

Trade Payable

₹ in Lakh

Particulars	June'22	Sept'22	Dec'22	March'23
Amount as per FFR submitted to Banks Amount as per books of accounts	2,514 2,503	2,497 2,495	2,566 2,565	3,061 2,723
Difference	(11)	(2)	(1)	(338)
Reasons	Company has submitted data to banks as per agreed timelines. However accounts got finalised after due reconciliation and review by auditors			

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

23. Trade payables

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer note 48)	369	162
Total outstanding dues of creditors other than micro enterprises and small enterprises	2,911	2,026
Provision for expense		
Total	**3,280**	**2,188**

Trade payables ageing schedule (as at March 31, 2023)

₹ in Lakh

Particulars	Outstanding for following periods from due date of payment					Accrued expense	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	369	-	-	-	-	-	369
(ii) Others	845	1,709	37	32	40	248	2,911
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**1,214**	**1,709**	**37**	**32**	**40**	**248**	**3,280**

Trade payables ageing schedule (as at March 31, 2022)

₹ in Lakh

Particulars	Outstanding for following periods from due date of payment					Accrued expense	Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years		
(i) MSME	162	-	-	-	-	-	162
(ii) Others	749	975	56	40	22	184	2,026
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	**911**	**975**	**56**	**40**	**22**	**184**	**2,188**

Payables other than acceptances are normally settled within 180 days.

24. Other current financial liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Unclaimed dividends	3	3
Employee benefits payable	173	208
Creditors for other liabilites	1	-
Payable for capital goods	85	18
Total	**262**	**229**

25. Other current liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory remittances	143	140
Revenue received in advance	152	82
Other current liability#	32	0
Contract liabilities	518	356
Total	**845**	**578**

Figures are below rounding off norms adopted by the company

26. Current provisions

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits		
Provision for gratuity (refer note 44)	68	61
Provision for compensated absences (refer note 44)	21	20
Other Provisions		
Provision for warranty claims	83	54
Total	**172**	**135**

27. Income tax liabilities (net)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for tax (net of advance tax ₹ 214 lakh (as at March 31,2022 ₹ 175 lakh))	68	27
Total	**68**	**27**

28. Revenue from operations

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sale of products		
Domestic turnover#	13,910	8,999
Export turnover	488	628
	14,398	**9,627**
Sale of services		
Sale of services - AMC and others	2,340	2,136
	2,340	**2,136**
Other operating revenues		
Commission income	493	657
Scrap & sundry sales	8	11
Miscellaneous income	-	4
	501	**672**
Total	**17,239**	**12,435**

The Company do not have any customers where total value of trade during the year is more than 10% of the Turnover.

Ind AS 115 Revenue from Contracts with Customers

Sales are recorded net of trade discounts, quantity discounts, rebates, indirect taxes. Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer which generally coincides with dispatch of goods from factory/stock points, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing management involvement with the goods to the degree usually associated with the ownership, and the amount of revenue can be measured reliably, regardless of when the payment is being made.

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 40):

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from contracts with customer - Sale of products	14,398	9,627
Revenue from contracts with customer - Sale of services	2,340	875
Other operating revenue	501	672
Total revenue from operations	**17,239**	**11,174**
India	16,751	11,807
Outside India	488	628
Total revenue from operations	**17,239**	**12,435**
Timing of revenue recognition		
At a point in time	17,239	12,435
Total revenue from operations	**17,239**	**12,435**

Timing of revenue recognition

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Goods transferred at a point in time	14,398	9,627
Services transferred at a point in time	2,340	2,136
Total revenue from contracts with customers	**16,738**	**11,763**

Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue as per contracted price	16,842	11,906
Less: Discounts	(1)	(3)
Less: Sales return	(103)	(140)
Less: Commission	-	-
Revenue from contracts with customers	**16,738**	**11,763**

Performance Obligation

The performance obligation is satisfied upon delivery of the goods and payment is generally due within 0 to 90 days from delivery. There are no material unsatisfied performance obligation outstanding at the year end.
The performance obligations of the Company are part of contracts that have an original expected duration of less than one year and accordingly, the Company has applied the practical expedient and opted not to disclose the information about it's remaining performance obligations in accordance with paragraph 121 of IND AS 115

Contract balances
The following table provides information about receivables, contract assets and contract liabilities from contracts with customers

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Trade receivables (refer note 11)	4,617	3,427
Contract liabilities (refer note 25)	518	356

Trade receivables are non interest bearing and are generally on terms of 0 to 90 days.

Contract assets includes amounts related to contractual right to consideration for completed performance objectives not yet invoiced.
As at 31 March, 2023 ₹ 242 Lakh (previous ₹ 165 Lakh) was recognised as provision for allowance for doubtful debts on trade receivables.
Contract liabilities include payments received in advance of performance under the contract, and are realised with the associated revenue recognised under the contract. Short term advances are detailed in note 25.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Set out below is the amount of revenue recognised from

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Amounts included in contract liabilities at the beginning of the year	356	214
Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period	342	186

29. Other income

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest income:		
- interest received on bank deposits	8	16
- on income tax refund	2	5
- from other interest income#	0	2
	10	**23**
Exchange rate difference (net)	13	-
Provisions/liability no longer required written back	34	-
VAT interest received#	-	0
Dividend income	1	1
Finance income on security deposit	1	1
Other non operating income	1	-
Total	**60**	**25**

figures are below rounding off norms adopted by the company

30. Cost of materials consumed

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Raw material consumed		
Inventory at the beginning of the year	384	482
Add: Purchases	6,446	4,360
Less: Inventory at the end of the year	487	384
Total	**6,343**	**4,458**

Breakup of cost of material consumed

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Cost of material consumed		
Steel	228	240
Batteries	969	954
Others (Tyres, Controller, motor, battery charger etc.)	5,146	3,264
Total	**6,343**	**4,458**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

31. Purchases of stock-in-trade

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Purchase of traded goods		
Engineered equipments	3,679	1,888
Other components, accessories, spares, etc.	756	658
Total	**4,468**	**2,546**

32.Changes in inventories of finished and work-in-progress and stock in trade

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Opening stock		
Finished goods	352	149
Work-in-progress	58	91
Stock-in-trade	297	392
A	707	632
Closing stock		
Finished goods	390	352
Work-in-progress	44	58
Stock-in-trade	355	297
B	789	707
A-B	(82)	(75)

33. Employee benefits expense

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Salaries, wages, allowances and bonus	2,399	2,374
Contribution to provident and other funds (refer note 44)	108	104
Gratuity expense (refer note 44)	32	27
Staff welfare expenses (net)	107	73
Total	**2,646**	**2,578**

34. Finance costs

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Interest expenses on :		
- Interest expense on term loan, cash credit & bank overdraft	105	115
- Interest on lease liabilities (refer note 41)	10	6
- Others	17	1
Bank charges	27	30
Total	159	152

35. Depreciation and amortisation expense

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Depreciation of property, plant and equipment (refer note 4A)	293	261
Amortisation of intangible assets (refer note 4D)	4	5
Depreciation of right of use assets (refer note 4C)	28	17
Total	**325**	**283**

36. Other expenses

₹ in Lakh

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Sub contract and labour charges	296	248
Stores and spare parts consumed	38	28
Equipment Hiring Charges	4	11
Fuel and power	46	35
Repairs & maintenance (factory and office)	15	26
Repairs to machinery	107	97
Rent	38	50
Rates and taxes	7	10
Sales tax of earlier year write off (incl interest and tax amt)	38	17
Insurances	10	16
Travelling expenses	125	119
Postage, telephone and internet	30	26
Commission on sales	10	14
Testing and calibration	146	66
Printing and stationery	12	12
Legal and professional charges	193	75
Conveyance expenses	264	203
Provision for doubtful debts	79	(16)
Bad debts written off	85	92
Provision for doubtful advances & deposits	4	-
Loss on sale of property, plant and equipments	17	10
Freight on sales	369	293
Motor vehicle expenses	13	5
Directors' fees	11	7
Exchange rate difference (net)	-	1
Provision for inventory#	0	28
Inventory write-off	26	17
Auditor's Remuneration		
- Audit Fees	13	20
- For taxation matters	1	3
- For certification fees	-	-
- For other services	2	5
- Reimbursement of out of pocket expenses#	-	0
CSR expenses (refer note 49)	9	-
Miscellaneous expenses	423	340
Total	**2,431**	**1,858**

figures are below rounding off norms adopted by the company

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

37. Contingent liabilities and commitments (to the extent not provided for)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Contingent liabilities :		
a) Claims against the company not acknowledged as debts :		
-Sales Tax demands (Net)	-	29
-Goods & Service Tax Demand	66	-
b) Bank guarantees	772	716
c) Letter of credit issued to vendor	73	31

There are numerous interpretative issues relating to the supreme court (SC) judgement on PF dated February 28, 2019. The group will update its provision, on receiving further clarity on the subject.

38. Capital commitments

The estimated amount of contracts remaining to be executed on capital account & other commitments and not provided for:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Capital commitment -Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for.	302	302

Note: The holding company is in the process of acquiring leasehold land including building at a price of ₹ 554 lakhs and has entered into an agreement on April 12, 2018. The land is located at MIDC Murbad, District Thane. The rationale behind investment is for expansion of Company's manufacturing activities.

39. Taxation

The major component of tax expenses for the year are as under :

₹ in Lakh

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Current income tax	282	202
Short provision for tax relating to previous years	6	1
Deferred tax	(10)	1
Total income tax expense	**278**	**204**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

₹ in Lakh (Except as otherwise stated)

Particulars	Year ended	
	March 31, 2023	**March 31, 2022**
Reconciliation:		
Profit before tax	971	652
Applicable tax rate	25.17%	25.17%
Computed expected tax expense	244	164
Add:		
Short provision for tax relating to previous years	6	1
Expenses disallowed	117	91
Deferred tax	(10)	1
Income from other source	7	7
Ind AS impact (net)	1	1
Less:		
Other income offered seperately	(7)	(7)
Expenses allowed	(80)	(54)
Income tax expense as per profit & loss account	**278**	**204**
Effective tax rate	**28.63%**	**31.35%**

Deferred tax relates to the following

₹ in Lakh

Particulars	Balance Sheet	
	As at March 31,2023	**As at March 31, 2022**
Deferred tax asset (net) comprises of timing difference on account of :		
Difference between WDV of property, plant and equipment as per books of accounts & income tax	13	6
Provision for employee benefits	58	73
Provision for doubtful debts and advances	47	35
Provision for warranty	21	15
Lease liabilities	(1)	(1)
Deferred tax asset	**138**	**128**

Reconciliation of deferred tax assets (net)

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance as on April 01, 2022	128	131
Tax income / (expense) during the year recognized in profit & loss account#	10	(1)
Differences on other comprehensive income#	0	(2)
Closing balance	**138**	**128**

#figures are below rounding off norms adopted by the company

40. Segment reporting

For management purpose, the group is organized into business units based on its products and services.

Primary segment information (by business segment):
I. Material handling division
II. Engineered products
III. MHE Rentals India Private Limited (Equipment rental)
IV. JECL Engineering Limited

The group has disclosed business segments as the primary segments. The segments have been identified taking into account the nature of the products, the differing risks & returns, the organizational structure and internal reporting system.

₹ in Lakh

Particulars	For the year ended March 31, 2023					For the year ended March 31, 2022			
	Material handling	Engineered products	MHE Rentals India Private Limited (Equipment Rental)	JECL Engineering Ltd	Total	Material handling	Engineered products	MHE Rentals India Private Limited (Equipment Rental)	Total
Segment revenue									
Sale of products	9,698	4,663	37	-	14,398	7,172	2,449	5	9,626
Sale of services	238	788	1,314	-	2,340	204	670	1,263	2,137
Commission income	-	493	-	-	493	-	657	-	657
Other income	8	-	-	-	8	15	-	-	15
	9,944	**5,944**	**1,351**	-	**17,239**	**7,391**	**3,776**	**1,268**	**12,435**
Unallocated income					60				25
Total					**17,299**				**12,460**
Segment results									
Segment results/ operating Profit	415	966	211	(1)	1,591	127	797	156	1,080
Unallocated income (including income from interest/dividend)					60				25
Unallocated expenses					482				293
Interest expenses					159				152
Profit before tax					**1,010**				**660**
Provision for taxation – current tax					282				202
Short provisions for income tax in respect of earlier years					6				1
Deferred tax					(10)				1
Profit after tax					**732**				**456**

Other information									
Segment assets	4,196	2,390	1,859	1	8,446	3,286	1,843	1,401	6,530
Unallocated assets					1,004				1,663
Total assets					**9,450**				**8,193**
Segment liabilities	2,492	1,907	1,009	1	5,409	1,899	1,123	1,238	4,260
Unallocated liabilities (Including share capital and reserves)					1,004				3,933
Total liabilities					**9,450**				**8,193**
Cost incurred during the financial year to acquire segment fixed assets	61	17	55	-	133	99	46	173	318
Cost incurred during the financial year to acquire segment fixed assets (unallocated)					2				6
Depreciation	46	43	202	-	291	44	32	185	261
Depreciation (unallocated)					34				22

Note:

The group has disclosed business segments as the primary segments. The segments have been identified taking into account the nature of the products, the differing risks & returns, the organisational structure and internal reporting system. The holding company's operations predominantly relate to manufacturing of material handling equipment. The other business segment reported is engineered products. The subsidiary operates in the business of renting of material handling equipments.

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

There are no reportable geographical segments as the export turnover is not significant. Segment results include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable basis.

41. Leases

The group's leasing arrangements are in respect of operating leases for office premises. The rent period range between 1 years to 5 years and usually renewable on mutually agreed terms.

a. The movement in lease liabilities during the year: ₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	72	11
Additions during year	70	75
Finance costs incurred during the year	10	6
Payment of lease liabilities	(32)	(20)
Closing balance	**120**	**72**

₹ in Lakh

b. The carrying value of the right of use and depreciation charged during the year

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	67	10
Additions during year	75	75
Depreciation charged during the year	28	17
Closing balance	**114**	**67**

c. Amounts recognised in statement of profit or loss:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Depreciation on right of use asset	28	17
Finance costs incurred during the year	10	6
Rent expense	(32)	(20)
Total amounts recognised in profit or loss	**6**	**3**

d. Maturity analysis of lease liabilities

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Maturity analysis of contractual undiscounted cash flows		
Less than one year	38	32
One to five years	106	145
More than five years	-	-
Total undiscounted lease liability	**144**	**177**
Non-current lease liability	92	54
Current lease liability	28	18
Total lease liability	**120**	**72**

42. Earnings per share

The following is a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share:

Particulars	As at March 31, 2023	As at March 31, 2022
Weighted average shares outstanding - basic	18,65,746	18,65,746
Weighted average shares outstanding - diluted	18,65,746	18,65,746

Net profit available to equity shareholders of the company used in the basic and diluted earnings per equity share was determined as follows:

₹ in Lakh, except EPS

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Earnings available to equity shareholders	708	450
Earnings available for equity shareholders for diluted earnings per share	708	450
Basic earnings per share	38	24
Diluted earnings per share	38	24

43. Related party information

A. Names of related parties and nature of relationship:	
Nature of relationship	**Name of related party**
Key managerial personnel (KMP)	Mr. Jai Prakash Agarwal, Executive Chairman and Director Mr. Vishal Jain, Vice Chairman & Managing Director Mr. Rohit Jain, Chief Financial Officer (CFO) Mrs. Babita Kumari, Company Secretary Mr. Qamar Ali, Company Secretary (till 11.02.2022) Ms. Prajakta Patil, Company Secretary (till 30.04.2021)
Independent directors	Mr. Farokh Kekhushroo Banatwalla Mr. Shailesh Rajnikant Sheth Mr. Marco Philippus Ardeshir Wadia Mr. Sanjiv Swarup Mrs. Rekha Bagry Mr. Pramod Maheshwari Mr. Kailash Chandra Somani (Director of MHE Rentals India Private Limited)
Woman Director	Mrs. Shikha Jain
Relative of KMPs and where transaction exists	Mrs. Anshu Agarwal Mr. Rajendra Agarwal
Company in which director is interested and where transaction exists	Chambal Fertilizer and Chemicals Limited Stovec Industries Limited

B. Transactions with Related parties:

The details of transactions with related parties for the year ended March 31,2023 are as follows: **₹ in Lakh**

Particulars	**As at March 31, 2023**						**Total**
	Company in which director is interested and where transaction exists		**Others**				
	Stovec Industries Limited	**Chambal Fertiliser and Chemicals Limited**	**Independent directors**	**Woman director**	**KMPs**	**Relative of KMPs and where transaction exists**	
Transactions							
Investment - purchase of equity of subsidiary	-	-	-	-	302	42	344
Loan taken	-	-	-	-	18	-	18
Repayment of loan taken	-	-	-	-	50	-	50
Interest paid on loan taken			-	-	17	-	17
Sale of goods/services	1	2		-	-	-	3
Sitting fees paid#	-	-	9	2	0	-	11
Dividend paid#	-	-	0	7	15	1	23
Remuneration	-	-	-	-	-	12	12
Balances as at March 31, 2023							
Outstanding balance receivable / (payable)							
Trade receivables#	0	-	-	-	-	-	0
Unsecured loan	-	-	-	-	(125)	-	(125)

#figures are below rounding off norms adopted by the company

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The details of transactions with related parties for the year ended March 31, 2022 are as follows: ₹ in Lakh

Particulars	As at March 31, 2022						Total
	Company in which director is interested and where transaction exists		Others				
	Stovec Industries Limited	Chambal Fertiliser and Chemicals Limited	Independent directors	Woman director	KMPs	Relative of KMPs and where transaction exists	
Transactions							
Loan taken	-	-	-	-	57	-	57
Interest paid on loan taken	-	-	-	-	12	-	12
Sale of goods/services	2	14	-	-	-	-	16
Sitting fees paid#	-	-	6	1	0	-	7
Dividend paid#	-	-	-	3	8	1	12
Remuneration	-	-	-	-	-	13	13
Balances as at March 31, 2023							
Outstanding balance receivable / (payable)							
Trade receivables#	0	1	-	-	-	-	1
Unsecured loan	-	-	-	-	(160)	-	(160)

#figures are below rounding off norms adopted by the company

Terms and conditions of transactions with related parties

The services provided to and received from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and will be settled in cash.

C. Compensation of key managerial personnel of the company **₹ in Lakh**

Particulars	2022-23	2021-22
Short-term employment benefits	117	112
Post-employment benefits	5	5

Transactions with key managerial personnel : **₹ in Lakh**

Nature of transactions	Year ended March 31, 2023	Year ended March 31, 2022
Salary and allowances paid/payable to KMPs*:		
Mr. Qamar Ali	-	5
Ms. Prajakta Patil#	-	0
Ms Babita Kumari	8	-
Mr. Rohit Jain	24	20
Mr. Jai Prakash Agarwal	44	44
Mr. Vishal Jain	42	42

#figures are below rounding off norms adopted by the company

*Excludes gratuity and long term compensated absences which are actuarially valued at company level and where separate amounts are not identifiable.

44. Employee benefit plans:

1.a. Post employment defined benefit plans :

The group makes annual contributions to the employee's group gratuity assurance scheme administered by the Life Insurance Corporation of India ('LIC'), a funded defined benefit plan for qualifying employees. The scheme provides for lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to fifteen days salary payable for each completed year of service or part thereof in excess of six months. Vesting occurs on completion of five years of service.

The following tables set out the funded status of the gratuity plans and the amounts recognized in the financial statements as at March 31, 2023 and March 31, 2022.

₹ in Lakh

Particulars	Year ended	
	March 31, 2023	**March 31, 2022**
Change in benefit obligations		
Present value of benefit obligation at the beginning of the year	222	225
Interest cost	10	10
Current service cost	26	24
Actuarial (gains)/losses on obligations - due to change in demographic assumptions #	1	-
Actuarial (gains)/losses on obligations - due to change in finanancial assumptions	(9)	(3)
Experience Gain/(Loss) on Plan Assets	(6)	(6)
Benefits Paid	(41)	(28)
Present value of benefit obligations at the end of the year	**203**	**222**
Change in plan assets		
Fair value of plan assets at the beginning of the year	20	46
Return on plan assets excluding interest income	5	5
Contributions by the employer	41	1
Benefits paid from the fund	(41)	(28)
Experience Gain/(Loss) on Plan Assets	(4)	(4)
Fair value of plan assets at the end of the year	**21**	**20**
Net (liability)/asset recognised in the balance sheet	**(182)**	**(202)**

#figures are below rounding off norms adopted by the company

Amount for the year ended March 31, 2023 and March 31, 2022 recognized in the statement of profit and loss under employee benefits expenses.

₹ in Lakh

Recognized in profit and loss	Year ended	
	March 31, 2023	**March 31, 2022**
Current service cost	26	24
Net interest cost	5	5
Expenses recognized	**31**	**29**

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amount for the year ended March 31, 2023 and March 31, 2022 recognized in statement of other comprehensive income:

₹ in Lakh

Recognized in other comprehensive income	Year ended	
	March 31, 2023	March 31, 2022
Actuarial(gains) / losses on obligation for the year	20	25
Remeasurements during the period due to		
-Changes in financial assumptions	(9)	(3)
-Changes in demographic assumptions	-	-
- Experience adjustments	(6)	(6)
-Actual return on plan assets less interest on plan assets	4	4
Net (income)/expense for the year recognized in OCI	**9**	**20**

The weighted-average assumptions used to determine benefit obligations as at March 31, 2023 and March 31, 2022 are set out below:

Weighted average actuarial assumptions	As at March 31, 2023	As at March 31, 2022
Discount rate	7.30%	5.75%
Weighted average rate of increase in compensation levels	5.00%	5.00%

Particulars	As at March 31, 2023		As at March 31, 2022	
	Increase	Decrease	Increase	Decrease
Sensitivity analysis				
Discount rate (0.5% movement)	(1.17%)	1.21%	(1.36%)	1.41%
Define benefit obligation (₹in Lakhs)	165	169	187	192
Future salary growth (0.5% movement)	1.23%	(1.20%)	1.41%	(1.38%)
Define benefit obligation (₹in Lakhs)	169	165	192	187

Additional details :

Methodology adopted for valuation is projected unit credit method.

Sensitivity analysis is an analysis which will give the movement in liability if the assumptions were not proved to be true on different count. This only signifies the change in the liability if the difference between assumed and the actual is not following the parameters of the sensitivity analysis.

Since investment is with insurance company, assets are considered to be secured.

Assumptions regarding future mortality experience are set in accordance with the Indian Assured Lives Mortality (2012-14) Urban.

Expected rate of return on plan assets is based on expectation of the average long term rate of return expected to prevail over the estimated term of the obligation on the type of the investments assumed to be held by LIC, since the fund is managed by LIC.

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

Actuarial gains/losses are recognized in the period of occurrence under other comprehensive income (OCI). All above reported figures of OCI are gross of taxation.

Maturity profile of projected benefit obligation

₹ in Lakh

Projected benefits payable infuture years from the date of reporting	March 31, 2023	March 31, 2022
Within 1 year	88	81
1-2 year	51	48
2-3 year	24	42
3-4 year	19	19
4-5 year	15	15
5-9 years	32	35
10 years and above	29	31

1.b. Defined contribution plans :
Amounts recognised as expenses towards contributions to provident and family pension fund, employee state insurance corporation and other funds by the company are as below : (refer note 33)

b. Demographic assumptions **₹ in Lakh**

Particulars	Year ended	
	March 31, 2023	March 31, 2022
Employee turnover (age years)		
21-30	23.00%	34.00%
31-40	14.00%	21.00%
41-50	22.00%	14.00%
51 & above	28.00%	19.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Urban

45. Capital management:

The group'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 group consists of debt and total equity of the group.

The group 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 group's policy is aimed at combination of short-term and long-term borrowings. The group monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the group.

The group is not subject to any externally imposed capital requirements.
Total debt includes all long and short-term debts as disclosed in note 19 and 22 to the financial statements. Total equity consists of equity attributable to owner's of the company and non-controlling interest.
The gearing ratio at the end of the reporting period was as follows:

₹ in Lakh

Particulars	As at March 31, 2023	As at March 31, 2022
Total debt	552	1,128
Total equity	3,967	3,602
Debt to equity ratio	**0.14**	**0.31**

46. Financial instruments

a. Financial instruments by category

The fair values of the financial 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 a forced or liquidation sale.

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

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 institutions approximate their carrying amounts largely due to the short-term maturities of these instruments.
For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

The group 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.

Accounting classification and fair value :
The following table shows the carrying amount and fair value of financial assets and financial liabilities :

Financial instrument by category

₹ in Lakh

Particulars	Note No.	As at March 31, 2023			Fair value		
		Fair value routed through profit & loss	Carrying at amortised cost	Total	Level 1	Level 2	Level 3
Financial assets at amortized cost:							
Non-current assets							
(i) Investments	5	-	1	1	-	-	-
(ii) Other financial assets	6	-	265	265	-	-	-
Current assets							
(i) Investments	10	16	-	16	16	-	-
(ii) Cash and cash equivalents	12A	-	185	185	-	-	-
(iii) Bank balances	12B	-	14	14	-	-	-
(iv) Trade receivables	11	-	4,617	4,617	-	-	-
(v) Loans	13	-	73	73	-	-	-
(vi) Other financial assets	14	-	28	28	-	-	-
Total financial assets		**16**	**5,183**	**5,199**	**16**	-	-
Financial liabilities at amortized cost:							
Non-current liabilities							
(i) Borrowings	19	-	116	116	-	-	-
(ii) Lease liabilities		-	92	92	-	-	-
(iii) Other financial liabilities	20	-	19	19	-	-	-
Current liabilities							
(i) Borrowings	22	-	436	436	-	-	-
(ii) Lease liabilities		-	28	28	-	-	-
(iii) Trade payables	23	-	3,280	3,280	-	-	-
(iv) Other financial liabilities	24	-	262	262	-	-	-
Total financial liabilities		-	**4,233**	**4,233**	-	-	-

The group 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.

₹ in Lakh

Particulars	Note No.	As at March 31, 2022			Fair value		
		Fair value routed through profit & loss	Carrying at amortised cost	Total	Level 1	Level 2	Level 3
Financial assets at amortized cost:							
Non-current assets							
(i) Investments	5	-	1	1	-	-	-
(ii) Other financial assets	6	-	121	121	-	-	-
Current assets							
(i) Investments	10	114	-	114	114	-	-
(ii) Cash and cash equivalents	12A	-	161	161	-	-	-
(iii) Bank balances	12B	-	217	217	-	-	-
(iv) Trade receivables	11	-	3,427	3,427	-	-	-
(v) Loans	13	-	70	70	-	-	-
(vi) Other financial assets	14	-	75	75	-	-	-
Total financial assets		**114**	**4,072**	**4,186**	**114**	-	-
Financial liabilities at amortized cost:							
Non-current liabilities							
(i) Borrowings	19	-	456	456	-	-	-
(ii) Lease liabilities		-	54	54	-	-	-
(iii) Other financial liabilities	20	-	37	37	-	-	-
Current liabilities							
(i) Borrowings	22	-	672	672	-	-	-
(ii) Lease liabilities		-	18	18	-	-	-
(iii) Trade payables	23	-	2,188	2,188	-	-	-
(iv) Other financial liabilities	24	-	229	229	-	-	-
Total financial liabilities		-	**3,654**	**3,654**	-		-

The group 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.

47. Financial risk management framework :

The group is exposed primarily to market risk, credit risk and liquidity risk which may adversely impact the fair value of its financial instruments. The group assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the group.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates and other market changes. The Company’s exposure to market risk relates to foreign currency exchange rate risk.

Foreign currency risk management:

The group undertakes transactions denominated in foreign currencies and consequently, exposures to exchange rate fluctuations arise. Exposure to currency risk relates to the company's operating activities when transactions are denominated in a different currency from the group's functional currency.

The fluctuation in foreign currency exchange rates may have potential impact on the statement of profit and loss and other comprehensive income and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the group. The group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

The following tables demonstrate the sensitivity to a reasonably possible change in USD and Euro exchange rates, with all other variables held constant. The impact on the group's profit before tax is due to changes in the fair value of monetary assets and liabilities. The group's exposure to other foreign currencies is not material.

A change of 10% in foreign currency would have following impact on profit before tax

Particulars	2022-23		2021-22	
	₹ in Lakh 10% Increase	₹ in Lakh 10% decrease	₹ in Lakh 10% Increase	₹ in Lakh 10% decrease
Trade receivables				
In EUR	4	(4)	19	(19)
In GBP#	0	(0)	1	(1)
In USD	-	-	4	(4)
Trade Payables				
In EUR	(20)	20	(8)	8
In USD	(7)	7	-	-

Figures are below rounding off norms adopted by the company

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

The carrying amount of group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows :

Particulars	As at March 31, 2023		As at March 31, 2022	
	₹ in Lakh	Amount in foreign currency in lakhs	₹ in Lakh	Amount in foreign currency in lakhs
Trade Receivable				
In EUR#	36	0	188	2
In GBP#	3	0	6	0
In USD		-	39	1
Trade Payable	-			
In EUR	199	2	78	1
In USD	70	1	-	-

Figures are below rounding off norms adopted by the company

Interest rate 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. In order to optimize the group's position with regards to interest expenses and to manage the interest rate risk, management performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and variable rate financial instruments.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Exposure to interest rate risk

Particulars	As at March 31, 2023	As at March 31, 2022
Fixed rate instruments Financial liabilities	451	1,026
Variable rate instruments Financial liabilities	101	102

Interest rate sensitivity:
Increase/decrease of 100 basis points in interest rates at the balance sheet date would result in an impact of (decrease/increase in net income)

Particulars	March 31, 2023		March 31, 2022	
	Sensitivity analysis	Impact on profit and loss	Sensitivity analysis	Impact on profit and loss
Variable rate borrowings				
Interest rate increase by	1%	1	1%	1
Interest rate decrease by	1%	1	1%	1

Credit risk
Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. Outstanding customer receivables are regularly monitored. The group maintains its cash and cash equivalents and deposits with banks having good reputation and high quality credit ratings.

Liquidity risk:
Liquidity risk refers to the risk that the group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The group manages liquidity risk by maintaining adequate reserves, banking facilities by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Maturity analysis for financial liabilities:

₹ in Lakh

Particulars	Note No.	As at March 31, 2023		
		0 to 1 Year	More than 1 year	Total
Financial Liabilities				
Non-current liabilities				
(i) Borrowings	19		116	116
(ii) Lease liabilities		-	92	92
(ii) Other financial liabilities	20	-	19	19
Current liabilities				
(i) Borrowings	22	436	-	436
(ii) Lease liabilities		28	-	28
(iii) Trade payables	23	3,280	-	3,280
(iv) Other financial liabilities	24	262		262
Total financial liabilities		**4,005**	**228**	**4,233**

The following are the remaining contractual maturities of financial liabilities as at 31st March 2022:

₹ in Lakh

Particulars	Note No.	As at March 31, 2022		
		0 to 1 Year	More than 1 year	Total
Financial Liabilities				
Non-current liabilities		-		
(i) Borrowings	19		456	456
(ii) Lease liabilities		-	54	54
(ii) Other financial liabilities	20		37	37
Current liabilities				
(i) Borrowings	22	672	-	672
(ii) Lease liabilities		18	-	18
(iii) Trade payables	23	2,188	-	2,188
(iv) Other financial liabilities	24	229		229
Total financial liabilities		**3,107**	**547**	**3,654**

48.Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under for the year 2022-23, to the extent the group has received intimation from the "Suppliers" regarding their status under the Act.

₹ in Lakh

Particulars	As at	
	March 31, 2023	March 31, 2022
i. Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year (but within due date as per the MSMED Act).		
Principal amount due to micro and small enterprise.	369	162
Interest due on above.	-	-
ii. Interest paid by the group in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.	-	-
iii. Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv. The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
v. Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

49. Corporate social responsibility

As per Section 135 of the Companies Act 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities.

The CSR activities of the company are generally carried out through charitable organisations, where funds are allocated by the Company. These organisations carry out the CSR activities as specified in the schedule VII of the companies Act, 2013 on behalf of the company.

Particulars	Year ended March 31, 2023 ₹ in Lakh
Gross amount required to be spent by the company during the year. Amount spent during the year on: (i) Construction/acquisition of any asset (ii) On purposes other than (i) above	9 - 9
The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year The total of previous years' shortfall amounts Amount sanctioned and provision made in books as per notification issued by The Ministry of Corporate Affairs dated January 22, 2021, amending the companies (Corporate Social Responsibility Policy) Rules, 2014. Reason for shortfall	- - 9 Not applicable
Nature of CSR activities	Education support in rural areas, equipment support in hospitals and training institute.

50. Additional regulatory information

a. Financial ratio disclsoure ₹ in Lakh

₹ in Lakh

Ratio	Numerator	Denominator	March 31, 2023	March 31, 2022	% variance
Current ratio (in times)	Current assets	Current liabilities	1.31	1.41	(6.99%)
Debt-Equity ratio (in times)*	Total debt	Shareholders equity	0.14	0.31	(55.55%)
Debt service coverage ratio (in	Earnings available for debt	Debt service	9.20	7.30	26.01%
times)**	service	Average shareholder's equity	19.32%	13.46%	43.54%
Return on equity ratio (in %)**	Net profit for the year	Average inventory = (Opening	14.75	11.32	30.30%
Inventory turnover ratio***	Cost of goods sold OR sales	+ Closing balance / 2)			
Trade receivables turnover ratio	Revenue from operations	Average trade Receivable	4.29	3.87	10.85%
Trade payables turnover ratio	Net purchase value	Average trade payable	3.99	3.26	22.27%
Net capital turnover ratio****	Revenue from operations	Working capital (Current assets	10.81	7.84	37.78%
Net profit ratio (in %)	Net profit for the year	- Current liabilities)			
Return on capital employed (in	Profit before tax and	Revenue from operations	4.24%	3.67%	15.59%
%)*	finance costs	Capital employed (Networth +	29.45%	22.55%	(30.04%)
Return on investment (in	Income generated from	Deferred tax liabilities)			
%)*****	treasury investments	Average invested funds in	0.06	0.01	625.70%
		treasury investments			

* due to repayment of loans during the year.
** due to increase in profit during the year.
*** due to increase in revenue from operations.
**** due to increase in revenue and improvement in working capital.
***** due to income generated on liquid funds during the year

b. Relation with struck off Companies

(i) The group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c. Other information:

(i) Details of benami property held
No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii**) Wilful defaulter**
The group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iii) Compliance with number of layers of companies
The group has complied with number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction of number of layers) Rules, 2017.

(iv) Compliance with approved scheme(s) of arrangements
The group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

v) Borrowing from banks and financial institutions for specific purpose
All the borrowings from banks and financial institutions have been used for the specific purposes for which they have been obtained.

(**vi) Undisclosed income**
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(**vii) Details of crypto currency or virtual currency**
The group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(viii) Title deeds of immovable properties not held in name of the company
The group does not own any immovable properties other than leasehold properties.

(ix) Revaluation of Property, Plant & Equipment
The group has not revalued any of its Property , Plant & Equipments during the year.

(**x) Loans / Advances in the nature of loans to Promoters, Directors,KMP's and Related Parties**
The group has not advanced loans/advances in the nature of loans to promoters, directors, KMP's and related parties.

(xi) Registration of charges or satisfaction with Registrar of Companies (ROC)
All the charges or satisfaction of which is required to be registered with Registrar of Companies(ROC) have been duly registered within the statutory time limit provided under the provisions of Companies Act 2013 and rules made thereunder.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

51. The group has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Further, the group has not received any funds from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

52. Events occuring after balance sheet date

(i) The Board of holding company in its meeting held on 18th May 2023 has recommended a dividend of ₹ 1.5/- per share on equity share of face value ₹ 2/- each, i.e. 75% to the members of the Company. This amount is to be paid after approval from the members in the ensuing annual general meeting.
(ii) The equity shares of holding company having face value of ₹ 5/- each fully paid up has been sub-divided into equity shares having face value of ₹ 2 each fully paid up w.e.f. 28th April 2023.

53. The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received presidential assent in September 2020. The said code is made effective prospectively from May 3, 2023. The group is assessing the impact, if any, of the Code.

54. Balances of certain debtors/creditors, deposits received/paid and advances are subject to confirmation and reconcillation. In the opinion of the management balances are stated at realisable value and no adjustments will be required.

55. (i) Additional information as required under Schedule III to the Companies act 2013, for enterprises consolidated as subsidiaries.

The financial statements of the following subsidiaries have been consolidated as per indian accounting standards (Ind AS) 110 "Consolidated financial statements" :

Name of subsidiary	Country of incorporation	Proportion of ownership interest (current year)	Proportion of ownership interest (previous year)
MHE Rentals India PrivatLimited	India	80.11%	60.23%
JECL Engineering Limited	India	100%	-

(ii) Additional Information as required under Schedule III to the Companies Act 2013, of entities consolidated as subsidiaries : For the year 2022-23

₹ in Lakh

Sr. No	Name of entity	Relationship	Net assets [total assets minus total liability]		Share in profit/(loss) for the year		Share in other comprehensive income /(loss) for the year		Share in total comprehensive income/(loss) for the year	
			% of consolidated net assets	Amount	% of consolidated profit	Amount	% of consolidated other comprehensive income	Amount	% of consolidated total comprehensive income	Amount
1	Jost's Engineering Company Limited	Parent Company	73%	2,780	83%	587	(15%)	(1)	82%	586
2	MHE Rentals India Private Limited	Subsidiary	27%	1,051	17%	122	115%	7	18%	129
3	JECL Engineering Limited#	Wholly owned subsidiary	0%	1	0%	(1)	0%	-	0%	(1)
	Sub Total		**100%**	**3,832**	**100%**	**708**	**100%**	**6**	**100%**	**714**
	Non-controlling interest			135		23		4		27
	Grand Total			**3,967**		**731**		**10**		**741**

figures are below rounding off norms adopted by the company

For the year 2021-22

₹ in Lakh

Sr. No	Name of entity	Relationship	Net assets [total assets minus total liability]		Share in profit for the year		Share in other comprehensive income /(loss) for the year		Share in total comprehensive income for the year	
			% of consolidated net assets	Amount	% of consolidated profit	Amount	% of consolidated other comprehensive income	Amount	% of consolidated total comprehensive income	Amount
1	Jost's Engineering Company Limited	Parent Company	85%	2,791	89%	402	142%	5	90%	407
2	MHE Rentals India Private Limited	Subsidiary	15%	507	11%	48	(42%)	(1)	10%	47
	Sub Total		100%	3,298	100%	450	100%	4	100%	**454**
	Non-controlling interest#			304		6		(0)		6
	Grand Total			**3,602**		**456**		**4**		**460**

figures are below rounding off norms adopted by the company

56. Previous year figures have been regrouped/reclassified wherever necessary to conform to current year figures.

57. The Financial Statements were approved by the Audit Committee and Board of Directors on May 18, 2023.

For and on behalf of the Board of Directors

Jai Prakash Agarwal
Chairman
DIN - 00242232

Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Rohit Jain
Chief Financial Officer

Babita Kumari
Company Secretary
Membership No. A40774

Place: Thane
Date: May 18, 2023

FORM AOC-1

(Pursuant to first proviso to sub-Section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries

Name of the subsidiary	MHE Rentals India Private Limited	JECL Engineering Limited
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable	Not Applicable
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable
3. Date since when subsidiary was acquired	20/04/2017	12/12/2022
4. Share capital (Rs.)	999	1
5. Reserves & surplus	(167)	-
6. Total assets	1,905	1
7. Total Liabilities	1,073	1
8. Investments #	0	-
9. Turnover	1,352	-
10. Profit before taxation	57	(1)
11. Provision for taxation#	-	(0)
12. Profit after taxation	57	1
13. Proposed Dividend	-	-
14. % of shareholding	80	100

figures are below rounding off norms adopted by the company

- Names of subsidiaries which are yet to commence operations – JECL Engineering Limited and JECL Engineering Inc. (JECL Engineering Inc. is a Foreign Subsidiary incorporated outside India incorporated on 28th June, 2023)
- Names of subsidiaries which have been liquidated or sold during the year- NIL

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	Not Applicable		
2. Date on which the Associate or Joint Ventures was associated or acquired			
3. Shares of associate/ joint ventures held by the Company at the year end			
4. Amount of investment in associates/ joint venture			
5. Extend of Holding %			
6. Description of how there is significant influence			
7. Reason why the associates/ joint venture is not consolidated			
8. Net worth attributable to Shareholding as per latest audited Balance Sheet			
9. Profit/ (Loss) for theyear			
a) Considered in Consolidation			
b) Not considered in consolidation			

Notes:
• Name of the Associates or joint Venture which are yet to commence operations - None
• Name of the Associates or joint Venture which have been liquidated or sold during the year –None

For and on behalf of the Board of Directors

Sd/-
Jai Prakash Agarwal
Chairman
DIN - 00242232

Sd/-
Vishal Jain
Vice Chairman & Managing Director
DIN - 00709250

Sd/-
Babita Kumari
Company Secretary
Membership No. A40774

Sd/-
Rohit Jain
Chief Financial Officer

Place: Thane
Date: May 18, 2023

JOST'S ENGINEERING COMPANY LIMITED
CIN NO. L28100MH1907PLC000252
REGD. OFFICE: GREAT SOCIAL BUILDING, 60 SIR
PHIROZESHAH MEHTA ROAD, MUMBAI – 400001
TEL. NO. 91-22-62674000/22704071
Website: www.josts.com
Email: jostsho@josts.in

NOTICE OF THE 116TH ANNUAL GENERAL MEETING

Notice is hereby given that the 116th Annual General Meeting of the Members of Jost's Engineering Company Limited will be held on Monday, the 18th September, 2023 at 02:00 P.M through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM") ("hereinafter referred to as "electronic mode"), to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt: -
The Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of Directors' and Auditors' thereon; and the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 together with report of Auditors thereon.

2. To declare a dividend on Equity Shares for the financial year ended March 31, 2023.

3. To appoint a director in place of Mrs. Shikha Jain (DIN: 06778623), who retires by rotation at this Annual General Meeting and being eligible, has offered herself for re-appointment.

SPECIAL BUSINESS

4.To consider, and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION:**

To re-appoint Mr. Jai Prakash Agarwal (DIN: 00242232) as an Executive Chairman (i.e. Chairman and Whole Time Director) of the Company for a period of 3 (Three) consecutive years, commencing from 1st April, 2024 till 31st March, 2027.

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)] (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), consent and/ or approval of Members of the Company be and is hereby accorded for the re-appointment of Mr. Jai Prakash Agarwal ("Mr. Agarwal")(DIN: 00242232) as an Executive Chairman (i.e. Chairman and Whole Time Director) ("Key Managerial Personnel") of the

Company for a period of 3 (Three) consecutive years, commencing from 1st April, 2024 till 31st March, 2027, liable to retire by rotation and to receive remuneration by way of salary, perquisites and/or allowances, as an Executive Chairman of the Company as recommended by the Nomination and Remuneration Committee, Audit Committee and Board of Directors of the Company and upon the terms, conditions and stipulations contained in the draft Agreement to be entered into between the Company of the ONE PART and Mr. Agarwal of the OTHER PART and details as set out in the Statement pursuant to Section 102 of the Companies Act, 2013, which Agreement is specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms, conditions and stipulations of the said re-appointment of Mr. Agarwal as an Executive Chairman of the Company and/or remuneration payable to him and/or agreement containing the terms and conditions as may be agreed to between the Board of Directors and Mr. Agarwal, provided, however, that the remuneration payable to Mr. Agarwal, shall not exceed the maximum limits for payment of managerial remuneration, specified in Schedule V to the said Act and Regulation 17(6)(e) of SEBI(LODR) or any amendment thereto as may be made from time to time or otherwise permissible by the laws or guidelines as may for the time being in force."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary desirable or expedient to give effect to this resolution."

5. To consider and, if thought fit, to pass, the following resolution as an **ORDINARY RESOLUTION:**

To re-appoint Mr. Vishal Jain (DIN:00709250) as the Managing Director & Chief Executive Officer of the Company for a period of 3 (Three) consecutive years, commencing from 4th October, 2023 till 3rd October, 2026.

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)] (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), consent and/ or approval of Members of the Company be and is hereby accorded for the re-appointment of Mr. Vishal Jain ("Mr. Jain") (DIN:00709250) as the Managing Director & Chief Executive Officer ("Key Managerial Personnel") of the Company for a period of 3 (Three) consecutive years, commencing from 4th October, 2023 till 3rd October, 2026, not liable to retire by rotation and to receive remuneration by way of salary, perquisites and/or allowances, as the Managing Director & Chief Executive Officer of the Company as recommended by the Nomination and Remuneration Committee, Audit Committee and Board of Directors of the Company and upon the terms, conditions and stipulations contained in the draft Agreement to be entered into between the Company of the ONE

PART and Mr. Jain of the OTHER PART and details as set out in the Statement pursuant to Section 102 of the Companies Act, 2013, which Agreement is specifically sanctioned with liberty to the Board of Directors to alter, vary and modify the terms, conditions and stipulations of the said re-appointment of Mr. Jain as the Managing Director & Chief Executive Officer of the Company and/or remuneration payable to him and/or agreement containing the terms and conditions as may be agreed to between the Board of Directors and Mr. Jain, provided, however, that the remuneration payable to Mr. Jain, shall not exceed the maximum limits for payment of managerial remuneration, specified in Schedule V to the said Act and Regulation 17(6)(e) of SEBI(LODR) or any amendment thereto as may be made from time to time or otherwise permissible by the laws or guidelines as may for the time being in force."

"**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform all such acts, deeds, matters and things, as may be considered necessary desirable or expedient to give effect to this resolution."

6.To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION:**

To ratify the remuneration payable to the Cost Auditor appointed by the Board of Directors of the Company for the financial year 2023-24 .

"**RESOLVED THAT** pursuant to the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions of the Companies Act, 2013, the remuneration of Rs. 1,00,000/- (Rupees One Lakhs Only) excluding applicable Tax payable to M/s. Devarajan Swaminathan and Co., Cost Accountant (FRN: 100669), who are appointed as Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2024, as approved by the Board of Directors of the Company, be and is hereby ratified."

"**RESOLVED FURTHER THAT** the Directors & Key Managerial Personnel be and are hereby severally authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board of Directors
For Josts Engineering Company Limited

Date: 14th August, 2023
Place: Thane

Sd/-
(Babita Kumari)
Company Secretary
M. No. A40774

RegisteredOffice:
Great Social Building,
60 Sir Phirozeshah Mehta Road,
Mumbai-400 001.

NOTES:

1. Explanatory Statements pursuant to Section 102 of the Companies Act, 2013 setting out the material facts concerning each item of Special Business to be transacted at the 116th Annual General Meeting ("AGM"), is annexed hereto and forms part of the Notice. Information on Directors proposed to be re-appointed at the Meeting as required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ("SS-2") are provided in the **Annexure - II** to this Notice.

2. The Ministry of Corporate Affairs ("MCA") inter-alia vide Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 02/2022 and 10/2022 dated 8 April 2020, 13 April 2020, 5 May 2020, 13 January, 2021, 8 December 2021, 5 May, 2022 and 28 December, 2022 respectively, ("MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide Circular Nos. SEBI/HO/CFD/CMD1/ CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/ CMD2/CIR/P/2022/62 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 12 May 2020, 15 January, 2021, 13 May, 2022 and 05 January 2023 respectively, ("SEBI Circulars") have permitted holding of the AGM by corporates through Video Conferencing ("VC") or through other audio-visual means ("OAVM"), without physical presence of the Members at a venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and MCA Circulars, the forthcoming AGM of the Company will thus be held through VC/OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 116th Annual General Meeting of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the said AGM through VC/OAVM is given below in the e-voting instructions.

3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has appointed Central Depository Services (India) Limited ("CDSL") for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

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

6. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, the facility to appoint proxy to attend and cast vote for the members is not available. Accordingly, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members can attend the AGM through VC/OAVM and cast their votes through e-voting.

7. The Notice calling the AGM has been uploaded on the website of the Company at www.josts.com.The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

8. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.

9. Members are requested to notify immediately the change of their name, postal address, email address, mobile number, PAN, Nomination and bank particulars to their DP if the shares are held by them in electronic form and to the Registrar & Share Transfer Agent ("RTA") of the Company i.e. Bigshare Services Private Limited if shares are held in physical form, as available on website of RTA at https://www.bigshareonline.com/Resources.aspx in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November, 2021. Further the shareholders are requested to submit duly filled form along with all necessary documents at the address of RTA at Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai - 400093, India. Pursuant to the above referred SEBI Circular, in case any of the above cited documents/details are not available in the folio(s) on or after 1 April 2023, RTA shall be constrained to freeze such folio(s). To prevent fraudulent transactions, members are allowed to exercise due diligence and not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

10. Members having multiple folios in the same order of name(s) may inform the Company for consolidation into one folio.

11. Members holding shares in physical form and desirous of making a nomination or cancellation/ variation in nomination already made in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to submit the prescribed Form SH-13 to the RTA of the Company for nomination and Form SH-14 for cancellation/variation as the case may be. The forms are available on the website of the RTA i.e. https://www.bigshareonline.com/Resources.aspx. Shareholders holding shares in demat form are also advised to avail nomination facility by submitting the prescribed form to their respective Depository Participants (DPs).

12**.** The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contract or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection at the registered office of the Company at Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai-400 001 between 3:00 p.m. and 5:00 p.m. in working days till the date of AGM.

13. The Register of members and share transfer Books of the Company will remain closed from 12th September, 2023 to 18th September, 2023 (both days inclusive) for the purpose of payment of dividend, if declared at the Meeting.

14. Members may please note that pursuant to Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders, w.e.f.1st April, 2021 and the Company is required to deduct tax at source from dividend paid to the shareholders (Resident Shareholders as well as Non-Resident Shareholders) at the prescribed rates. For various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. Therefore, the shareholders holding shares in Dematerialized form or physical form are requested to register their PAN with the Depository Participants or RTA, failing which the TDS will be deducted at higher rate as prescribed. A resident individual shareholder, with valid PAN and who is not liable to pay income tax, may submit a declaration in form 15G/15H to avail the benefit of non-deduction of TDS by sending these declarations to RTA, namely, M/s. Big Share Services Pvt. Limited, unit Jost's Engineering Company Limited, Office No. S6-2, 6th Floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai-400093,India, Email Id; tds@bigshareonline.com on or before 11th September, 2023.

15. (a) Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 the unpaid/unclaimed dividends upto the year 2014-2015 has been transferred to Investor Education and Protection Fund ("IEPF") and dividends for the Financial Year ended March 31, 2016 and thereafter which remain unpaid or unclaimed for a period of 7 consecutive years will also be transferred to the IEPF constituted by the Central Government, on the respective due dates on or after 19th August, 2023. The Company has also uploaded full details of such shareholders, whose dividend for seven consecutive years remained unclaimed, on its website www.josts.com. Members, who have not encashed their dividend warrant(s) for the financial year ended March 31, 2016 or any subsequent financial year(s) are urged to claim such amount from the Company immediately. Shareholders whose amount has been transferred to IEPF as above may claim refund from IEPF in accordance with the provisions under the Companies Act, 2013 and rules made thereunder.

(b) Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amount lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company as on 26th September, 2022 (the date of last Annual General Meeting) on the website of the Company www.josts.com.

(c) Further, pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, all shares in respect of which dividend has not been encashed/claimed by the Shareholders for seven consecutive years, the Company is required to transfer such Equity Shares of the Members to the Demat Account of the IEPF. Accordingly, the Company has transferred 2580 Equity Shares of Rs. 5/- each to IEPF whose dividend has not been encashed for consecutive 7 years from 2014-15, details of which are available on website of the Company also. Similarly, the Company will transfer such shares to the Demat Account of IEPF Authority on which dividend for 2015-16 will remain un-encashed for consecutive 7 years, as per the guidelines issued by the concerned authority/(ies) from time to time.

16. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrars and Share Transfer Agent are required to seek relevant bank details of shareholders from depositories/investors for making payment of dividends in electronic mode. Further, pursuant to recent General Circular 20/2020 dated May 05, 2020 companies are directed to credit the dividend of the shareholders directly to the bank accounts of the shareholders using Electronic Clearing Service. Accordingly, Members are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialized form and with the Registrars & Share Transfer Agent in respect of shares held in physical form.

17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA viz. Big share Services Private Limited/Company.

18. (i) The Dividend, after declaration, will be paid to those shareholders whose names appear on the Register of Members on 11th September, 2023. The dividend in respect of shares held in the electronic form will be paid to the beneficial owners of shares whose names appear in the list furnished by the Depositories as at the end of business hours on 11th September, 2023.

(ii) The payment of dividend will be made through National Electronic Clearing System (NECS). Members holding shares in demat/electronic form are hereby informed that bank particulars registered with their respective depository accounts will be used by the Company for payment of dividend through NECS. Members are requested to notify immediately any change in their address, bank account details and email id to their respective Depository Participants (DPs) in respect of shares held in electronic (demat) mode and in respect of physical mode, to the Registrar & Share Transfer Agent of the Company.

The members holding shares in physical form and desirous of receiving dividend through NECS, are requested to provide their bank account number, name and address of the bank quoting their folio number directly to the Company's Registrar and Share Transfer Agent, namely, M/s. Big Share Services Pvt. Limited, latest by 11th September, 2023, failing which dividend will be paid by DD / Cheque.

19. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 & Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from April 01, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately. However, Members can continue to make request for transmission or transposition of securities held in physical form.

20. The Companies Act, 2013 in line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green Initiative, has introduced enabling provisions for sending notice of the meeting and other shareholder correspondences through electronic mode. Members holding shares in physical mode are requested to register their email ID's with the Company or its RTA and Members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs). If there is any change in the e-mail ID already registered with the Company, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

21. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

22. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

23. Members may also note that the Notice of this Annual General Meeting and the Annual Report of the Company for the year 2022-23 is also available on the website of the Company viz. www.josts.com.

24. The Financial Statements of the subsidiaries of the Company are not attached to the 116th Annual Report of the Company. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements along with related information of the Company and audited accounts of each of its subsidiaries, are available on Company's website at www.josts.com. These documents will also be available for inspection at the registered office of the Company at Great Social Building, 60 Sir Phirozeshah Mehta Road, Mumbai-400 001 India, between 3:00 p.m. and 5:00p.m. in working days till the date of AGM.

25. The Board Of Directors of the company has appointed Mr.Akshay Gupta, proprietor of M/s Akshay Gupta & Co., Company Secretaries, (Membership No: 56911, CP No. 21448), as Scrutinizer to scrutinize the E-voting during the AGM and remote E-voting in a fair & transparent manner.

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

i) The voting period begins on Friday, 15th September, 2023 (09.00 A.M) and ends on Sunday, 17th September, 2023 (5.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Monday, 11th September, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL Depository**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi/ Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL Depository**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login "which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Individual Shareholders (holding securities in demat mode) login through their **Depository Participants (DP)**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on “Shareholders” module.

3) Now enter your User ID
a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) · Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.· If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

(ix) Click on the EVSN for the Jost's Engineering Company Limited on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote E-Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- ·After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@josts.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1.The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days **prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@josts.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at cs@josts.in. These queries will be replied to by the company suitably by email or during the AGM.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to RTA of the Company at investor@bigshareonline.com

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The present term of Mr. Jai Prakash Agarwal (DIN: 00242232) as an Executive Chairman (i.e. Chairman and Whole Time Director) of the Company expires by efflux of time on 31st March, 2024. Mr. Jai Prakash Agarwal (DIN: 00242232), aged about 65 years is a graduate in Commerce and a Fellow member of the Institute of Company Secretaries of India and at present is the Executive Chairman i.e. Chairman and Whole Time Director of the Company. He has more than 43 years of experience in manufacturing sector.

In view of the immense contribution made by Mr. Jai Prakash Agarwal (DIN: 00242232) for Company and his varied experience he acquired during his association with the Company, the Board of Directors considered his appointment useful and recommended his re-appointment as Executive Chairman i.e. Chairman and Whole Time Director ("Key Managerial Personnel"), at its meeting held on 14th August, 2023, liable to retire by rotation, for a further period of 3 (Three) consecutive years commencing from 1st April, 2024 to 31st March, 2027. His re-appointment and remuneration has been recommended by the Nomination and Remuneration Committee and Audit Committee and is in accordance with Schedule V to the Companies Act, 2013 ("the Act") and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Mr. Jai Prakash Agarwal will be liable to retire by rotation.

Mr. Jai Prakash Agarwal is not dis-qualified from being re-appointed as an Executive Chairman (i.e. Chairman and Whole Time Director) under the provisions of Companies Act, 2013. He has communicated his willingness to be re-appointed and given his consent to act as an Executive Chairman (i.e. Chairman and Whole Time Director), for a period of 3 (Three) years commencing from 1st April, 2024 till 31st March, 2027.

During his last term in Jost's Engineering Company Limited from 1st April, 2021 continuing till 31st March, 2024, Mr. Jai Prakash Agarwal (DIN: 00242232) was appointed at the following remuneration:

Particulars	Amount (Rs.)
Remuneration	₹ 3,90,385/- (Subject to tax) per month

The Board of Directors upon the recommendations of the Nomination and Remuneration Committee and Audit Committee and in accordance with the provisions of Section 197 and 198 of the Companies Act, 2013 read-with Schedule V to the said Act, or any statutory amendment or relaxation thereof and SEBI (LODR) Regulations, 2015, considered and approved the same the remuneration which was payable earlier to Mr. Jai Prakash Agarwal (DIN: 00242232), as Executive Chairman of the Company during his period of re-appointment with power to make such variation or increase therein as may be thought fit from time to time. The details of the remuneration payable is as follows:

S. No.	Particulars	Mr. Jai Prakash Agarwal (DIN: 00242232), Executive Chairman
1	Period of Re-appointment	1st April, 2024 till 31st March, 2027
2	Remuneration*	Mr. Jai Prakash Agarwal (hereinafter referred to as “Mr. Agarwal”) shall, inconsideration of his services, be entitled to the following remuneration by way of:
A	Salary	₹ 2,00,000/- per month
B	House Rent Allowance	₹ 80,000/- per month
C	City Compensatory Allowance	₹ 1,10,385/- per month
D	Perquisites	The appointee will be entitled to the following perquisites in addition to his salary, house rent allowance.

** The Board may consider and grant an annual increment at its discretion, as may be recommended by the Nomination and Remuneration Committee.*

He will be entitled to the following perquisites in addition to his salary, house rent allowance and commission, subject to overall limit laid down in Schedule V to the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows:-

Category A:

a) Reimbursement of Petrol / diesel expenses

As per the rules of the Company.

b) Reimbursement of Entertainment and Travelling Expenses

The Company shall reimburse actual entertainment and travelling expenses incurred by the Executive Chairman in connection with the Company’s business.

Category B:

Privilege Leave (PL)

(a) PL with pay, as per Company’s Rules.

(b) Accumulation of PL and encashment, as per Company’s Rules.

Category C:
Provident Fund and Gratuity:
a. Company’s contribution to Provident Fund @ 12% of basic salary.
b. Gratuity at the rate of 15 (Fifteen) days basic salary for every completed year of service or part thereof in excess of six months.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of his office, the Company may pay him remuneration by way of consolidated salary and perquisites in accordance with the limits laid down under Section II of Part II of Schedule V to the said Act, as may be applicable at the relevant time, subject to necessary approval(s) as may be required. The perquisites specified in Section II of Part II of Schedule V to the Act, however shall not be included in the computation of the ceiling on remuneration specified under Section II of Part II of Schedule V to the Act. The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable otherwise at actual.

Sitting Fee: He shall not so long as he acts as Executive Chairman of the Company, be paid any sitting fees for attending any meeting of the Board or Committee thereof.

Termination: Notwithstanding anything contained in this Agreement, either party shall be entitled to determine this Agreement by giving three calendar months’ notice in writing in that behalf to the other party and on the expiry of the period of such notice, this Agreement shall stand terminated. The Company shall also be entitled without assigning any reason whatsoever to terminate the Agreement on giving to the appointee three months’ salary as specified hereinabove under the head Remuneration, in lieu of three calendar months’ notice required to be given under this clause.

Service of Notice: Any notice to be given hereunder shall be sufficiently given or served in case of the appointee by being delivered either personally to him or left for him at his addresses last known to the Company or sent by registered post or e-mail addressed to him and in the case of Company by being delivered at or sent by registered post addressed to its Registered Office or by e-mail at jostsho@josts.in any such notice if so posted shall be deemed served on the day following that on which it was posted except in case of e-mail.

In terms of requirements under Schedule V to the Companies Act 2013, in case of no profit or inadequate profits, the Company requires to seek members’ approval for minimum remuneration payable to him in the scale laid down in Section II of Part II of Schedule V to the Act.

Memorandum of Interest: Mr. Jai Prakash Agarwal (DIN: 00242232) may be deemed to be concerned or interested, financially or otherwise, in the resolution, to the extent of his shareholding, his relatives’ shareholding and remuneration payable to him.

Save and except as above, none of the other directors, Key Managerial Personnel of the Company and their relatives are concerned or interested in the resolution.

Inspection of documents: The draft of the proposed Agreements to be entered into between the Company and the appointee shall be available for inspection.

Abstract of Terms and Conditions: This should be treated as an abstract of the terms of appointment and memorandum of interest of the appointee as required under Section 190 of the Act.

The Board of Directors of the Company recommends the resolution set forth in Item no. 4 for approval of members as an Ordinary Resolution.

A statement containing additional information as per Schedule V of the Companies Act, 2013 in respect of Resolution set forth in item no. 4 is annexed hereto as **'Annexure I'.**

The relevant details, pursuant to Regulation 36(3) of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards -2 on "General Meetings" issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting is annexed as **'Annexure II'** to this notice.

Item No. 5

The present term of Mr. Vishal Jain (DIN:00709250) as Managing Director of the Company expires by efflux of time on 3rd October, 2023, who is also designated as Chief Executive Officer of the Company. Mr. Vishal Jain (DIN:00709250), aged about 50 years is BE and MBA and at present is the Managing Director, also designated as Chief Executive Officer of the Company. He has over 21 years' experience in roles spanning supply chain management, financial advisory and wealth management.

Keeping in view his business acumen and varied experience he acquired during his association with the Company, the Board of Directors considered his appointment useful and recommended his re-appointment as Managing Director ("Key Managerial Personnel") and designated as Chief Executive Officer of the Company, at its meeting held on 14th August, 2023, not liable to retire by rotation, for a further period of 3 (Three) consecutive years commencing from 4th October, 2023 to 3rd October, 2026. His re-appointment and remuneration has been recommended by the Nomination and Remuneration Committee and Audit Committee and is in accordance with Schedule V to the Companies Act, 2013 ("the Act") and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

During his last term in Jost's Engineering Company Limited from 4th October, 2020 continuing till 3rd October, 2023, Mr. Vishal Jain was appointed at the following remuneration:

Particulars	Amount (Rs.)
Remuneration	₹ 3,50,000/- (Subject to tax) per month

Mr. Vishal Jain is not dis-qualified from being re-appointed as Managing Director and CEO under the provisions of Companies Act, 2013. He has communicated his willingness to be re-appointed and given his consent to act as Managing Director and CEO of the Company, for a period of 3 (Three) years commencing from 4th October, 2023 till 3rd October, 2026.

The Board of Directors upon the recommendations of the Nomination and Remuneration Committee and Audit Committee and in accordance with the provisions of Section 197 and 198 of the Companies Act, 2013 read-with Schedule V to the said Act, or any statutory amendment or relaxation thereof and SEBI (LODR) Regulations, 2015, considered and approved the following remuneration during his period of re-appointment with power to make such variation or increase therein as may be thought fit from time to time. The details of the remuneration payable is as follows:

Sr. No.	Particulars	Mr. Vishal Jain (DIN:00709250), Managing Director and CEO
1	Period of Re-appointment	4th October, 2023 till 3rd October, 2026
2	Remuneration *	Mr. Vishal Jain(hereinafter referred to as “Mr. Jain”) shall, in consideration of his services, be entitled to remuneration of Rs. 10,000/- per month.
3	Perquisites	The appointee will be entitled to the following perquisites:

* The Board may consider and grant an annual increment at its discretion, as may be recommended by the Nomination and Remuneration Committee.

He will be entitled to the following perquisites, subject to overall limit laid down in Schedule V to the Companies Act, 2013 and Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015. Unless the context otherwise requires, perquisites are classified into three categories A, B and C as follows:-
Category A:
a) Reimbursement of Petrol / diesel expenses
As per the rules of the Company.
b) Reimbursement of Entertainment and Travelling Expenses
The Company shall reimburse actual entertainment and travelling expenses incurred by the Managing Director and CEO in connection with the Company’s business.

Category B:
Privilege Leave (PL)
(a) PL with pay, as per Company’s Rules.
(b) Accumulation of PL and encashment, as per Company’s Rules.

Category C:
Provident Fund and Gratuity:
a. Company’s contribution to Provident Fund @ 12% of basic salary.
b. Gratuity at the rate of 15 (Fifteen) days basic salary for every completed year of service or part thereof in excess of six months.

Minimum Remuneration: In the event of loss or inadequacy of profits in any financial year during the currency of tenure of his office, the Company may pay him remuneration by way of consolidated salary and perquisites in accordance with the limits laid down under Section II of Part II of Schedule V to the said Act, as may be applicable at the relevant time, subject to necessary approval(s) as may be required. The perquisites specified in Section II of Part II of Schedule V to the Act, however shall not be included in the computation of the ceiling on remuneration specified under Section II of Part II of Schedule V to the Act. The value of the perquisites for the purpose of calculating the above annual ceiling shall be evaluated as per Income Tax Rules wherever applicable otherwise at actual.

Sitting Fee: He shall not so long as he acts as Managing Director and CEO of the Company, be paid any sitting fees for attending any meeting of the Board or Committee thereof.

Termination: Notwithstanding anything contained in this Agreement, either party shall be entitled to determine this Agreement by giving three calendar months’ notice in writing in that behalf to the other party and on the expiry of the period of such notice, this Agreement shall stand terminated. The Company shall also be entitled without assigning any reason whatsoever to terminate the Agreement on giving to the appointee three months’ salary as specified hereinabove under the head Remuneration, in lieu of three calendar months’ notice required to be given under this clause.

Service of Notice: Any notice to be given hereunder shall be sufficiently given or served in case of the appointee by being delivered either personally to him or left for him at his addresses last known to the Company or sent by registered post or e-mail addressed to him and in the case of Company by being delivered at or sent by registered post addressed to its Registered Office or by e-mail at jostsho@josts.in any such notice if so posted shall be deemed served on the day following that on which it was posted except in case of e-mail.

In terms of requirements under Schedule V to the Companies Act 2013, in case of no profit or inadequate profits, the Company requires to seek members’ approval for minimum remuneration payable to him in the scale laid down in Section II of Part II of Schedule V to the Act.

Memorandum of Interest: Except Mr. Vishal Jain (DIN:00709250) and Mrs. Shikha Jain (DIN: 06778623) and their relatives, none of the other directors and Key Managerial Personnel of the Company and their respective relatives is, in any way, concerned or interested in the resolution set out at item no. 5 of this Notice.

Inspection of documents: The draft of the proposed Agreements to be entered into between the Company and the appointee shall be available for inspection.

Abstract of Terms and Conditions: This should be treated as an abstract of the terms of appointment and memorandum of interest of the appointee as required under Section 190 of the Act.

The Board of Directors of the Company recommends the resolution set forth in Item no. 5 for approval of members as an Ordinary Resolution.

A statement containing additional information as per Schedule V of the Companies Act, 2013 in respect of Resolution set forth in item no. 5 is annexed hereto as **'Annexure I'.**

The relevant details, pursuant to Regulation 36(3) of SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards -2 on "General Meetings" issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting is annexed as **'Annexure II'** to this notice.

Item No. 6

The Board, on the recommendation of the Audit Committee, has approved on 14th August, 2023, the appointment of M/s. Devarajan Swaminathan and Co., Cost Accountant (FRN: 100669), at a remuneration of ₹ 1,00,000/- (Rupees One Lakh Only) excluding applicable Tax to conduct the Cost Audit of the Company for the financial year 2023-24.

In accordance with the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 of Companies (Audit & Auditor Rules), 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

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

The Board of Directors of the Company recommends the resolution set forth in Item no. 6 for approval of members as an Ordinary Resolution.

By order of the Board of Directors
For Josts Engineering Company Limited

Sd/-
(Babita Kumari)
Company Secretary
M. No. A40774

Date: 14th August, 2023
Place: Thane

Registered Office:
Great Social Building,
60 Sir Phirozeshah Mehta Road,
Mumbai-400 001.

ANNEXURE-"I" TO THE NOTICE

Disclosure as per Schedule V of the Companies Act, 2013

I GENERAL INFORMATION:

1. **Nature of Industry:** Manufacturers, traders and service providers of Material Handling Equipment and traders of Engineered Products.

2. **Date of commencement of Commercial production:** The company is in operation since 1907.

3. **Financial Performance:**

Particulars	Year ended 31st March, 2023 (Standalone)	Year ended 31st March, 2023 (Consolidated)
Revenue from operations and other income	16,052	15,968
Profit/(loss) before tax	**972**	**1,009**
Less: Tax Expense:	282	282
Current Tax		
Deferred Tax	-10	-11
Short/(Excess) Provision for Income tax of earlier years	6	6
Profit/(loss) after tax	**694**	**731**

4. **Foreign investments or collaborations, if any:**

The Company has no foreign collaborations and hence there is no equity participation by foreign collaborators in the Company.

II INFORMATION ABOUT THE APPOINTEE

S.r No.	Particulars	Mr. Jai Prakash Agarwal (DIN: 00242232)	Mr. Vishal Jain (DIN:00709250)
1	Background details	The Board of Directors of the Company at its meeting held on 14th August, 2023 has appointed Mr. Jai Prakash Agarwal as an Executive Chairman for a period of 3 years from 1st April, 2024, subject to approval of the members. Prior to this appointment, Mr. Jai Prakash Agarwal has been Chairman and Executive Director of the Company. Mr. Jai Prakash Agarwal, 65, is a graduate in Commerce and a Fellow member of the Institute of Company Secretaries of India. He has more than 43 years of experience in manufacturing sector	The Board of Directors at its meeting held on 4th October, 2017 had appointed Mr. Vishal Jain as Vice Chairman and Managing Director of the Company for a period of 3 years from 4th October, 2017 to 3rd October, 2020. This appointment of Vice Chairman and Managing Director was approved by the members at their 111th Annual General Meeting held on 30thJuly, 2018. The Board of Directors of the Company has re-appointed Mr. Vishal Jain as Vice Chairman and Managing Director for a further period of 3 years from 4th October, 2020 to 3rd October, 2023 subject to approval of the members. Mr. Vishal Jain, 50, is BE, MBA. He has over 21 years' experience in roles spanning supply chain management, financial advisory and wealth management.
2	Past Remuneration	Detailed in explanatory statement as above	Detailed in explanatory statement as above
3	Recognition and Award	Nil	Nil
4	Job profile and his suitability	To oversee day to day management of the Company, business strategy, management policies, growth, review of operations, enhancement of performance of the work force and such other duties as may be assigned by the Board of Directors of the Company. Considering the rich experience and excellent execution capabilities, Mr. Jai Prakash Agarwal is aptly suitable for the above mentioned responsibilities.	As stated above, Mr. Vishal Jain has vast experience in the field of roles spanning supply chain management, financial advisory and wealth management. Ever since he joined the Board, he has been actively looking after the Engineered Product Division (EPD). EPD division has contributed to a large extent in the profit of the Company. He is also actively involved in the business activity for Material Handling Division of the Company which has improved over the last six years.
5	Remuneration proposed	As fully set out in the resolution of item no. 4 of the notice	As fully set out in the resolution of item no. 5 of the notice
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	The Nomination and Remuneration Committee of the Board while approving the proposed remuneration to the Executive Chairman have taken into consideration the various factors such as the remuneration that is being paid to the managerial personnel in the industry to which the company belongs, the size of the company, the profile of the position etc.	Since the amount being proposed as remuneration is too less, therefore the comparison is not possible with the remuneration that is being paid to the managerial personnel in the industry to which the company belongs, the size of the company, the profile of the position etc. The said remuneration proposed remuneration is being given as token of acceptance alongwith the other perquisites as aforesaid. The Nomination and Remuneration Committee has also considered the above facts while approving the proposed remuneration.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel	Besides the remuneration proposed, Mr. Jai Prakash Agarwal does not have any pecuniary relationship with the Company. He is not related to any Director or Key Managerial Personnel of the Company. Mr. Jai Prakash Agarwal holds 6,64,955 Shares (14.26%) in the company.	Besides the remuneration proposed, Mr. Vishal Jain does not have any pecuniary relationship with the Company. He is the husband of Mrs. Shikha Jain, who is a Non Executive Non Independent Director of the Company. Mr. Vishal Jain holds 5,91,075 Shares (12.67%) and Mrs. Shikha Jain holds 5,64,105 Shares (12.09%) in the company

III OTHER INFORMATION

1	Reason for loss or inadequate profit	The reason being the sluggish demand, especially for Engineering and Capital Goods Industry to which Company belongs. Further, tough competition - Global and Local, continued to put pressure on margins and market share.
2	Steps taken or proposed to be taken for improvement	The Company has embarked on a series of strategic and operational measures that is expected to result in the improvement in present position. The inherent strengths of the Company, especially its reputation as a premium producer, powerful brands and deep Pan-India distribution network are also expected to enable the Company to position itself during adversities.
3	Expected increase in productivity and profit in measurable terms	The profit before tax was Rs. 972 Lakhs for the year 2022-23 (previous year). The profit before tax for the first quarter ended 30th June, 2023 is ₹ 122 Lakhs.

IV DISCLOSURES

The Disclosures required to be made pursuant to Schedule V of the Companies Act, 2013 have been made in the Corporate Governance Report which is annexed to the Directors' Report for the year ended 31st March, 2023.

By order of the Board of Directors
For Josts Engineering Company Limited

Sd/-
(Babita Kumari)
Company Secretary
M. No. A40774

Date: 14th August, 2023
Place: Thane

ANNEXURE II TO THE NOTICE

Disclosure relating to Directors pursuant to Regulation 26(4), 36(3) of the SEBI Listing Regulations and Secretarial Standards on General Meetings

Name of the Director	Mrs. Shikha Jain	Mr.Jai Prakash Agarwal	Mr. Vishal Jain
DIN	06778623	00242232	00709250
Age	48 (+) years	65 (+)years	50 years
Qualification	B.com	B.Com. & Company Secretary	Bachelor of Engineering, Master of Business Administration
Experience	About 6 years	About 43 years	About 21 years
Terms and Conditions	Not Applicable	Executive Chairman i.e Chairman and Whole Time Director (liable to retire by rotation) For details refer the shareholders resolution	Managing Director and Chief Executive Officer (not liable to retire by rotation) For details refer the shareholders resolution
Remuneration last drawn	₹ 1.6 lakhs	₹ 46.84 lakhs	₹ 43.88 lakhs
Date of first appointment on the Board	12/08/2016	21/01/2015	21/01/2015
Shareholding in the Company*	5,64,105 Equity shares	6.,64,955 Equity Shares	5,91,075 Equity shares
Relationship with other Director, Manager and other KMP	Wife of Mr. Vishal Jain, Managing Director and Chief Executive Officer of the Company	None	Husband of Mrs. Shikha Jain, Non-Executive Non Independent Director of the Company

Number of Board Meetings attended during the Year	5	5	5
Other Directorship Details	-	• Overseas Tracom Pvt. Ltd.	-
Membership/ Chairmanship of Committees of other Boards	-	-	-

**After stock split*

Note: Other details such as Brief Resume, nature of expertise, skill & capabilities of proposed appointee Directors are provided in the Explanatory Statement to the Notice and the Corporate Governance Report, forming part of Annual Report.