

JISL Overseas Limited

Financial statements

For the year ended 31 March 2022

JISL Overseas Limited

Financial statements *for the year ended 31 March 2022*

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JISL Overseas Limited

Corporate data

		Date of appointment	Date of resignation
Directors:	Atul Bhavarlal Jain	14 April 1995	01 January 2022
	Anil Bhavarlal Jain	16 September 2005	01 January 2022
	Baboo Teeruth Rajsing Ramgolam	26 April 2018	-
	Veganaden Murden	30 October 2019	-
	Jitendra Shah	28 April 2022	-
	Paul David Lawlor	28 April 2022	-
Administrator and Secretary:	Osiris Corporate Solutions (Mauritius) Limited Chemin Vingt Pieds 5 th Floor, La Croisette Grand Baie Mauritius		
Registered office:	C/o Osiris Corporate Solutions (Mauritius) Limited Chemin Vingt Pieds 5 th Floor, La Croisette Grand Baie Mauritius		
Auditors:	VBS Business Services 1 st Floor, Hennessy Court Pope Hennessy Street Port Louis Mauritius		
Banker:	SBI (Mauritius) Ltd 7 th Floor, SBI Tower Mindspace Bhumi Park, 45, Ebene Cybercity Mauritius		

JISL Overseas Limited

Commentary of the directors *for the year ended 31 March 2022*

The directors present their commentary together with the audited financial statements of JISL Overseas Limited (the “Company”) for the year ended 31 March 2022.

Principal activity

The principal activity of the Company is that of investments holding.

Results and dividend

The results for the year are shown on page 7.

The directors do not recommend the payment of any dividend for the year under review (2021: USD Nil).

Statement of directors’ responsibilities in respect of the financial statements

Company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the financial position, financial performance and cash flows of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors’ responsibilities include: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of these financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

The directors have made an assessment of the Company’s ability to continue as a going concern and have no reason to believe that the business will not be a going concern in the year ahead.

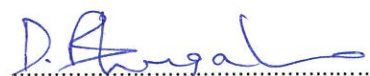
Auditors

The auditors, **VBS Business Services**, have indicated their willingness to continue in office and will be automatically re-appointed at the next Annual General Meeting of the shareholder.

JISL Overseas Limited

Secretary's certificate
for the year ended 31 March 2022

We certify that, to the best of our knowledge and belief, the Company has filed with the Registrar of Companies all such returns as are required of the Company under Section 166 (d) of the Companies Act for the year ended 31 March 2022.



.....
for Osiris Corporate Solutions (Mauritius) Limited
Secretary

Registered Office:

Chemin Vingt Pieds
5th Floor La Croisette
Grand Baie
Mauritius

Date: 25 May 2022.....



INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF JISL OVERSEAS LIMITED

Report on the Audit of Financial Statements

We have audited the financial statements of JISL OVERSEAS LIMITED (the "Company"), which comprise the statement of financial position as at 31 March 2022 and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 7 to 28.

In our opinion, these financial statements give a true and fair view of the financial position of JISL OVERSEAS LIMITED as at 31 March 2022 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act for Companies holding a Global Business Licence and in compliance with the requirements of the Mauritius Companies Act in so far as applicable to Global Business Licenced Companies.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants (IESBA Code) Code of Ethics for Professional Accountants, and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises of the commentary of the directors and secretary's certificate.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the 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 in the 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF JISL OVERSEAS LIMITED
(CONTINUED)****Report on the Audit of Financial Statements (continued)***Directors' Responsibilities for the Financial Statements*

The directors are responsible for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act for Companies holding a Global Business Licence and in compliance with the requirements of the Mauritius Companies Act in so far as applicable to Global Business Licensed Companies. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are 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 directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 ISAs 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.



**INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF JISL OVERSEAS LIMITED
(CONTINUED)**

Report on the Audit of Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors 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.

Other Matter

This report is made solely to the Company's member in accordance with Section 205 of the Mauritius Companies Act. Our audit work has been undertaken so that we might state to the Company's member those matters that we are required to state in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's member for our audit work, for this report, or for the opinions we have formed.

Report on Other Legal and Regulatory Requirements

Mauritius Companies Act

We have no relationship with or interests in the Company other than in our capacity as auditors.

We have obtained all the information and explanations we have required.

In our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

VBS Business Services
Chartered Certified Accountants

Port Louis, Mauritius

Date: 25 May 2022

Khemraz Boodhoo, FCCA
Licensed by FRC

JISL Overseas Limited

Statement of profit or loss and other comprehensive income for the year ended 31 March 2022

	Notes	2022 USD	2021 USD
Revenue			
Bank interest income	4 (a)	1	1
		-----	-----
Expenses			
Interest expense	9	396,783	395,821
Audit fees		3,680	3,680
Directors fees		3,000	-
Licence fees		2,260	2,260
Accountancy fees		1,500	2,000
Bank charges		715	735
Professional fees		434	2,110
Penalty fee		195	-
		-----	-----
Total operating expenses		408,567	406,606
		-----	-----
Loss before tax		(408,566)	(406,605)
Income tax expense	6	-	-
		-----	-----
Loss for the year		(408,566)	(406,605)
Other comprehensive income		-	-
		-----	-----
Total comprehensive income for the year		(408,566)	(406,605)
		=====	=====

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The notes on pages 11 to 28 form part of these financial statements.

JISL Overseas Limited

Statement of financial position
as at 31 March 2022

	Notes	2022 USD	2021 USD
ASSETS			
Non-current assets			
Investments in subsidiaries	7	63,956,409	63,956,409
Current assets			
Cash and cash equivalents		4,779	3,562
TOTAL ASSETS		63,961,188	63,959,971
EQUITY AND LIABILITIES			
Equity			
Stated capital	8	62,305,891	62,305,891
Accumulated losses		(5,619,238)	(5,210,672)
Total equity		56,686,653	57,095,219
Liabilities			
Non-current liability			
Loan from related party	9	-	5,200,000
Current liabilities			
Loan from related parties	9	5,225,000	10,000
Other payables	10	2,049,535	1,654,752
Total current liabilities		2,074,535	1,664,752
Total liabilities		7,274,535	6,864,752
TOTAL EQUITY AND LIABILITIES		63,961,188	63,959,971

Authorised for issue by the Board of Directors on 25 May 2022 and signed on its behalf by:


.....
Director


.....
Director

The notes on pages 11 to 28 form part of these financial statements.

JISL Overseas Limited

Statement of changes in equity
for the year ended 31 March 2022

	Stated capital USD	Accumulated losses USD	Total USD
At 01 April 2020	62,305,891	(4,804,067)	57,501,824
<i>Total comprehensive income for the year</i>			
Loss for the year	-	(406,605)	(406,605)
	-----	-----	-----
<i>Total comprehensive income for the year</i>	-	(406,605)	(406,605)
	-----	-----	-----
At 31 March 2021	62,305,891	(5,210,672)	57,095,219
Total comprehensive income for the year			
Loss for the year	-	(408,566)	(408,566)
	-----	-----	-----
Total comprehensive income for the year	-	(408,566)	(408,566)
	-----	-----	-----
At 31 March 2022	<u><u>62,305,891</u></u>	<u><u>(5,619,238)</u></u>	<u><u>56,686,653</u></u>

The notes on pages 11 to 28 form part of these financial statements.

JISL Overseas Limited

Statement of cash flows
for the year ended 31 March 2022

	2022 USD	2021 USD
Cash flows from operating activities		
Loss before tax	(408,566)	(406,605)
<i>Adjustments for:</i>		
Bank interest income	(1)	(1)
Interest expense	396,783	395,821
	-----	-----
Operating loss before changes in working capital	(11,784)	(10,785)
<i>Changes in working capital:</i>		
Change in prepayments	-	750
Change in accruals	(2,000)	2,000
	-----	-----
Net cash used in operating activities	(13,784)	(8,035)
	-----	-----
Cash flows from investing activity		
Bank interest received	1	1
	-----	-----
Net cash generated from investing activity	1	1
	-----	-----
Cash flows from financing activity		
Loan received from related party	15,000	10,000
	-----	-----
Net cash generated from financing activity	15,000	10,000
	-----	-----
Net movement in cash and cash equivalents	1,217	1,966
Cash and cash equivalents at the beginning of the year	3,562	1,596
	-----	-----
Cash and cash equivalents at the end of the year	4,779	3,562
	=====	=====

The notes on pages 11 to 28 form part of these financial statements.

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

1. General information

JISL Overseas Limited (the “Company”) was incorporated as a private limited company in Mauritius on 09 November 1994 and holds a Global Business Licence issued by the Financial Services Commission. The principal activity of the Company is that of investments holding. The Company’s registered office is at C/o Osiris Corporate Solutions (Mauritius) Limited, Chemin Vingt Pieds, 5th Floor La Croisette, Grand Baie, Mauritius.

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as modified by the exemption from consolidation in the Mauritius Companies Act for companies holding a Global Business Licence and comply with the Mauritius Companies Act in so far as applicable to Global Business Companies.

(b) Basis of measurement

The financial statements have been prepared under the historical cost basis, except that financial assets and financial liabilities are carried at amortised cost.

(c) Functional and presentation currency

The financial statements are presented in United States Dollar (USD) which is the Company’s functional currency.

(d) Use of estimates and judgements

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect application of accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and in any future years affected.

3. Changes in significant accounting policies

Standards and amendments adopted during the year

During the year under review, the following standards were effective. However, there was no significant impact on the financial statements. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR).

The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

3. Changes in significant accounting policies (continued)

Standards and amendments adopted during the year (continued)

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (continued)

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

The Company intends to use the practical expedients in future periods if they become applicable.

4. Significant accounting policies

(a) Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition.

(b) Expenses

All expenses are recognised in the statement of profit or loss and other comprehensive income on an accrual basis.

(c) Income tax expense

Income tax expense comprises current and deferred tax. Current tax and deferred tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantively enacted at the reporting date and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

4. Significant accounting policies (continued)

(c) *Income tax expense (continued)*

Deferred tax (continued)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(d) *Foreign currency transactions*

Transactions in foreign currencies are translated at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to United States Dollar (USD) at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of transaction. Foreign exchange differences arising on translation are recognised in profit or loss.

(e) *Investments in subsidiaries*

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investments in subsidiaries are initially shown at cost. Where an indication of impairment exists, the recoverable amount of the investment is assessed. Where the carrying amount of an investment is greater than its recoverable amount, it is written down immediately to its recoverable amount and the difference is charged to profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

(f) *Consolidated financial statements*

The Company owns 54.53% in Jain Europe Ltd, UK and 59.62% in Jain America Holding Inc. The Company has taken advantage of the exemption provided by the Mauritius Companies Act allowing a wholly owned or virtually wholly owned parent company holding a Global Business Licence not to present consolidated financial statements. The financial statements are separate financial statements which contain information about JISL Overseas Limited as an individual company and do not contain consolidated financial information as the parent of a group.

(g) *Related parties*

For the purposes of these financial statements, parties are considered to be related to the Company if they have the ability, directly or indirectly, to control the Company or exercise significant influence over the Company in making financial and operating decisions, or vice versa, or where the Company is subject to common control or common significant influence. Related parties may be individuals or other entities.

JISL Overseas Limited

Notes to and forming part of the financial statements *for the year ended 31 March 2022*

4. Significant accounting policies (continued)

(h) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

(i) Financial instruments

(i) Recognition and initial measurement

- (a) All financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.
- (b) A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement and gains and losses

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income – debt investment; fair value through other comprehensive income – equity investment; or fair value through profit or loss. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at fair value through other comprehensive income if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

JISL Overseas Limited

Notes to and forming part of the financial statements *for the year ended 31 March 2022*

4. Significant accounting policies (continued)

(i) *Financial instruments (continued)*

(ii) *Classification and subsequent measurement and gains and losses (continued)*

Financial assets – Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- How managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

4. Significant accounting policies (continued)

(i) Financial instruments (continued)

(ii) Classification and subsequent measurement and gains and losses (continued)

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest (continued)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated initial as consistent with this criterion if the fair value of the prepayment feature is insignificant at recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
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Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial asset

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

JISL Overseas Limited

Notes to and forming part of the financial statements *for the year ended 31 March 2022*

4. Significant accounting policies (continued)

(i) *Financial instruments (continued)*

(iii) *Derecognition (continued)*

Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) *Offsetting*

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when, and only when, the Company has a legal right to set off the recognised amounts and it intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income and expenses are presented on a net basis only when permitted under IFRSs, for example, for gains and losses arising from a group of similar transactions, such as gains and losses from financial instruments at fair value through profit or loss.

(v) *Fair value measurement principles*

‘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 in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

The Company measures the fair value of an instrument, using valuation techniques that minimise the use of relevant observable inputs and minimise the use of unobservable inputs, if there is no quoted price in an active market. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

(vi) *Impairment*

Non-derivative financial assets

The Company recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

4. Significant accounting policies (continued)

(j) Stated capital

Ordinary shares are classified as equity.

(k) New standards, interpretations and amendments to existing standards in issue but not yet effective (continued)

A number of new standards and amendments to standards and interpretation, that have been issued but are not yet effective up to the date of issuance of the Company's financial statements, and have not been applied in preparing these financial statements. None of these is expected to have a significant effect on the financial statements of the Company, except for the following standards in this note:

Standards and interpretations	Key requirements	Effective date
Classification of Liabilities as Current or Non-current – Amendments to IAS 1	The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 01 January 2023.	01 January 2023
Reference to the Conceptual Framework – Amendments to IFRS 3	Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date.	01 January 2022
Onerous Contracts – Cost of Fulfilling a Contract Amendments to IAS 37	The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.	01 January 2022

JISL Overseas Limited

Notes to and forming part of the financial statements
for the year ended 31 March 2022

4. Significant accounting policies (continued)

(k) New standards, interpretations and amendments to existing standards in issue but not yet effective (continued)

Standards and interpretations	Key requirements	Effective date
Annual Improvements to IFRS Standards 2018–2020	<p>The following improvements were finalised in May 2020:</p> <ul style="list-style-type: none"> • IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities. • IFRS 1 First-time Adoption of International Financial Reporting Standards – allows entities that have measured their assets and liabilities at carrying amounts recorded in their parent’s books to also measure any cumulative translation differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures that have taken the same IFRS 1 exemption. 	01 January 2022
Definition of Accounting Estimates - Amendments to IAS 8	<p>Estimates– Amendments to IAS 8 The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.</p>	01 January 2023
Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	<p>The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is ‘material accounting policy information’ and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.</p>	01 January 2023

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

4. Significant accounting policies (continued)

(k) *New standards, interpretations and amendments to existing standards in issue but not yet effective (continued)*

Standards and interpretations	Key requirements	Effective date
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	<p>The amendments to IAS 12 Income Taxes require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.</p> <p>The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:</p> <ul style="list-style-type: none">- right-of-use assets and lease liabilities, and- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. <p>The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.</p>	01 January 2023

5. Critical accounting estimates and judgments

The Company makes estimates and judgments that affect the reported amounts of assets and liabilities within the next year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgements

In the process of applying the Company's accounting policies, management has made the following judgements which have the most significant effect on the amounts recognised in the financial statements.

Going Concern

In early 2020, the emergence of the Covid-19 (Coronavirus) pandemic has led to significant volatility and declines in the global markets. The directors are monitoring the evolving situation closely and evaluating its potential exposure and believe that Covid-19 did not have any material impact on the Company's operations at reporting date.

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

5. Critical accounting estimates and judgments (continued)

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising thereon are dependent on the functional currency selected. As described in Note 2(c), the directors have considered those factors therein and have determined that the functional currency of the Company is the USD.

6. Income tax expense

The Company, being resident in Mauritius, is liable to income tax in Mauritius on its chargeable income at the rate of 15%. The Company has received its Category 1 Global Business Licence ("GBL1") before 16 October 2017 and is grandfathered under the provisions of the Finance (Miscellaneous Provisions) Act 2018 ("FA 2018"). As from 01 July 2021, the Company's GBL1 licence has converted to a Global Business Licence ("GBL"). The Company will therefore operate under the current tax regime up to 30 June 2021.

Until 30 June 2021, the Company's foreign sourced income is eligible for a foreign tax credit which is computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the actual foreign tax charged by the foreign jurisdiction or a deemed foreign tax. The deemed amount of foreign tax is based on 80% of the Mauritian tax on the relevant foreign sourced income. In computing its total actual foreign tax credit, the Company is allowed to pool all its foreign sourced income.

Under the new regime, the Company will be able to claim a 80% partial exemption on specific types of income (including foreign dividends and interest), subject to meeting pre-defined substance conditions. As an alternative to the exemption, the Company can claim a tax credit against its Mauritius tax liability based on actual foreign tax charged.

No provision for income tax has been made in the financial statements as the Company has accumulated tax losses amounting to **USD 2,050,573** as at 31 March 2022 (2021: USD 1,642,201). The accumulated tax losses are available for set off against future taxable profits as shown below:

	USD
<i>Up to years ending:</i>	
31 March 2023	408,834
31 March 2024	411,217
31 March 2025	415,545
31 March 2026	406,605
31 March 2027	408,372

	2,050,573
	=====

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

6. Income tax expense (continued)

Recognised in the statement of profit or loss and other comprehensive income

	2022 USD	2021 USD
Current income tax	-	-
<i>Reconciliation of effective tax</i>		
Loss before tax	(408,566)	(406,605)
Income tax at 15 %	(61,285)	(60,991)
Non-allowable expense	29	-
Foreign tax credit	-	48,793
Deferred tax not recognised	61,256	12,198
Income tax expense	-	-

Deferred tax

The temporary difference on which a deferred tax asset has not been recognised at 31 March 2021 amounting to **USD 307,586** (2020: USD 49,266) relates to accumulated tax losses.

7. Investments in subsidiaries

Investments in subsidiaries consist of unquoted shares.

	2022 USD	2021 USD
<i>Cost:</i>		
At start/ end of year	63,956,409	63,956,409

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

7. Investments in subsidiaries (continued)

Details of the subsidiaries are as follows:

<i>Name of investee companies</i>	<i>Type and number of shares</i>	<i>2022 & 2021 % held</i>	<i>Country of incorporation</i>	<i>Cost USD</i>
Jain America Holding Inc (JAH)	78 Class A Ordinary shares	100%	USA	453,146
	9,216 Class B Ordinary shares	59.41% & 69.27%	USA	53,307,056
Jain (Europe) Limited	5,995,500 Ordinary shares	54.53%	UK	10,196,207
Total				63,956,409

The directors are of opinion that the above investments have not suffered any impairment and are fairly stated at cost.

8. Stated capital

	2022 USD	2021 USD
<i>Issued and fully paid</i>		
62,305,891 Ordinary shares of USD 1 each	62,305,891	62,305,891

9. Loan from related parties

	2022 USD	2021 USD
Non-current liability		
<i>Fellow Subsidiary</i>		
At end of the year	-	5,200,000
Current liabilities		
Loan from Fellow Subsidiary	5,200,000	-
Loan from Subsidiary	25,000	10,000
At end of the year	5,225,000	10,000
Total (Note 11)	5,225,000	5,210,000

The loan from related party of USD 5,200,000 is unsecured, bears an interest of 7.5% per annum and is repayable on demand.

The loan from related party of USD 25,000 is unsecured, bears an interest of 7.5% per annum and is repayable on demand.

During the year under review, the total interests charged was **USD 396,783** (2021: USD 395,821).

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

10. Other payables

	2022 USD	2021 USD
Interests payables (Note 11)	2,043,855	1,647,072
Accruals	5,680	7,680
	<u>2,049,535</u>	<u>1,654,752</u>

11. Related party transactions

During the year under review, the Company entered into the following related party transactions.

Name of related parties	Type of relationship	Nature of transactions	2022 USD	2021 USD
<i>Transactions during the year:</i>				
Jain International Trading B.V.	Fellow subsidiary	Interest expense	395,417	395,417
Jain (Europe) Limited	Subsidiary	Loan received	15,000	10,000
		Interest expense	1,366	404

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Balances outstanding as at year end:

Jain International Trading B.V.	Fellow subsidiary	Loan payable (Note 9)	<u>5,200,000</u>	<u>5,200,000</u>
		Interest payable (Note 10)	<u>2,042,085</u>	<u>1,646,668</u>
Jain (Europe) Limited	Subsidiary	Loan payable (Note 9)	<u>25,000</u>	<u>10,000</u>
		Interest payable (Note 10)	<u>1,770</u>	<u>404</u>

Fees paid to key management personnel

Professional fees of **USD 434** have been incurred by the Company for the year ended 31 March 2022 (2021: USD 2,110) in relation to directorship services rendered by the resident directors. However, these fees are not paid to individual director but to the Company's administrator.

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

12. Financial instruments and associated risks

Overview

The Company has exposure to the following risks from its use of financial instruments:

- Market risk
- Credit risk
- Liquidity risk

The Board of Directors has the overall responsibility for the determination of the Company's risk management objectives and policies. The Company's overall risk management policies focuses on the volatility of financial markets and seeks to minimise potential adverse effects on the Company's financial performance and flexibility. The Company's activities expose it to a variety of financial risks; market risk, credit risk and liquidity risk.

The Company's financial instruments comprise of cash and cash equivalents, loan from related parties and other payables.

Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows or the fair values of financial instruments. The Company's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature or are repriced at different times or in different amounts. In the case of floating rate assets and liabilities the Company is also exposed to basis risk, which is the difference in repricing characteristics of the various floating rate indices, such as the base lending rate and different types of interest.

At the reporting date, the interest rate profile of the Company's interest-earning and interest bearing financial instruments were:

	2022 USD	2021 USD
Variable rate instruments		
<i>Financial asset</i>		
Cash and cash equivalents	4,779	3,562
Fixed rate instruments		
<i>Financial liability</i>		
Loan from related parties	(5,225,000)	(5,210,000)

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

12. Financial instruments and associated risks (continued)

Market risk (continued)

Interest rate risk (continued)

The table below indicates the approximate change in the Company's post-tax profit and equity in response to reasonable possible changes in the interest rates to which the Company has significant exposure at the reporting date.

	Increase/ (decrease) in interest rates	Effect on post tax profit and equity	
		2022 USD	2021 USD
Increase in interest rate	+0.1%	-	-
Decrease in interest rate	-0.1%	-	-

Currency risk

Foreign exchange risk is the risk that the fair value of future cash flows of financial instrument will fluctuate because of changes in foreign exchange rate. The Company's significant financial assets and liabilities are denominated in its functional currency, the United States Dollar ("USD"). Consequently, the Company is not exposed to such risk.

Credit risk

Credit risk represents the potential loss that the Company would incur if counter parties fail to perform pursuant to the terms of their obligations to the Company.

The Company's credit risk arises from cash and cash equivalents. The Company's policy over credit risk is to minimise its exposure to counterparties with perceived higher risk of default by dealing only with counterparties having a good credit rating and management does not expect counterparties to fail to meet their obligations. The Company's policy is to maintain its cash balances with a reputed banking institution and to monitor the placement of cash balances on an ongoing basis.

At the reporting date, the Company's exposure to credit risk was as follows:

	2022 USD	2021 USD
Cash and cash equivalents	4,779	3,562

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The exposure to credit risk on cash and cash equivalents is monitored on an ongoing basis by management and it is considered recoverable.

JISL Overseas Limited

Notes to and forming part of the financial statements for the year ended 31 March 2022

12. Financial instruments and associated risks (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure that it will always have sufficient liquidity to meet its liabilities when they become due without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities:

	Repayable on demand USD	Less than 1 year USD	More than one year USD	Total USD
31 March 2022				
Financial liabilities				
Loan from related parties	5,225,000	-	-	5,225,000
Other payables	-	2,049,535	-	2,049,535
	<u>5,225,000</u>	<u>2,049,535</u>	<u>-</u>	<u>7,274,535</u>
Total financial liabilities	5,225,000	2,049,535	-	7,274,535
31 March 2021				
Financial liabilities				
Loan from related parties	-	10,000	5,200,000	5,210,000
Other payables	-	1,654,752	-	1,654,752
	<u>-</u>	<u>1,664,752</u>	<u>5,200,000</u>	<u>6,864,752</u>
Total financial liabilities	-	1,664,752	5,200,000	6,864,752

Fair value estimation

	Financial assets at amortised cost USD	Financial liabilities at amortised cost USD	Total USD
31 March 2022			
Financial assets not measured at fair value			
Cash and cash equivalents	4,779	-	4,779
	<u>4,779</u>	<u>-</u>	<u>4,779</u>
Financial liabilities not measured at fair value			
Loan from related parties	-	5,225,000	5,225,000
Other payables	-	2,049,535	2,049,535
	<u>-</u>	<u>7,274,535</u>	<u>7,274,535</u>
Total financial liabilities not measured at fair value	-	7,274,535	7,274,535
31 March 2021			
Financial assets not measured at fair value			
Cash and cash equivalents	3,562	-	3,562
	<u>3,562</u>	<u>-</u>	<u>3,562</u>
Financial liabilities not measured at fair value			
Loan from related parties	-	5,210,000	5,210,000
Other payables	-	1,654,752	1,654,752
	<u>-</u>	<u>6,864,752</u>	<u>6,864,752</u>
Total financial liabilities not measured at fair value	-	6,864,752	6,864,752

JISL Overseas Limited

Notes to and forming part of the financial statements *for the year ended 31 March 2022*

13. Capital risk management

The Company's primary objective when managing capital is to safeguard the Company's ability to continue as a going concern. The Company defines "capital" as including all components of equity. The Company's capital structure is regularly reviewed and managed with due regard to the capital management practices of the Company. Adjustments are made to the capital structure in light of changes in economic conditions affecting the Company. The results of the directors' review of the Company's capital structure are used as a basis for the determination of the level of dividends, if any, that are declared.

14. Holding and ultimate holding company

The directors regard Jain Irrigation System Limited, a company incorporated in India, as the Company's immediate and ultimate holding company.

15. Events after the reporting date

There have been no material events after the reporting date which would require disclosure or adjustments to the financial statements for the year ended 31 March 2022.