

FINANCIAL STATEMENTS

Jindal Saw USA, LLC **Standalone Financial Statements**

For the Year Ended March 31, 2021 and March 31, 2020
Along with Report of Independent Auditor

Rakesh Jain, CPA PC
Certified Public Accountant

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Jindal Saw USA, LLC

STANDALONE FINANCIAL STATEMENTS

For the Year Ended March 31, 2021 and March 31, 2020

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REPORT OF INDEPENDENT AUDITOR

To
The Board of Managers,
Jindal Saw USA, LLC
Baytown, Texas

We have audited the accompanying financial statements of Jindal Saw USA, LLC a Texas Limited Liability Corporation (a single member LLC owned by S.V. Trading Ltd. a Saint Kitts & Nevis corporation), which comprise the balance sheets as of March 31, 2021 and 2020, and related statements of operations, changes in member's capital and cash flows for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

As discussed in Note 2 to these financial statements, which are for Jindal Saw USA, LLC standalone financial statements, the company reports its investment in Drill Pipe International LLC, a 100% owned subsidiary on the cost method of accounting.

These financial statements do not consolidate the financial position or results of operations from its subsidiary in accordance with Generally Accepted Accounting Principles accepted in the United States of America and are not intend to be a full presentation under generally accepted accounting principles. In our opinion, disclosure of this information is required by the accounting principles generally accepted in the United States of America.

Opinion

In our opinion, except for the effects of not consolidating 100% owned subsidiary, as discussed in the Basis of Qualified Opinion paragraphs, the financials referred to in the first paragraph present fairly, in all material respects, the financial position of Jindal Saw USA, LLC as of March 31, 2021 and 2020 and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Rakesh Jain, CPA PC

Rakesh Jain, CPA
Rakesh Jain, CPA PC
Certified Public Accountant

Place: - Houston, TX

Date: - May 13, 2021

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FINANCIAL STATEMENTS

Jindal Saw USA, LLC**Balance Sheet****As of March 31, 2021 and March 31, 2020**

Particulars	As of March 31, 2021	As of March 31, 2020
Assets		
Current Assets		
Cash and cash equivalents	\$ 51,517	\$ 39,667
Accounts receivables:		
Trade receivables (Net of provision for doubtful accounts \$ 370,173)	1,942,877	2,729,078
Intercompany receivables	18,344,032	10,304,351
Intercompany receivables - Interest	5,525	5,525
Others	264,540	264,540
Inventories	8,045,481	21,270,682
Prepaid expense	265,689	246,884
Loans and advances	8,645,647	2,178,198
Deferred tax asset	2,288,087	1,226,921
Total Current Assets	39,853,395	38,265,846
Investment in share capital of Drill Pipe International, LLC	7,464,769	7,464,769
Investment in share capital of Jindal Pipe USA Inc.	15,000	15,000
Property, Plant & Equipment, (Net)	58,092,492	50,101,797
Total Assets	\$ 105,425,656	\$ 95,847,412

See notes to financial statements

Jindal Saw USA, LLC

Balance Sheet

As of March 31, 2021 and March 31, 2020

Particulars	As of March 31, 2021	As of March 31, 2020
Liabilities and Member's Equity		
Current Liabilities		
Account payable - trade	\$ 10,223,460	\$ 3,385,491
Account payable trade - inter company	644,294	63,352
Current portion of long term loan	951,251	2,032,704
Line of Credit	20,000,000	11,750,000
Overdrawn checks	1,417,963	717,655
Accrued expenses	82,324	102,339
Advance from customers	559,905	21,672
Other current liabilities	480,077	478,411
Provision for taxes	-	963,012
Total Current Liabilities	34,359,274	19,514,636
Long-term debt, net of current portions :		
Long term loan	11,533,309	12,506,514
Interest payable - inter company	2,228,166	2,228,166
Total long-term debt	13,761,475	14,734,680
Non Current Deferred tax liability	2,774,815	3,161,210
Total Liabilities	50,895,564	37,410,526
Membership interest		
Membership interest	54,530,092	58,436,886
Total Member's Equity	54,530,092	58,436,886
Total Liabilities and Member's Equity	\$ 105,425,656	\$ 95,847,412

See notes to financial statements

Jindal Saw USA, LLC
Statement of Income from Operations
For the Year Ended March 31, 2021 and March 31, 2020

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Sales	\$ 24,555,876	\$ 69,348,598
Cost of Sales - Materials, Labor and Other Costs	23,913,150	60,864,291
Gross Profit	642,726	8,484,307
Selling, General and Administrative Expenses		
Selling, General and Administrative Expenses	3,182,082	3,790,316
Finance Charges	9,594	7,680
Depreciation Expense	2,539,303	2,600,459
Total Selling, General and Administrative Expenses	5,730,979	6,398,455
Operating Income (Expenses):	(5,088,253)	2,085,852
Other Income (Expenses):		
Other Income	28,857	364,783
Interest expense	(378,472)	(491,307)
Interest Income	10,100	97,301
Total Other Income (Expenses), net	(339,515)	(29,223)
Income before income taxes	(5,427,768)	2,056,629
Income Taxes		
Current income tax expense	-	963,012
Income tax - Prior period tax adjustment	(73,414)	(3,319)
Deferred tax expense/(benefit)	(1,447,562)	(722,145)
Total Income Taxes	(1,520,976)	237,548
Net Income (loss)	\$ (3,906,792)	\$ 1,819,081

See notes to financial statements

Jindal Saw USA, LLC

Statement of Changes in Member's Interest

For the Year Ended March 31, 2021 and March 31, 2020

Particulars	Member's Stated Capital Account	Additional Capital Contributed	Net Income for the year / Period	Retained Earnings	Total Membership Interest
Balance as of March 31, 2019	\$ 10,000,000	\$ 5,000,000	\$ -	\$ 41,617,803	\$ 56,617,803
Profit and loss for the year ended March 31, 2020	-	-	1,819,081	-	1,819,081
Adjustment	-	-	(1,819,081)	1,819,081	-
Balance as of March 31, 2020	10,000,000	5,000,000	-	43,436,884	58,436,884
Profit and loss for the year ended March 31, 2021	-	-	(3,906,792)	-	(3,906,792)
Balance as of March 31, 2021	\$ 10,000,000	\$ 5,000,000	\$ (3,906,792)	\$ 43,436,884	\$ 54,530,092

See notes to financial statements

Jindal Saw USA, LLC
Statement of Cash Flows
For the Year Ended March 31, 2021 and March 31, 2020

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash Flows From Operating Activities:		
Net income	\$ (3,906,792)	\$ 1,819,081
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	2,539,303	2,600,459
Changes in operating assets and liabilities:		
(Increase)/decrease in trade receivables	786,201	920,684
(Increase)/decrease in intercompany receivables	(8,039,680)	6,236,448
(Increase)/decrease in inventories	13,225,201	(15,795,127)
(Increase)/decrease in prepaid expenses and deposits	(18,806)	(130,416)
(Increase)/decrease in Loans and advances	(6,467,450)	2,970,184
(Increase)/decrease in Deferred Taxes	(1,061,166)	(53,870)
Increase/(decrease) in account payable - trade	6,837,969	(545,832)
Increase/(decrease) in account payable - trade (inter company)	580,942	18,585
Increase/(decrease) in deferred tax liability	(386,396)	(668,276)
Increase/(decrease) in line of credit	8,250,000	11,750,000
Increase/(decrease) in overdrawn checks	700,308	717,655
Increase/(decrease) in current portion of note payable to banks	(1,081,453)	(11,564)
Increase/(Decrease) in accrued expenses	(20,015)	(519,815)
Increase/(Decrease) in provision for taxes	(963,013)	(1,485,836)
Increase/(Decrease) in advance from customers	538,234	9,800
Increase/(Decrease) in other current liabilities	1,666	3,773
Net cash provided/(used) by operating activities	11,515,053	7,835,933
Cash Flows from Investing Activities:		
Net Change in Fixed assets	(10,529,998)	(11,418,986)
Share application money with Jindal Tubular USA LLC	-	735,000
Share application money with Jindal Pipe USA Inc.	-	-
Net cash used in investing activities:	(10,529,998)	(10,683,986)
Cash Flows from Financing Activities:		
Increase/(Decrease) in Long term loan	(973,205)	(2,043,454)
Net cash used in financing activities:	(973,205)	(2,043,454)
Net Increase/(decrease) in cash and cash equivalents	11,850	(4,891,507)
Cash and cash equivalents at the beginning of year	39,667	4,931,174
Cash and cash equivalents at the end of year	\$ 51,517	\$ 39,667
Supplemental Cash Flow Information		
Federal income taxes provision	-	963,012
Interest provided	\$ (378,472)	\$ (491,307)

See notes to financial statements

Jindal Saw USA, LLC

Notes to Financial Statements

For the Year Ended March 31, 2021 and March 2020

Note 1 – Organization and Operations

Jindal Saw USA, LLC (the "Company") is a Texas Limited Liability Company, which was incorporated in year 2007. The Company is a single member LLC which is 100% owned by S.V. Trading Ltd. a Saint Kitts & Nevis corporation, which is indirectly owned by Jindal Saw Ltd., India. The operations consist of steel pipe double jointing and pipe coating facilities for steel up to 48 inches in diameter in Baytown Texas. The pipe processed is not owned by the Company but is processed for the customer based on specification required.

The Company made a net profit before tax:

Particulars	As of March 31, 2021	As of March 31, 2020
Net profit before tax	\$ (5,427,768)	\$ 2,056,629
Total	\$ (5,427,768)	\$ 2,056,629

On May 22, 2014, the company acquired 100% interest in Drill Pipe International, LLC (a Minnesota limited liability company) and registered in the state of Texas as foreign corporation to transact business in Texas, which is in the business of drill pipe production and selling in Minnesota and Texas States.

The Company engages in business activities which involve various risks, and future success is dependent upon a number of factors which include, among others, generating sufficient revenues, the market demand and price for the company's products, the price of raw materials and obtaining the necessary funds.

Note 2 – Significant Accounting Policies

The financial statements are prepared under accounting principles generally accepted in the United States of America ("GAAP"), except that the subsidiary of the Company is recorded on the cost basis and not consolidated in these financial statements. The following notes describe the significant accounting policies:

2.1 Principles of Consolidation

The consolidated financial statements of Jindal Saw USA, LLC include the financial statements of the Company and its entire controlled subsidiary. All significant intercompany balances and transactions have been eliminated in consolidation. The Company did not have Variable Interest Entities ("VIE") as of March 31, 2021.

A VIE is an entity where less than 100% interest is owned, and through a series of tests, an owner is shown to have control over that entity and would be required to consolidate that entity. The subsidiary of Jindal Saw USA, LLC is wholly owned and require consolidation.

2.2 Reclassification of Prior Year Amounts

Certain prior year amounts have been reclassified to confirm to the current year presentation. These reclassifications had no effect on previously reported results of operations.

Notes to Financial Statements

For the Year Ended March 31, 2021 and March 2020

2.3 Use of Estimates in Financial Statements

The preparation of financial statements, in conformity with the Generally Accepted Accounting Principles (GAAP) used in the United States of America, requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported year. Significant estimates include estimated future life in determining current depreciation rates under the depreciation method, estimated amounts for uncollectible accounts receivables and the estimated present value of the Company's note payable to seller. Actual results could differ from those estimates.

2.4 Revenue Recognition

Revenue is recognized generally when the pipe double jointing or coating processes has been completed and accepted by the customer. The revenue is recognized when the following has been satisfied:

1. The Company has completed the processes and the customer has inspected and accepted the pipe;
2. The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
3. The amount of revenue can be measured reliably.
4. It is probable that the economic benefits associated with the transaction will flow to the Company and the amount is collectible; and
5. The costs incurred, or to be incurred in respect of the transaction, can be measured reliably.

2.5 Allowance for Doubtful Accounts

Bad debts are provided by using the allowance method based upon historical experience and management's evaluation of outstanding accounts receivable at the balance sheet date for receivables that may not be fully collectible. Management's evaluation also includes potential non- payment due to product claims by customers. The Company's receivables are mainly receivables from trade receivables.

Management believes that the total accounts receivables are as follows:

Particulars	As of March 31, 2021	As of March 31, 2020
Allowance for doubtful accounts	\$ 370,173	\$ 370,173
Total	\$ 370,173	\$ 370,173

2.6 Inventories

Inventories consist of raw materials, consumables, small tools, such as coating powder and paint used in the operations and is valued at the lower of cost or market value using the first in first out cost method. Costs consist of price paid for the inventory plus costs incurred in bringing the products to present locations.

Notes to Financial Statements**For the Year Ended March 31, 2021 and March 2020**

Inventory consists of the following:

Particulars	As of March 31, 2021	As of March 31, 2020
Raw Material	\$ 1,751,021	\$ 1,785,216
Stores & Spares	5,166,329	4,916,876
Loose Tools and others	160,715	162,470
Capital Items	375,722	14,099,758
Finished Goods	306,362	306,362
Good in transit	285,331	-
Total	\$ 8,045,481	\$ 21,270,682

Capital items include ERW Plant and Machinery amounting \$ 13,396,388 purchased during the year ended March 31, 2020 from China on behalf of Jindal Pipe USA Inc. This transaction is in accordance with business agreement between Jindal SAW USA, LLC and Estrela Investment Company Limited, wherein, Jindal SAW USA, LLC shall provide all necessary support and facilities to Jindal Pipe USA Inc. On September 26, 2020 this plant was then sold to Jindal Pipe USA Inc.

2.7 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation. Depreciation is calculated over the estimated useful lives of the assets using the straight-line method; however, land is not depreciated.

The Company uses straight-line depreciation method for machinery and equipment in manufacturing and processing operations and for certain other manufacturing equipment. Expenditure for renewals and improvements are capitalized; repairs and maintenance are charged to expense as incurred.

The Company reviews property and equipment for impairment whenever events or changes in circumstances indicate the carrying value of an asset may not be fully recoverable. Based on yearic assessments of realizability of its long-term assets and the analysis of undiscounted cash flows for its long-term assets, no impairment of long-term assets needs to be recognized by the company.

2.8 Federal Income Taxes

The Company has elected to be taxed as a corporation under the Federal tax laws. The company records income taxes pursuant to the liability method. Deferred tax assets and liabilities are recorded based upon differences between the financial statement and tax bases of assets and liabilities and the available tax carry forwards. A deferred tax valuation allowance is recorded to state deferred tax assets at the estimated net realizable value.

2.9 Concentration of Credit Risk

Financial instruments which potentially subject the Company to a concentration of credit risk consist principally of cash and accounts receivable. The Company maintains cash balances at financial institutions which may at times be in excess of federally insured levels. The Company has not incurred losses related to these balances to date.

Notes to Financial Statements

For the Year Ended March 31, 2021 and March 2020

During the year ended March 31, 2021, the company had four customers which represented 79% of total revenue, whereas, for the year ended March 31, 2020, the company had Company's 66% of the total revenue is through sales to one of its related parties.

2.10 Fair Value

Financial Accounting Standards Board ("FASB") Accounting Standard Codification ("ASC") 825, Financial Instruments, requires the disclosure of the fair value of financial instruments, as defined. Substantially, all of the Company's financial assets and liabilities are either valued at market or estimated fair value, or because of their short-term nature, approximate fair value. None of the company's assets or liabilities is subject to leveling under fair value hierarchy as required by ASC 820 Fair Value Measurements.

Note 3 – Property, Plant and Equipment

The Property, Plant and Equipment have been recorded at cost. The Property, Plant and Equipment as of March 31, 2021 and March 31, 2020 are as follows:

Particulars	Balance as of April 01, 2020	Additions during the Year	Retirements during the Year	Balance as of March 30, 2020	Useful Life (in Years)
Land	\$ 5,866,150	\$ -	\$ -	\$ 5,866,150	
Building	23,108,079	-	-	23,108,079	20 to 40
Plant & Machinery	27,084,259	-	(854,238)	26,230,021	15
Electric Installations	4,207,932	-	-	4,207,932	15
Office Equipment	154,530	-	-	154,530	15
Computer and Network	353,631	-	-	353,631	3
Furniture & Fixtures	179,171	-	-	179,171	3 to 5
Vehicles	1,025,706	102,360	(82,889)	1,045,176	5 to 15
Capital WIP	13,228,284	11,191,258	(189,313)	24,230,230	
Property, plant, and equipment, gross	\$ 75,207,742	\$ 11,293,618	\$ (1,126,440)	\$ 85,374,920	
Less: Accumulated Depreciation	(25,105,945)	(2,539,303)	362,820	(27,282,428)	
Property, plant and equipment, net	\$ 50,101,798			\$ 58,092,492	

Depreciation expense is as follows:

Particulars	As of March 31, 2021	As of March 31, 2020
Depreciation Expense	\$ 2,539,303	\$ 2,600,459
Total	\$ 635,350	\$ 2,600,459

Notes to Financial Statements

For the Year Ended March 31, 2021 and March 2020

Note 4 - Line of Credit

On March 15, 2019, The Company has entered into a Revolving Line of Credit Agreement with Bank of America, that provides flexible line of credit based on the needs and flow of operations of the Company. During the availability year, The Company may repay principal amounts and reborrow them. As of March 31, 2021, Company has a revolving line of credit facility of USD 20,000,000 which has fully utilized during the year.

The obligations under the agreement with the Bank, is secured by The Company as well as the guarantor. Both the parties (i.e. The Company and the guarantor) will secure the obligation through collaterals as listed below:

1. Equipment and fixtures,
2. Inventory and receivables
3. Patents, trademarks, and other general intangibles.

Repayment Terms

The Company shall pay interest, as on the last day of each month thereafter, until payment in full of all principal outstanding under this facility. The amount of each interest payment shall be the amount of accrued interest on the Line of Credit as of the interest payment date or such earlier accrual date as indicated on the billing statement for such interest payment. The interest rate per year will be equal to lesser of:

1. Maximum lawful rate of interest, or
2. LIBOR Daily floating rate plus 2.75 percent.

Note 5 - Debt

The Company's debt constitutes following vehicle, real estate, and equipment loan from Bank of America:

Particulars	Balance as of April 01, 2020	Additions during the Year	Repayments during the Year	Balance as of March 31, 2020	Average Rate of Interest
BOA Equipment Loan - I	\$ 1,766,498	\$ -	\$ 1,309,523	\$ 337,926	3.23%
BOA Equipment Loan - II	539,410	-	395,134	263,325	3.53%
BOA Real Estate Loan	5,716,667	-	350,000	5,016,667	5.73%
Loan from S.V. Trading Ltd.	6,516,642	-	-	6,516,642	
Total Debt (Current + Non-Current)	\$ 4,539,218	\$ -	\$ 2,054,657	\$ 12,484,560	

Jindal Saw USA, LLC**Notes to Financial Statements****For the Year Ended March 31, 2021 and March 2020**

Repayment schedule is as follows:

Particulars	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2023-24	Thereafter
BOA Equipment Loan – I	\$ 456,975	\$ -	\$ -	\$ -
BOA Equipment Loan - II	144,276	-	-	-
BOA Real Estate Loan	\$ 350,000	\$ 350,000	\$ 350,000	\$ 4,316,667

Bifurcation of Debt into Current and Non-Current

Particulars	Balance as of March 31, 2021	Balance as of March 31, 2020
Current Portion of Long Term Loan	\$ 951,251	\$ 2,032,704
Non-Current Portion of Long Term Loan	\$ 11,533,309	\$ 12,506,514
Total	\$ 12,484,560	\$ 14,539,218

Note 6 – Long Term Loan

The Company has received a long term loan during the year under the Paycheck Protection Plan granted as a part of stimulus package by the US Government. Small Business Administration (SBA) will forgive this loan by the end of the year if all employee retention criteria are met, and the fund are used for eligible expenses.

Company has received the waiver from the government regarding Small Business Administration (SBA) loan at the end of the year as company has utilised the amount for eligible expenses. Loan amount \$ 733,997 waived off during the year has been adjusted from the payroll in the income statement, no separate disclosures in the financial statement are made as currently there is no authoritative guidance in U.S.GAAP on disclosure requirements for government grants (including forgivable loans from the government) received by business entities.

Note 7 - Intercompany, Related Party and Affiliates Disclosure Information

In the current year, the Company has transactions with related parties including companies affiliated through common ownership of the member who owns the Company. The Company has transactions mainly with S.V. Trading Ltd., Jindal Saw Ltd., India, Jindal Saw Gulf Ltd, World Transload & Logistics, LLC and its subsidiary, Drill Pipe International, LLC and Jindal Tubular USA LLC.

Intercompany Trade Receivables

Particulars	As of March 31, 2021	As of March 31, 2020
Receivables from Drill Pipe International, LLC	\$ 5,563,017	\$ 5,325,285
Receivables from Jindal Tubular USA LLC	193,000	444,711
Drill Pipe International, LLC - interest receivable on loan	5,525	5,525

Jindal Saw USA, LLC**Notes to Financial Statements****For the Year Ended March 31, 2021 and March 2020****Intercompany Trade Receivables (continued)**

Particulars	As of March 31, 2021	As of March 31, 2020
Receivables from Jindal Saw Ltd., India	48,238	58,564
Receivable from Jindal Pipe USA Inc.	12,539,777	4,456,142
Receivables from Tube Technologies Inc.	-	\$ 19,650

Intercompany Trade Payables

Particulars	As of March 31, 2021	As of March 31, 2020
Loans from SV Trading Limited	\$ 6,516,642	\$ 6,516,642
Accounts payable Drill Pipe International, LLC	1,151	1,151
Accounts payable trade – Jindal Saw Ltd New Delhi	643,143	62,201
Interest payable to S.V. Trading Ltd.	2,228,166	2,228,166

Intercompany Transactions

Particulars	As of March 31, 2021	As of March 31, 2020
Sale to Jindal Saw Ltd	\$ 847,207	\$ 40,675
Purchases from Jindal Saw Ltd., India	1,956,161	27,475,302
Job work processing income from Drill Pipe International	150,723	932,306
Labor, utilities and other expense reimbursement by Drill Pipe International	330,652	818,457
Fixed Asset Sale to Jindal Tubular USA, LLC	-	600,000
Raw Material Sale to Jindal Tubular USA, LLC	-	43,849,017
Labor, utilities and other expense reimbursement by Jindal Tubular USA, LLC	-	2,132,074
Reimbursement of Salary & Wages- Jindal Tubular USA, LLC	1,621,461	-
Interest on Loan - Jindal Pipe USA Inc.	483,553	-
Reimbursement of Salary & Wages- Jindal Pipe USA Inc.	6,633,596	-
Sale / service to Drill Pipe International LLC	-	16,813
Sale / service to Tube Technologies, Inc.	200	88,520
Sale to World Transload and Logistics, LLC	-	31,200
Sale / service to Jindal Pipe USA	\$ 14,031,126	\$ 2,551,595

Jindal Saw USA, LLC**Notes to Financial Statements****For the Year Ended March 31, 2021 and March 2020****Intercompany Advances**

Particulars	As of March 31, 2021	As of March 31, 2020
Advance from Jindal Pipe USA Inc.	\$ 485,467	\$ -

Investment in Subsidiary

Particulars	As of March 31, 2021	As of March 31, 2020
Investment in Drill Pipe International, LLC	\$ 7,464,769	\$ 7,464,769
Investment in share capital of Jindal Pipe USA Inc.	15,000	15,000
Share application money in Jindal Tubular USA LLC	-	-
Investment from SV Trading Limited	\$ 15,000,000	\$ 15,000,000

Note 8 – Income Taxes

The company has elected to file as a Corporation for federal tax purposes along with Drill Pipe International, LLC (100% subsidiary) on consolidated basis. The calculation of provision for taxes and deferred tax has been made on consolidated basis as well. The Company's deferred tax liabilities and deferred tax assets at March 31, 2021 and March 31, 2020 are as follows:

Particulars	As of March 31, 2021	As of March 31, 2020
Current deferred tax assets related to:		
Interest not currently deductible	\$ 467,915	\$ 467,915
Others	759,006	759,006
NOL Carried Forward	1,061,166	-
Total current deferred tax assets / (liability)	2,288,087	1,226,921
Tax depreciation greater than financial	(2,774,815)	(3,161,210)
Total non-current deferred tax asset / (liability)	(2,774,815)	(3,161,210)
Total Deferred tax assets / (liability)	\$ (486,727)	\$ (1,934,290)

The Company has a loss of \$ 3,906,792 for the year ended March 31, 2021, therefore, no provision for current income tax is required. The company's 100% subsidiary has loss of \$ 1,150,413 for the year ended March 31, 2021.

Note 9 – Commitments and Contingencies

9.1 Operating Leases

Rental expense under operating leases totaled \$ 30,391 for the year ended March 31, 2021. The Company had two equipment rental agreements as of March 31, 2020 which are operating leases. The rental agreements are short-term and cancellable and are not capital leases.

9.2 Contingencies

The company is subject to certain disputes and claims, which has arisen in the ordinary course of business. These actions, when ultimately concluded and determined, will not, in the opinion of management, have a material adverse effect on the financial position or results of operations of the company.

Note 10 – Note on Covid - 19

The Company's operations may be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID 19) which was declared a pandemic by the World Health Organization in March 2020. The ultimate disruption which may be caused by the outbreak is uncertain; however, it may result in a material adverse impact on the Company's financial position, operations and cash flows. Possible effects may include, but are not limited to, disruption to the Company's revenues and a decline in the value of its goodwill.

Note 11 – Subsequent Events

Management evaluates events occurring subsequent to the date of the balance sheet in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through May 13, 2021 which is the date the financial statements were available to be issued.