



CFF FLUID CONTROL LIMITED

Registered Office: Plot No 01, Survey No 96, Kumbhivli Madap Khopoli, Khalapur, Raigarh- 410203

NOTICE OF 10TH ANNUAL GENERAL MEETING

To The Shareholders of the Company,

With the unanimous written approval of the shareholders to hold shareholders meeting at shorter notice, NOTICE is hereby given that the 10th Annual General Meeting of CFF Fluid Control Limited will be held on Friday, September 30, 2022 at 03:00 P.M. at the Registered Office of the Company located at Plot No 01, Survey No 96, Kumbhivli Madap Khopoli, Khalapur, Raigarh-410203 to transact the following business:

Ordinary Business:

- 1. TO RECEIVE, CONSIDER AND ADOPT THE FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON.**
- 2. TO REAPPOINTMENT OF THE STATUTORY AUDITORS OF THE COMPANY.**

For this purpose, to consider and if deemed fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 read with The Companies [Audit and Auditors] Rules, 2014 and other applicable provisions [including any modification or re-enactment thereof] if any, of the Companies Act, 2013, M/s. V. N. Purohit & Co., Chartered Accountants (Firm Registration No. 304040E), be and is hereby re appointed as the Statutory Auditors of the Company to hold the office for the term of 5 years from beginning from 1st April 2021 to 31st March 2026 on such remuneration as may be mutually agreed upon between the said Auditors and Board of Directors of the Company”.

“FURTHER RESOLVED THAT, any director of the Company be and is hereby authorized to do all such acts, things and deeds as may be deemed necessary to give effect to the above stated resolutions.”

Special Business:

- 3. TO RE-DESIGNATION OF GAUTAM MAKKAR (DIN: 00354956) AS CHAIRPERSON & NON EXECUTIVE DIRECTOR:**

For this purpose, to consider and if deemed fit, to pass the following resolution as an **ORDINARY RESOLUTION**:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) the “Act” read with rule 8 and 18 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and subject to Articles of Association and consent of the members is and hereby accorded for change in designation from

CFF Fluid Control Limited

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CIN U28990MH2012PLC227023

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Director to Non Executive Director, liable to retire by rotation of Gautam Makkar (DIN: 00354956), for the period of 5 years with effect from September 30, 2022 to September 29, 2027.

RESOLVED FURTHER THAT pursuant to Section 152, 164, 165 & 184 of the Act (as amended or re-enacted from time to time) read with Rule 8 & 14 the Companies (Appointment and Qualifications of Directors) Rules 2014, the consent for appointment as Non-Executive Director of the Company given and she is not disqualified to be appointed as Director and that post appointment, her number of Directorships will be within the maximum number allowed under the Act duly laid before the meeting and initialed by the Chairman for purpose of identification, be and is hereby take note of.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any of the directors of the Company be and are hereby jointly and/or severally authorised, to do all acts, deeds, matters, and things as deem necessary, proper and desirable and to sign and execute all necessary documents, application and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-forms with the Registrar of Companies.”

4. TO RE-DESIGNATION OF SUNIL MENON (00409485) AS MANAGING DIRECTOR OF THE COMPANY

For this purpose, to consider and if deemed fit, to pass the following resolution as an **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 152, 196, 197, 198 & 203 read with Schedule V and the Rules framed there under and other applicable provisions, it any, of the Companies Act , (hereafter referred to as the "Act"), as amended from time to time, approval of the members of the company be and is hereby accorded for Re-designation of Sunil Menon (00409485) as the Managing Director of the company for a period of 5 Years w.e.f September 30, 2022 liable to retire by rotation, for a remuneration of upto Rs. One Crore Fifty Lakhs (Rs. 1,50,00,000) p.a.

RESOLVED FURTHER THAT SUNIL MENON (00409485) be paid

- a. Salary of Rs. 7 lakhs per month including PF, Gratuity, Superannuation and Contribution to NPS subject to revision every year by an increment not exceeding 10% as may be determined by the Board / Chairman, the first increment is due and payable in August 2023.
- b. Perquisites:-
 - i. Housing :- Fully furnished residential accommodation including outgoings of society charges, electricity and water etc. subject to maximum of Rs. 1 lakh per month
 - ii. Provident Fund – as per Company policy
 - iii. Superannuation – as per Company policy
 - iv. Gratuity – as per Company policy
 - v. Insurance – Personal Accident Insurance as per the Company’s guidelines.
 - vi. Mediclaim:- As per rules applicable to Managing Director grade of the Company.
 - vii. Leave:- Leave will full salary as per the rules of the Company. Leave accumulated but not availed may be encashed as per the rules of the Company.
 - viii. Car:- Company maintained cars with driver will be provided. All the expenses for maintenance and running of the car including salary of the driver to be borne by the Company. All expenses of car for private purposes will be reimbursed to the Company at actuals.
 - ix. Telephone: - Reimbursement of expenses at actuals.
 - x. Reimbursement of expenses, incurred by him on account of business of the company in accordance with the Company’s policy
 - xi. Reimbursement of any other expenses properly incurred by him in accordance with the policies of the Company.

RESOLVED FURTHER THAT the total remuneration paid shall not exceed Rs. One Crore Fifty Lakhs (Rs. 1,50,00,000) p.a.

RESOLVED FURTHER THAT where in any financial year during the tenure of the said Managing Director, the Company has no profits or inadequate profits, the remuneration to be paid shall be approved by the Board (including any committees thereof) not exceeding Rs. One Crore Fifty Lakhs (Rs. 1,50,00,000).

RESOLVED FURTHER THAT any of the Directors of the Company be and is/are hereby authorised on behalf of the board to sign, submit, attest, place papers and Form(s) for Certification, as if required and uploading with ROC Office through MCA Portal, to provide certified true copies of this resolution and is/are also authorize to take all necessary steps in pursuance of the matter and to file necessary forms, execute all needful compliance with regard to the matter, his/her or their all acts and deeds will be binding to the company.

5. TO APPROVAL FOR AUTHORIZATION TO THE BOARD OF DIRECTORS FOR CREATION OF PLEDGE, MORTGAGE AND / OR CHARGE ON ALL OR ANY PART OF MOVABLE / IMMOVABLE PROPERTIES OF THE COMPANY TO SECURE BORROWINGS UP TO RS. 500 CRORES PURSUANT TO UNDER SECTION 180(1)(a) OF THE COMPANIES ACT, 2013.

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any amendment thereto or re-enactment thereof) and upon recommendation of the Board of Directors, approval of members of the Company be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter called “the Board” which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to create charges, hypothecations, mortgages/equitable mortgages, on movable and/or immovable properties of the Company, present and/or future, in favor of banks, financial institutions, trustees of the holders of debentures/bonds and/or other instruments, hire purchase/lease companies, body corporate or any other person/ on such terms and conditions as the Board may deem fit, towards security for borrowings of the Company from time to time, provided that the total amount at any point of time not exceeding aggregate of Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only).”

“RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company be and are hereby authorized severally to file necessary e-forms with Registrar of Companies and to do and perform all such other acts, deeds and things as may be necessary or desirable to give effect to the above resolution.”

6. TO APPROVAL FOR AUTHORIZATION TO THE BOARD OF DIRECTORS OF POWER TO BORROW FUNDS PURSUANT TO PROVISIONS OF SECTION 180(1)(c) OF THE COMPANIES ACT, 2013, NOT EXCEEDING RS. 500 CRORES TO THE BOARD OF DIRECTORS FOR BORROWING FUNDS UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013

To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

“RESOLVED THAT in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, as amended from time to time and subject to Articles of the Company, consent of members pursuant thereto be and is hereby accorded to authorize the Board of Directors of the Company (hereinafter called “the Board” which term shall be deemed to include any Committee thereof, which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution and with the power to delegate such authority to any person or persons) to borrow from time to time any sum or sums of monies which together with the monies already borrowed by the company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital, free reserves and securities premium of the Company

provided that the total amount may be borrowed by the Board and outstanding at any point of time shall not at any time exceed Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only)".

"RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company be and are hereby authorized severally to file necessary e-forms with Registrar of Companies and to do and perform all such other acts, deeds and things as may be necessary or desirable to give effect to the above resolution."

7. TO APPROVAL FOR AUTHORIZATION TO THE BOARD OF DIRECTORS FOR GRANTING LOANS AND INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013 UPTO RS. 500 CRORES


To consider and, if thought fit, to pass with or without modification(s) the following resolution as a **SPECIAL RESOLUTION**:

"RESOLVED THAT in supersession of all earlier resolutions passed on the matter and pursuant to the provisions of Section 186 and other applicable provisions if any, of the Companies Act, 2013 read with the Companies (Meeting of the Board and its Powers) Rules, 2014 made there under amended from time to time, the consent of the members be and is hereby accorded to authorize the Board of Directors of the company (hereinafter called "the board" which term shall be deemed to include any Committee thereof, which the board may have constituted or hereinafter constitute to exercise its powers including powers conferred by this resolution and with the power to delegate such authority to any person or persons) for making Investments in other bodies corporate / giving Loans to any other person / providing Guarantees / Securities on behalf of loan availed by any other person, from time to time, on such terms and conditions and with or without security as the Board of Directors may think fit which, together with the investments made / loans given / guarantees / securities already made by the Company, which may exceed 60% of paid up capital and free reserves and securities premium OR 100% of free reserves and securities premium, that is to say, reserves not set apart for any specific purpose, whichever is more, provided that the total amount of investments made / loans given / guarantees / securities already made by the Company, shall not at any time exceed the limit of Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only)"

"RESOLVED FURTHER THAT any of the Director or Company Secretary of the Company be and are hereby authorized severally to file necessary e-forms with Registrar of Companies and to do and perform all such other acts, deeds and things as may be necessary or desirable to give effect to the above resolution."

By Order of the Board of Directors
For **CFF Fluid Control Limited**
(Formerly Known As CFF Fluid Control Private Limited)




Sunil Menon
Director
DIN: 00409485
September 15, 2022

NOTES:

1. A member entitled to attend and vote in the above meeting is entitled to appoint one or more proxies to attend and, on a poll, to vote instead of himself and proxy need not be a member.
2. The instrument appointing a proxy shall
 - a) Be in writing and;
 - b) Be signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorized by it.
3. A person can act as proxy on behalf of the member not exceeding Fifty (50) and holding in aggregate not more than 10% of the total share capital carrying voting rights.
4. A member holding more than 10% of the total share capital carrying voting rights may appoint single person as proxy and such person shall not act as proxy for any other person or shareholder.
5. Corporate members to authorize representative to attend the meeting through resolution.
6. Proxies in order to be effective should be lodged with the Company at the Registered Office of the Company at least 48 hours before the commencement of the meeting.
7. All the documents including registers of directors and KMP and their shareholding (section 70), Register of contracts or arrangements (Section 189), Register of Members and share transfer books etc. are open for inspection during the business hours of the company on all working days except Saturdays, Sundays and public holidays at the Registered Office of the company from September 26, 2015 till the conclusion of the meeting.
8. Every member entitled to vote at the meeting of the company may inspect the proxies lodged at time during the business hours of the company provided not less than Three (3) days' notice in writing of the intention to do so is given to the company.
9. Members are requested to bring the attendance slips along with their copies of the Notice to the meeting.

THE EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”), SETTING OUT THE MATERIAL FACTS RELATING TO SPECIAL BUSINESSES TO BE TRANSACTED AT THE 10TH ANNUAL GENERAL MEETING (“AGM”), AS SET OUT IN THIS NOTICE IS ANNEXED HERETO:

Special Business:

Item No. 3

TO RE-DESIGNATION OF GAUTAM MAKKAR (DIN: 00354956) AS CHAIRPERSON & NON EXECUTIVE DIRECTOR:

The Board of Directors of the Company (“the Board”) proposed to re-designate Gautam Makkar as Chairperson & Non-Executive Director of the Company and has shown his willingness to act as Non Executive Director of the Company.

The appointment of Gautam Makkar shall come in effect from September 30, 2022 and requires the approval of the Shareholders of the company by way of Ordinary Resolution passed in the Annual General Meeting as per provisions of section 152 and other applicable provisions, if any, of the Companies Act. 2013.

Based on the recommendation of the Board, the matter is recommended to the shareholders for their approval for re-designation of Gautam Makkar as a Non-Executive Director on such terms and conditions as mentioned in the Resolution.

All the Directors and/or Key Managerial personnel of the company and their relatives are concerned/ interested in the proposed re-designation of Gautam Makkar as a Non-Executive Director of the company.

The Directors recommend the aforesaid resolution for the approval by the members as Ordinary Resolution

Item No. 4

TO RE-DESIGNATION OF SUNIL MENON (00409485) AS MANAGING DIRECTOR OF THE COMPANY

The Board in its meeting dated September 15, 2022 proposed the Re-designation of Sunil Menon (00409485) as Managing Director of the Company for 5 years with Effect from September 30, 2022.

The approval of the shareholders is now sought for the aforesaid re-designation and remuneration (details as set out hereunder).

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED IN SCHEDULE V OF THE ACT

I. General information:

- 1. Nature of Industry:** Manufacturing of valves for marine and defense industry
- 2. Date or expected date of commencement of commercial production:** Company has received Certificate of incorporation on February 16, 2012.
- 3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:** Not Applicable.
- 4. Financial performance based on given indicators:**

Particulars	Year ended March 2022	Year ended March 2021
Net sales & Other Income	471239.11	148127.28

Operating Profit (Before interest, depreciation & Tax)	124379.24	29266.09
Profit/(Loss) Before Tax	103730.50	2608.91

5. **Foreign Investment or collaboration, if any:** CFF Fluid Control Limited has no foreign Collaboration and hence there is no equity participation by foreign Collaborators in the company.

1. **Information about the appointee:**

1	Background details	Sunil Menon is promoter and is associated with the company since inception.
2	Past remuneration (2021-22)	Nil
3	Age	55 Years
4	Recognition or awards	N.A.
5	Job profile and his suitability	Sunil Menon will be responsible for overall growth, strategy and day to day management and business activities of our Company.
6	Remuneration proposed	As mentioned in the Special Resolution
7	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Looking into his experience and expertise in the Industry, the Board of Directors of the Company recommended to Re-Designate Sunil Menon as Managing Director of the Company. The remuneration paid to him is reasonable considering the prevailing emoluments in the industry for senior management with similar qualifications and experience.
8	Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personal, if any:	Besides the remuneration proposed to be paid to Sunil Menon, he has no other pecuniary relation with the Company.

2. **Other information:**

Sr No.	Particulars	Disclosures
1	Reasons for inadequate profits and steps taken or proposed to be taken for improvement	The Management of the company is in process of expanding the business of the Company, for that reason management focus more on expanding the business rather than Profitability. Once the business of the Company will be in growth stage the profitability of the Company will certainly increased.
2	Expected increase in productivity and profits in measurable terms	The Company has taken various initiatives to maintain its leadership, improve market share and financial performance. It has been aggressively pursuing and implementing its strategies to improve financial performance.

3. **Disclosures:**

Sr. No.	Particulars	Disclosures
1	Remuneration package	As mentioned in the Special Resolution

The Board recommends the Resolution set out in the Notice for the approval of the Members as a Special Resolution.

None of the Directors except the Appointee, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the resolution, except to the extent of their equity holding in the Company.

The Board of Directors accordingly recommends the resolution for your approval.

Item No 5

TO APPROVAL FOR AUTHORIZATION TO THE BOARD OF DIRECTORS FOR CREATION OF PLEDGE, MORTGAGE AND / OR CHARGE ON ALL OR ANY PART OF MOVABLE / IMMOVABLE PROPERTIES OF THE COMPANY TO SECURE BORROWINGS UP TO RS. 500 CRORES PURSUANT TO UNDER SECTION 180(1)(a) OF THE COMPANIES ACT, 2013.

As per the provisions of Section 180(1)(a) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in the General Meeting by a Special Resolution, borrow the monies apart from temporary loans (loans viz., means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up Capital and the Free Reserves of Company, that is to say, reserves not set apart for any specific purposes. Further without the consent of the Company in the General Meeting by a Special Resolution, the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. Under the provisions of Section 180(1)(a) of the Companies Act, 2013, which were made effective from 12th September, 2013, the above powers can be exercised by the Board only with the consent of the Members obtained by a Special Resolution.

The borrowing limit and to create charges, hypothecations, mortgages/equitable mortgages, on movable and/or immovable properties under 180(1)(a) is proposed to be enhanced to such an extent that the sum(s) so borrowed under this resolution and remaining outstanding at any time shall not exceed in the aggregate Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only) in excess of and in addition to the paid-up capital and free reserves of the Company for the time being. It is, therefore, necessary for the Members to pass Special Resolutions under Section 180(1)(a) and other applicable provisions of the Companies Act, 2013.

The members are requested to approve above resolution way of passing a Special Resolution.

None of the Directors and/or Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

Item No 6

TO APPROVAL FOR AUTHORIZATION TO THE BOARD OF DIRECTORS OF POWER TO BORROW FUNDS PURSUANT TO PROVISIONS OF SECTION 180(1)(c) OF THE COMPANIES ACT, 2013, NOT EXCEEDING RS. 500 CRORES TO THE BOARD OF DIRECTORS FOR BORROWING FUNDS UNDER SECTION 180(1)(c) OF THE COMPANIES ACT, 2013

As per the provisions of Section 180(1)(c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in the General Meeting by a Special Resolution, borrow the monies apart from temporary loans (loans viz., means loans repayable on demand or within six months from the date of the loan such as short-term, cash credit arrangements, the discounting of bills and the issue of other short-term loans of a seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up Capital and the Free Reserves of Company, that is to say, reserves not set apart for any specific purposes. Further without the consent of the Company in the General Meeting by a Special Resolution, the Board of Directors shall not sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company or where the company owns more than one undertaking, of the whole or substantially the whole of any of such undertakings. Under the provisions Section 180(1)(c) of the Companies Act, 2013, the above powers can be exercised by the Board only with the consent of the Members obtained by a Special Resolution.

Keeping in view of the Company's business requirements and its growth plans, it is considered appropriate to increase the aforesaid limit of borrowings. Your consent is therefore sought, to authorize the Board to borrow up to Rs. 500,00,00,000/-

(Rupees Five Hundred Crore Only) apart from temporary loans obtained from the Company's bankers in the ordinary course of business) as outstanding, at any time as set out in the resolution. The members are requested to provide their consent by way of passing a Special Resolution.

None of the Directors and/or Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

Item No 7

TO APPROVAL FOR AUTHORIZATION TO THE BOARD OF DIRECTORS FOR GRANTING LOANS AND INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013 UPTO RS. 500 CRORES

The Board of Directors of a Company shall not, except with the consent of the members by Special Resolution as per the provisions of Section 186 of the Companies Act, 2013 ("the Act") and rules made thereunder:

- (a) give any loan to any person or other body corporate;
- (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate;

exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

It is therefore, necessary for the members to pass a Special Resolution under Section 186 of the Companies Act, 2013, to enable the Board of Directors to grant loan or give guarantee or invest in securities of any other Body Corporate exceeding the limits specified in Section 186 of the Companies Act, 2013 up to Rs. 500,00,00,000/- (Rupees Five Hundred Crore Only).

The Board recommends the Resolution set out in the Notice for the approval of the Members as a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the resolution, except to the extent of their equity holding in the Company.

For CFF Fluid Control Limited
(Formerly known as CFF Fluid Control Private Limited)



Sunil Menon
Director
DIN: 00409485



Dated: September 15, 2022
Place: Raigad

CFF FLUID CONTROL LIMITED
CIN: U28990MH2012PLC227023

Plot No 01, Survey No 96, Kumbhivli Madap Khopoli, Khalapur, Raigarh- 410203

ATTENDANCE SLIP

Reg. Folio/DP & Client No: _____

No. of Shares Held: _____

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company. I hereby record my presence at the Annual General Meeting of the Company at the registered office at Plot No 01, Survey No 96, Kumbhivli Madap Khopoli, Khalapur, Raigarh- 410203 on Friday, September 30, 2022 at 03:00 P.M.

Member's Name: _____

Proxy's Name: _____

Member's/ Proxy's Signature

Note:

1. Please fill this attendance slip and hand it over at the entrance of the Hall.
2. Members/Proxy Holders/Authorized Representatives are requested to show their Photo ID Proof for attending the Meeting.
3. Authorized Representatives of Corporate members shall produce proper authorization issued in their favour.

Form No. MGT-11

CFF FLUID CONTROL LIMITED

CIN: U28990MH2012PLC227023

Plot No 01, Survey No 96, Kumbhivli Madap Khopoli, Khalapur, Raigarh- 410203

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and rules 19(3) of the Companies (Management and Administration) Rules, 2015

Name of the member (s): _____

Registered Address: _____

E-Mail Id: _____

Folio No/Client Id: _____ DPID: _____

I/We, being the member(s) holding _____ shares of the above named Company, hereby appoint

1. Name: _____

Address: _____

E-mail ID: _____ Signature: _____ or failing him

2. Name: _____

Address: _____

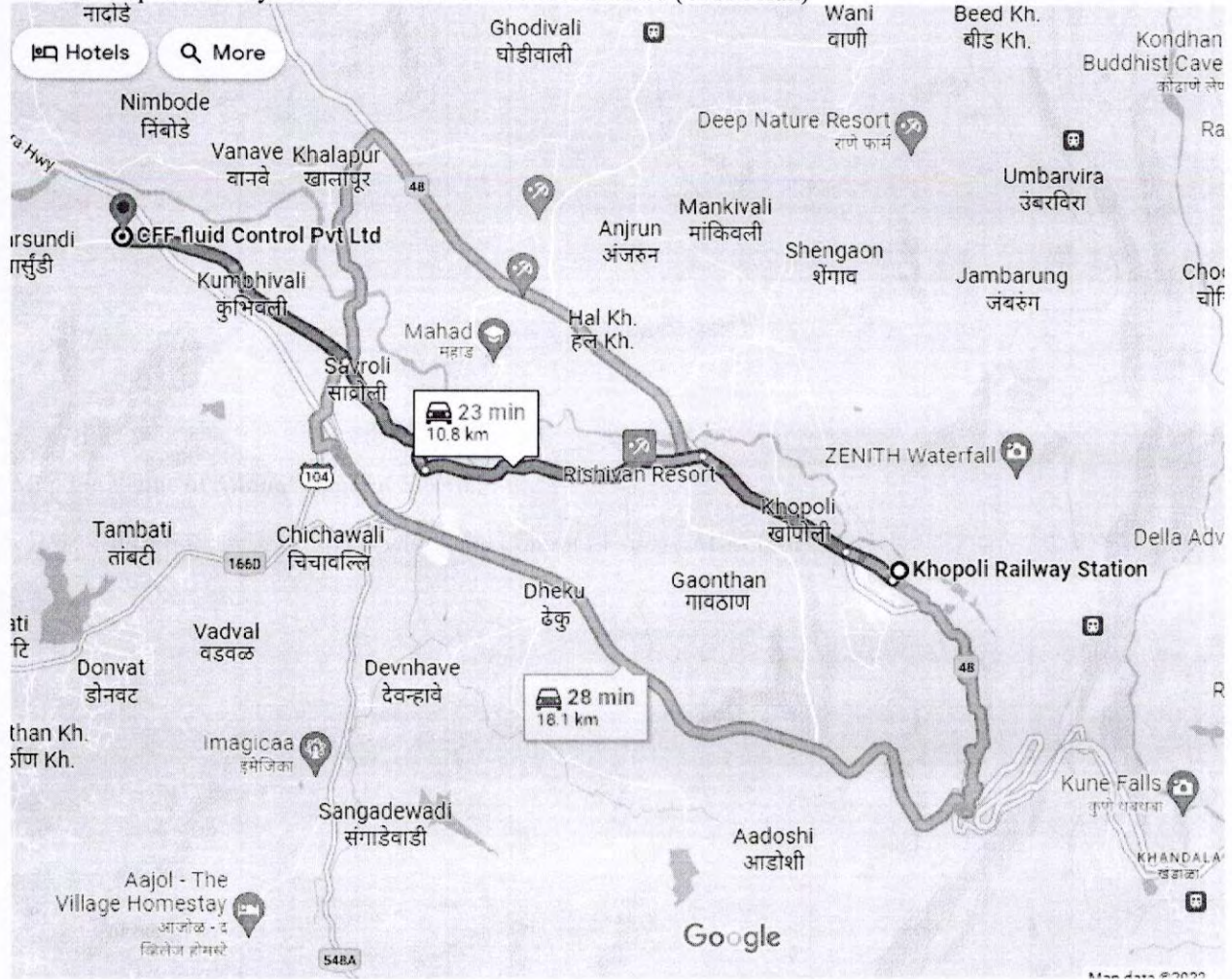
E-mail ID: _____ Signature: _____ or failing him

my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of the Company, to be held on at the registered office at Plot No 01, Survey No 96, Kumbhivli Madap Khopoli, Khalapur, Raigarh- 410203 on Friday, September 30, 2022 at 03:00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this _____ day of _____ 2022

Route Map for Venue of Annual General Meeting:

1. From Khopoli Railway Station to CFF Fluid Control Limited (AGM Hall)





DIRECTORS' REPORT

To,
The Members,
CFF FLUID CONTROL LIMITED

Your Directors hereby present the Annual Report of the Company together with Audited Statement of Accounts for the financial year ended March 31, 2022 and thank the Shareholders of the Company.

Review of operations:

The Company is predominantly into the business with object of to carry on in India for navy and military applications, the business of manufacturers, dealers, agents, factors, importers, exporters, distributors, dealers, stockists, traders, agents, consignors, merchants and financiers of all kinds of valves made with either metallic or non-metallic materials by any process of casting, forging, machining, servicing, assembly or by any other process as deemed fit.

I. FINANCIAL RESULTS:

The Financial highlights are below:-

Particulars	Financial Year ended – AMOUNT IN (Rs.'000)	
	31/03/2022	31/03/2021
Total Income	471,239.11	148,127.28
Total Expenditure	367,508.61	145,518.37
Net Profit before Tax	103,730.50	2,608.91
Current Tax	26,500.00	910.00
Provision for Income Tax including short provision for earlier years	(6.97)	308.64
Deferred Tax	(94.18)	(1090.12)
Net Profit After Tax	77,331.64	2480.39
Profit(Loss) for the year	77,331.64	2480.39
Profit(Loss) brought forward from previous year	36192.27	33711.88
Reserves	113523.92	36192.27

CFF Fluid Control Limited

503, Delphi, A wing Orchard Avenue, Hiranandani Business Park, Powai, Mumbai 400 076, India, MH

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Financial Performance:

During the year under review the company has carried out business and has registered a Net Profit of Rs. 7,73,31,640/- as compared to the previous year's turnover of Rs. 24,80,390

II. PUBLIC DEPOSITS:

Your Company has not accepted any Deposits from the public falling within the ambit of Section 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposit) Rules, 2014.

III. DIVIDEND:

Your Directors do not recommend any dividend for the financial year.

IV. STATE OF AFFAIRS OF THE COMPANY:

Your Company with the approval of the shareholders and Ministry of Corporate Affairs vide certificate dated September 09, 2022 converted CFF Fluid Control Private Limited into public limited Company. The Company name is now CFF Fluid Control Limited ("the company"). The company was formed with the object to carry on in India for navy and military applications, the business of manufacturers, dealers, agents, factors, importers, exporters, distributors, dealers, stockists, traders, agents, consignors, merchants and financiers of all kinds of valves made with either metallic or non-metallic materials by any process of casting, forging, machining, servicing, assembly or by any other process as deemed fit

V. MATERIAL CHANGES AND COMMITMENTS:

Apart from the changes disclosed, there are no material changes and commitments, affecting the financial position of the Company which has occurred between and at the end of the financial year of the Company i.e. March 31, 2022.

VI. SHARE CAPITAL

There were no changes in the share capital of our company during the year 2021-22. Further the changes for the period after 31st March 2022 are as stated below:

1. Vide approval of the Shareholders of the Company dated July 15, 2022 (EoGM) amended the Authorized Capital of the Company as below:-
 - a. To enable the Company to go public, the Authorized Share Capital of the company was increased to Rs. 20,00,00,000/- (Rupees Twenty Crore Only) divided into 200,00,000 (Two Crore) equity shares of Rs. 10/- (Rupees Ten) each with power to increase and/or reduce the capital of the Company as provided in the Articles of Association of the Company.

VI. STATUTORY AUDITORS: M/S. V. N. PUROHIT & CO., CHARTERED ACCOUNTANTS - FIRM REGISTRATION NO. 304040E.

Pursuant to the provisions of Section 139 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 M/S. V. N. Purohit & Co., (Chartered Accountants), Mumbai, Statutory Auditors were appointed in the

Extra Ordinary General Meeting held on September 05, 2022 in casual Vacancy caused to resignation of previous Auditor until the conclusion of the Annual General Meeting to be held FY 2022.

Accordingly, a resolution seeking approval of their appointment of M/S. V. N. Purohit & Co., Chartered Accountants - Firm Registration No. 304040E as Statutory Auditor forms part of the Notice convening the Annual General Meeting.

VII. EXTRACT OF ANNUAL RETURN:

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at March 31, 2022 is placed on company website: www.cffdefensys.com under tab of Investor Relation.

VII. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

(a)Conservation of energy

The details of conservation of energy are annexed. **Annexure A.**

(b)Technology absorption

The activities of the company do not involve any technology absorption

(c)Foreign exchange earnings and Outgo

Foreign exchange earnings: Rs. NIL (P.Y. NIL).

Foreign exchange Outgo: **Rs. 1,75,80,950** (P.Y. Rs. 1,16,52,510).

(d)Expenditure on Research & Development: Rs. NIL (P.Y. NIL).

IX. DIRECTORS:

1. CHANGE IN DIRECTORSHIP OF THE COMPANY:

During the year (FY2021-22) under review, there was no change in Board directors of Company except Mrs. Priyanka Moondra Rathi has been Independent director in Extra Ordinary General Meeting held on September 05, 2022.

The Board of Directors has appointed Hitesh Birla as Chief Financial Officer of the Company w.e.f. August 01, 2022 in its Board Meeting held on August 01, 2022

2. BOARD MEETINGS:

During the year Six(06) Board Meetings were convened and held the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the dates were as follows:

Sr. No.	Dates of Board Meeting(s)	No. of Directors Attended
1	April 01,2021	Two (2)
2	May 01, 2021	Two (2)
3	August 02, 2021	Two (2)
4	November 11, 2021	Two (2)
5	January 11, 2022	Two (2)
6	February 11, 2022	Two (2)

X. RELATED PARTY TRANSACTIONS:

There contracts / arrangements / transactions entered by the Company during the financial year with related parties are disclosed in form AOC-2 that is attached as **Annexure B**.

XI.DIRECTORS' RESPONSIBILITY STATEMENT:

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

1. That in the preparation of the annual financial statements for the year ended March 31, 2022; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. that such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the profit of the Company for the year ended on that date;
3. That proper and sufficient care has been taken 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.
4. That the annual financial statements have been prepared on a going concern basis;
5. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
6. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

XII. DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items, as the same are either not applicable to the Company or relevant transactions or event have not taken place during the year under review:-

- a. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.

- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- d. There are no employees who are drawing salaries which attract section 197 of the Companies Act 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.
- e. The provisions of Section 135 read with Schedule VII of the Companies Act 2013, relating to Corporate Social Responsibility is not applicable.
- f. Provisions of Section 148 of the Companies Act, 2013 relating to Cost Audit is not applicable.

XII. INTERNAL COMPLAINTS COMMITTEE UNDER THE PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE (PREVENTION PROHIBITION AND REDRESSAL) ACT, 2013 (POSH ACT)

The Company has adopted an Anti Sexual Harassment Policy for prevention, prohibition and redressal of Sexual harassment, pursuant to the provisions of sexual harassment at work place (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaints were received by the Company pursuant to the aforesaid Act / Policy.

XIV. HUMAN RESOURCES

The Company understands that employees are vital and valuable assets. Your Directors place on record their sincere appreciation for the valuable contribution made by the employees across all levels of the organization.

XV. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY COMPANY:

Your Directors state that in compliance of Section 186(4) of Companies Act 2013, there are no loans given, investment made or guarantee given or security provided under the provisions of Section 186 of the Companies Act, 2013.

XVI. CORPORATE SOCIAL RESPONSIBILITY (CSR)

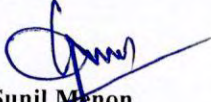
As per the Provision under section 135 of the Companies Act, 2013 and CSR (Corporate Social Responsibility Policy) Rule, 2014, the ~~Net worth/ Turnover~~ / Net Profit of our Company has Cross the threshold limit of ~~-Rs.500-crore / Rs.1000-crore.~~ / Rs.5 crore as per financial statements for year ended 31st March, 2022, Hence, Our Company will attract the Provision of CSR to the Company. Further the Board taken up the matter and will comply the provision under section 135 of the Companies Act, 2013 and CSR (Corporate Social Responsibility Policy Rule, 2014).

XVII. ACKNOWLEDGEMENTS:

Your Directors thank the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year.

The Company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

For and on behalf of the board
CFF Fluid Control Limited
(Formerly Known As CFF Fluid Control Private Limited)



Sunil Menon
Director
DIN: 00409485



Gautam Makkar
Director
DIN: 00354956



Place: Raigarh
Date: September 15, 2022

ANNEXURE A
Conservation of Energy & Technology Absorption:

The Company is committed to stringent energy conservation measures and accords the highest priority in maintaining effective controls and utilization of energy by replacing the machinery at the appropriate time with the latest machinery feasible for the Company and also ensures optimum use of the machinery. Appropriate steps are also taken to canalize the waste keeping in view the environmental laws.

Form A

Sr. No	Particulars	Year -2021-2022
A.	Electricity	
(i)	Purchase	Maharashtra State Electricity Distribution Co. Ltd.
	Unit Nos.	3,29,118
	Total Amount (Rs.)	40,32,292
	Rate per unit	12.25
(ii)	Own Generation	Nil
	Through Diesel Generation Set	Nil
	Unit Per Litter of Diesel Oil	Nil
	Cost Per Unit (Rs.)	Nil
B.	Consumption of Electricity in Unit for per Unit of Production	Not Accessible

For and on behalf of the board
CFF Fluid Control Limited
(Formerly Known As CFF Fluid Control Private Limited)


Sunil Menon
Director
DIN: 00409485


Gautam Makkar
Director
DIN: 00354956



Place: Raigarh
Date: September 15, 2022

Annexure B

FORM AOC – 2 - MATERIAL RELATED PARTY TRANSACTION
(Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

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 arm's length transactions under third proviso thereto

1. 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 transaction	date 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
1	NA	NA	NA	NA	NA	NA	NA	NA

2. Details of material contracts or arrangement or transactions at arm's length basis:

A. Directors Remuneration

Sr. No.	Name of Related Party and Relationship	Nature of Transaction and amount O/s as	Duration and terms	Amount (In '000 INR)
NA	NA	NA	NA	Na

B. Others

Sr. No.	Name(s) of the related party and nature of relationship	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date of approval by the Board / others	Amount paid as advances, if any
1	Flash Forge Pvt. Ltd. 1. Loan Taken 2. Loan Paid	Nil	9,22,93,000 8,41,66,130		Nil
2	Sunil Menon (Director) 1. Loan Taken 2. Loan Paid	Nil	11,60,000 11,99,990		Nil

For and on behalf of the board
CFF Fluid Control Limited
(Formerly Known As CFF Fluid Control Private Limited)


Sunil Menon
Director
DIN: 00409485


Gautam Makkar
Director
DIN: 00354956



Place: Raigarh
Date: September 15, 2022



Independent Auditor's Report

To the members of
CFF FLUID CONTROL LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of **CFF FLUID CONTROL LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of profit and loss, and cash flow statement for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and explanations given to us, the aforesaid 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 accounting principles generally accepted in India of the state of affairs of the Company as at 31st March, 2022, the net profit and of the cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 ethical requirements that are relevant to our audit of the financial statements under the provisions of the companies Act, 2013 and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained are sufficient and appropriate to provide a basis for our opinion.

Information other than the financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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 during the course of our audit or otherwise appears to be materially misstated.



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If, based on the work we have performed on the other information obtained prior to the date of auditor's report, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

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

The 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 financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the applicable accounting standards and the other accounting principles generally accepted in India. 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 are operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain a reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in 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 the SAs, we exercise professional judgment 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



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fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of the internal controls 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 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto 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 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 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 controls 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 reasonable be thought to bear on our independence, and where applicable, relevant safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, 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 reasonable be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

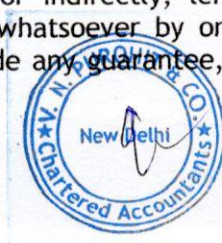
1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure- A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent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



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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, the Statement of Profit and Loss and Cash flow statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 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 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, if any, of pending litigations on its financial position, in its financial statements (Refer Note 30);
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - (iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund.
- h. (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, 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 person(s) or entity(ies), 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;
 - (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), 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; and

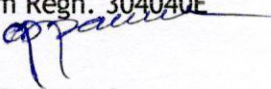


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(iii) Based on audit procedures that are considered reasonable and appropriate in circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) above, contain any material misstatement.

- i. No dividend has been declared and paid by the Company during the year as per the provisions of section 123 of the Companies Act, 2013.
- j. In our opinion and according to information and explanations given to us, the Company has not paid managerial remuneration to any of its directors during the year and as such, the limits prescribed by section 197 for maximum possible permissible managerial remuneration is not applicable to the company.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. 304040E



O. P. Pareek
Partner
Membership No. 014238



UDIN: 22014238BBHZYJ7946
Mumbai, the 15th day of September, 2022

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **CFF FLUID CONTROL LIMITED** (the Company) for the year ended on 31st March 2022.

- (i) (a) (A) As per the information and explanation given to us, the Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, plant and Equipment,
- (B) As per information and explanation given to us, the company is maintaining proper records showing full particulars of intangible assets;
- (b) As per the information and explanation given to us, physical verification of Property Plant and equipment has been conducted at regular interval in a year by the management and no material discrepancies were noticed during the course of verification.
- (c) According to information and explanation given to us, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company;
- (d) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the provision of sub clause (i)(d) of para 3 of the order are not applicable;
- (e) According to the information and explanations given to us and based on our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the provision of sub clause (i)(e) of para 3 of the order are not applicable;
- (ii) (a) According to the information and explanation given to us, the physical verification of inventory has been conducted by the management once in a year which in our opinion is reasonable and appropriate. Further, during the course of verification, no discrepancy was noticed for more than 10% in aggregate for each class of inventory;
- (b) As per information and explanation given to us, the periodic returns or statements filed with the banks in respect of working capital limit sanctioned for the Company are in agreement with the books of accounts;
- (iii) The Company has made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. Accordingly, the provisions of sub- clause (iii)(a) to (iii)(f) of para 3 of the order are not applicable;
- (iv) According to information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 so far as applicable, in respect of providing loans, investments, guarantees and securities;



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- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is regular in depositing undisputed statutory dues related to Goods and Service tax, Provident Fund, Employee State Insurance, Income Tax, cess, and other statutory dues as may be applicable to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date, they became payable;
- (b) According to information and explanation given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute with the appropriate authorities;
- (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;
- (ix) (a) According to information and explanations given to us, 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 a willful defaulter by any bank or financial institution or other lender;
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year and thus there arise no question to divert such loans;
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that funds have been raised on short-term basis are not utilised for long term purpose;
- (e) According to the information and explanations given to us by the management, 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;
- (f) According to the information and explanations given to us by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures;
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, provisions of sub-clause (x)(a) of para 3 of the order are not applicable.
- (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



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the year. Accordingly, provisions of sub- clause (x)(b) of para 3 of the order are not applicable

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the Information and explanations given to us, there are no whistle blower complaints received by the company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of sub- clause (xii) of para 3 of the order are not applicable
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements, etc., as required by the applicable Accounting Standards;
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an in- house internal audit system commensurate with the size and nature of its business;
- (b) We have considered the reports of internal auditors issued till date for the period under audit.
- (xv) According to information and explanations given to us, the Company has not entered into non- cash transactions with its directors or persons connected to its directors and hence, the provisions of Section 192 of the companies Act, 2013 are not applicable to the company;
- (xvi) (a) According to information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934;
- (b) According to information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (COR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934;
- (c) According to information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of sub-clause (xvi) (c) of para 3 of the order are not applicable;
- (d) According to information and explanations given to us, the Group does not have any CIC as part of the Group. Accordingly, the provisions of sub-clause (xvi) (d) of para 2 of the order are not applicable;
- (xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year;

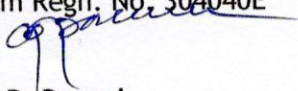


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Chartered Accountants

- (xviii) There has been no resignation of the statutory auditors during the year covered by this report. Moreover, no issues, objections or concerns were raised by the outgoing auditors in respect of resignation of statutory auditors in the year of signing of this report;
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the 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 the Company is 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;
- (xx) (a) According to the information and explanations given to us, the Company does not have any unspent amount in respect of other than ongoing project and as such not required to transfer any amount to a fund specified in schedule VII of the Companies Act;
- (b) According to the information and explanations given to us, the Company does not have any ongoing projects and as such not required to transfer any amount to special amount referred to in Section 135 (6) of the Companies Act, 2013;
- (xxi) According to the information and explanations given to us, the Company does not have any subsidiary, associate or joint venture and as such, not require to prepare the consolidated financial statements. Accordingly, the provisions of sub- clause (xxi) of para 3 of the order are not applicable;

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E



O. P. Pareek
Partner

Membership No. 014238

UDIN: 22014238BBH2YJ7946

Mumbai, the 15th day of September 2022



ANNEXURE -B TO THE AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub- section (3) of Section 143 of the Companies Act, 2013

In conjunction with our audit of the financial statements of the Company as at and for the year ended 31st March 2022, we have audited the internal financial controls with reference to financial statements of **CFF FLUID CONTROL LIMITED** (hereinafter referred to as "Company") along with its subsidiaries, as of that date.

Management's Responsibility for the Internal Financial Controls

The respective management of the company, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements 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, with reference to the financial statements. 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 with reference to financial statements was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained for the company to which we are independent auditors is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.



V.N. PUROHIT & CO.
Chartered Accountants

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to 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 with reference to 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 the receipt and expenditures of the Company are being 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and could not be detected. Also, projections of any evaluation of the internal financial control with reference to financial statements to future periods are subject to the risk that the internal financial controls 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, the company, have, in all material aspects, an adequate internal financial controls system with reference to financial statements and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on "the internal financial controls with reference to financial statements criteria considering the essential components of internal control stated in the Guidance Note.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238

UDIN: 22014238BBHZYJ7946



Mumbai, the 15th day of September, 2022

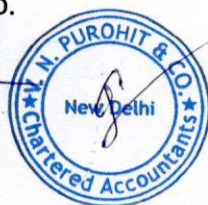
CFF FLUID CONTROL LIMITED
CIN: U28990MH2012PLC227023
BALANCE SHEET AS AT 31ST MARCH 2022

(In Rs. "000")

	Notes	As at 31st March 2022	As at 31st March 2021
<u>EQUITY AND LIABILITIES</u>			
Shareholders' fund			
Share capital	3	7,137.05	7,137.05
Reserves and surplus	4	1,41,395.69	64,064.04
Non- current liabilities			
Long- term borrowings	5	1,10,447.80	1,01,764.12
Long- term provisions	6	838.90	-
Current liabilities			
Short- term borrowings	7	55,469.27	1,24,356.71
Trade payables	8		
- total outstanding dues of micro enterprises and small enterprises; and		-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,96,106.71	60,364.89
Other- current liabilities	9	23,745.04	64,802.29
Short- term provisions	10	24,429.49	-
Total		5,59,569.95	4,22,489.10
<u>ASSETS</u>			
Non- current assets			
Property, plant and equipment & Intangible assets	11	81,290.70	90,370.08
Deferred tax assets (net)	12	764.82	670.64
Current assets			
Inventories	13	2,08,335.77	2,00,502.67
Trade receivables	14	1,31,439.13	66,011.07
Cash and cash equivalents	15	40,527.60	20,201.13
Short-terms loans and advances	16	82,946.28	23,663.15
Other current assets	17	14,265.65	21,070.36
Total		5,59,569.95	4,22,489.10
Notes on the financial statements	1-43		

The accompanying notes form an integral part of the financial statements.
As per our report of even date

FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. 304040E



O.P. Pareek
Partner

Membership No. 014238

UDIN: 22014238BBH2YJ7946



For and on behalf of the Board of Directors of
CFF FLUID CONTROL LIMITED

Gautam Makker
Director

DIN:- 00354956

Sunil Menon
Director

Director

DIN:- 00409485

Mumbai, the 15th day of September, 2022

CFF FLUID CONTROL LIMITED

CIN: U28990MH2012PLC227023

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(In Rs. "000")

	Notes	For the year ended on 31st March 2022	For the year ended on 31st March 2021
CONTINUING OPERATIONS			
Income			
Revenue from operations	18	4,69,876.96	1,45,240.53
Other income	19	1,362.15	2,886.75
Total income (I)		4,71,239.11	1,48,127.28
Expenses			
Cost of material consumed	20	3,11,347.15	98,097.05
Operating expense	21	16,348.18	5,570.96
Employee benefit expenses	22	9,679.37	10,126.39
Finance cost	23	12,517.36	17,275.43
Depreciation	11	9,079.37	10,778.10
Other expenses	24	7,874.01	3,670.44
Prior period adjustments (note 31.3)		663.17	-
Total Expenditure (II)		3,67,508.61	1,45,518.37
Profit/ (loss) before tax (I - II)		1,03,730.50	2,608.91
Tax Expense			
Current tax		26,500.00	910.00
Deferred tax		(94.18)	(1,090.12)
Short/ (Excess)Tax Provision for Earlier years		(6.97)	308.64
Total tax expense		26,398.85	128.52
Profit/ (loss) for the year		77,331.65	2,480.39
Earning per share (EPS)			
[nominal value of share Rs. 10]			
Basic (in Rupees)		108.35	3.48
Diluted (in Rupees)		108.35	3.48

Notes on the financial statements

1-43

The accompanying notes form an integral part of the financial statements.

As per our report of even date

FOR V. N. PUROHIT & CO.

Chartered Accountants

Firm Regn. 304040E

O.P. Pareek

Partner

Membership No. 014238

UDIN: 22014238BBH2YJ7946

For and on behalf of the Board of Directors of
CFF FLUID CONTROL LIMITEDGautam Makker
Director
DIN:- 00354956Sunil Menon
Director
DIN:- 00409485

Mumbai, the 15th day of September, 2022

CFF FLUID CONTROL LIMITED

CIN: U28990MH2012PLC227023

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2022

	(In Rs. "000")	
	31st March 2022 (Rupees)	31st March 2021 (Rupees)
A. Cash flow from Operating Activities		
Net Profit before tax as per statement of profit & loss	1,03,730.53	2,608.91
<u>Add/ (less): Adjustment for non- cash/ other items</u>		
Depreciation	9,079.37	10,778.09
Gratuity (Refer note 32.2)	838.90	-
Finance costs	12,517.36	15,626.07
Interest income	(1,044.61)	(805.40)
Balance written back	(317.54)	-
Operating profit before working capital changes	<u>1,24,804.01</u>	<u>28,207.67</u>
<u>Adjustment for working capital</u>		
Increase/(decrease) in trade payables	1,35,741.82	(26,388.60)
Increase/(decrease) in other current liabilities	(40,739.73)	(4,733.44)
(Increase)/ decrease in inventories	(7,833.10)	(17,522.42)
(Increase)/ decrease in loans and advances	(59,283.13)	82,376.67
(Increase)/ decrease in other current assets	6,804.71	(45,643.51)
(Increase)/ decrease in trade receivables	(65,428.06)	(15,410.62)
Cash generated from operations	<u>94,066.52</u>	<u>885.75</u>
Direct taxes paid	(2,063.54)	(1,218.63)
Net Cash flow from Operating Activities (A)	<u><u>92,002.98</u></u>	<u><u>(332.87)</u></u>
B. Cash flow from Investing Activities		
Interest received	1,044.61	805.40
Net Cash flow from Investing Activities (B)	<u><u>1,044.61</u></u>	<u><u>805.40</u></u>
C. Cash flow from Financing Activities		
Finance cost	(12,517.36)	(15,626.07)
Net proceeds/(repayment) from borrowings	(60,203.75)	6,417.65
Net Cash flow from Financing Activities (C)	<u><u>(72,721.11)</u></u>	<u><u>(9,208)</u></u>
Net cash flow during the year (A + B + C)	20,326.48	(8,735.89)
Add: Opening cash and cash equivalents	20,201.12	28,937.01
Closing cash and cash equivalents	<u><u>40,527.60</u></u>	<u><u>20,201.12</u></u>
Components of cash and cash equivalents		
Cash on hand	500.00	-
Deposit with banks	40,027.60	20,201.12
Total cash and cash equivalents (Note 15)	<u><u>40,527.60</u></u>	<u><u>20,201.12</u></u>

The accompanying notes form an integral part of the financial statements.
As per our report of even date

FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. 304040E

O.P. Pareek
Partner

Membership No. 014238

UDIN: 22014238BBHZYJ7946



For and on behalf of the Board of Directors of
CFF FLUID CONTROL LIMITED

Gautam Makker
Director
DIN:- 00354956

Sunil Menon
Director
DIN:- 00409485

Mumbai, the 15th day of September, 2022

CFF FLUID CONTROL LIMITED

CIN: U28990MH2012PLC227023

NOTES TO THE FINANCIAL STATEMENTS

1 Company information

CFF Fluid Control private Limited is a company incorporated on 16th February 2012 and having its registered office at Plot No. 01 Survey No 96 Khubhivli Madap , Raigad Maharashtra 410203 with Registrar of Companies, Maharashtra. It is engaged in the business of manufacturing, Overhaul, repairs and maintenance of shipboard machinery, combat system, reference system, test facilities (pneumatic, hydraulic, electrical, electrical systems) for submarines and surface ships for Indian Navy.

2 Summary of significant accounting policy

2.1 Basis of preparation of financial statements

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles (Indian GAAP), including Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

2.2 Use of estimates

The preparation of financial statements in conformity with the Generally Accepted Accounting Policies requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosures of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon managements' evaluation of the relevant facts and circumstances as on the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known/ materialized.

2.3 Revenue recognition

Having regard to size, nature and complexity of business and practices followed by others in the same line and level of business, the management is of opinion that Company is applying accrual basis of accounting for recognition of income and expenditure earned or incurred respectively, in the normal course of business.

2.4 Inventories

Inventories are stated at the lower of cost of net realisable value. Net realisable value means the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.5 Employee benefits

Short term benefits such as salary, bonus, ex-gratia and other benefits as may be applicable on the Company are accounted for on accrual basis. The Company at present does not have any Defined Contribution Plan or Defined Benefit Plan as contemplated under AS-15 on 'Employee Benefits'.

2.6 Taxes on income

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax rates. Deferred tax is provided on timing differences between taxable income and accounting income subject to consideration of prudence. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date.

2.7 Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be require to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at the end of each reporting date and adjusted to reflect the current best estimates.

2.8 Earnings per Share

Basic Earnings per Share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the year. Diluted Earnings per Share is computed by dividing net profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.9 Depreciation and Amortisation

Depreciation is provided on 'Written Down Value Method' in accordance with the rates and other conditions laid down in Schedule- II of the Companies Act, 2013. The calculation of deprecation is made on annual basis including in case of additions or sale of property, plant & equipment during the year.

2.10 Property, plant and equipment

Property, plant and equipment are carried at the cost of acquisition or construction less accumulated depreciation. The cost of property, plant and equipment includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets.

2.11 Employee benefits

Short term benefits such as salary, bonus, leave salary and other benefits are accounted on accrual basis.

Defined contribution plans includes company's contributions towards state plans for the employees, such as EPF, ESI etc. where contributions made towards such plans are charged to revenue as and when they become due to the company.

Defined benefit plans includes gratuity, liability of which is provided in the books of account on the basis of actuarial valuation made at the end of year.



3	Share capital	As at	
		31st March 2022	31st March 2021
	Authorised shares		
	10,00,000 (31 March 2021: 10,00,000) shares of Rs. 10 each	1,00,000	1,00,000
	Issued, subscribed and fully paid- up shares		
	7,13,705 (31 March 2021: 7,13,705) equity shares of Rs. 10 each fully paid	7,137.05	7,137.05
	Total issued, subscribed and fully paid- up share capital	7,137.05	7,137.05

3.1	Reconciliation of shares outstanding at the beginning and at the end of reporting year	As at 31st March 2022		As at 31st March 2021	
		Nos.	Amount	Nos.	Amount
	Share capital at the beginning of the year	7,13,705	7,137.05	7,13,705	7,137.05
	Issue during the year	-	-	-	-
	Outstanding at the end of the year	7,13,705	7,137.05	7,13,705	7,137.05

3.2 **Terms and rights attached to equity shares**
The company has issued only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

3.3	Details of shareholders holding more than 5% shares in the company	As at 31st March 2022		As at 31st March 2021	
		Nos.	% holding	Nos.	% holding
	Financiere MB Sas	-	0.00%	1,39,015	19.48%
	Flash Forge Pvt. Ltd.	-	0.00%	5,74,689	80.52%
	Sunil Menon	3,56,833	50.00%	1	0.00%
	Gautam Makker	2,17,817	30.52%	-	0.00%
	Niranjan Makker	50,837	7.12%	-	0.00%
	Sheeila Makker	88,178	12.35%	-	0.00%

3.4 **Details of shares held by promoters in the Company**

Promoter Name	As at 31st March 2022		As at 31st March 2021		% Change during the year
	No of Shares	% of total Shares	No of Shares	% of total Shares	
M/s Financiere MB SAS	-	-	1,39,015	19.48%	-100%
M/s Flash Forge Private Limited	-	-	5,74,689	80.52%	-100%
Sunil Menon	3,56,833	50.00%	1	0.00%	35683200%
Gautam Makker	2,17,817	30.52%	-	-	N.A.
Niranjan Makker	50,837	7.12%	-	-	N.A.
Sheeila Makker	88,178	12.35%	-	-	N.A.

4	Reserves and surplus	As at	
		31st March 2022	31st March 2021
	Securities premium account		
	Balance as per last financial statements	27,871.77	27,871.77
	Add : Securities premium on issue of shares	-	-
	Closing balance	27,871.77	27,871.77
	Surplus/ (deficit) in statement of profit & loss		
	Balance as per last financial statements	36,192.27	33,711.88
	Profit/ (loss) for the year	77,331.65	2,480.39
	Tax adjustments for earlier years	-	-
	Net profit in statement of profit and loss	1,13,523.92	36,192.27
		1,41,395.69	64,064.04



11 Property, plant & equipment and Intangible assets :-

	As at 31st March 2022						As at 31st March 2021
Carrying amount: -							
Land	21,974.00						21,974.00
Plant and Machinery	22,266.37						27,187.27
Factory building	36,221.33						40,023.57
Computers	24.01						24.01
Furniture and fixture	606.01						817.72
Office equipment	198.98						343.51
Total	81,290.70						90,370.08
	Land	Plant and Machinery	Factory building	Computers	Furniture and fixture	Office equipment	Total
Cost or Deemed Cost: -							
Balance as at 1st April 2020	21,974.00	56,645.47	56,979.36	740.99	2,328.99	3,204.27	1,41,873.08
Additions during the year	-	-	-	-	-	-	-
Assets disposal/ written off during the year	-	-	-	-	-	-	-
Balance as at 31st March 2021	21,974.00	56,645.47	56,979.36	740.99	2,328.99	3,204.27	1,41,873.08
Additions during the year	-	-	-	-	-	-	-
Assets disposal/ written off during the year	-	-	-	-	-	-	-
Balance as at 31st March 2022	21,974.00	56,645.47	56,979.36	740.99	2,328.99	3,204.27	1,41,873.08
Accumulated Depreciation: -							
Balance as at 1st April 2020	-	23,449.77	12,754.42	714.59	1,225.60	2,580.52	40,724.90
Charge for the year	-	6,008.43	4,201.37	2.39	285.67	280.24	10,778.10
Adjusted on assets disposed/ written off	-	-	-	-	-	-	-
Balance as at 31st March 2021	-	29,458.20	16,955.79	716.98	1,511.27	2,860.76	51,503.00
Charge for the year	-	4,920.90	3,802.24	-	211.71	144.53	9,079.37
Adjusted on assets disposed/ written off	-	-	-	-	-	-	-
Balance as at 31st March 2022	-	34,379.10	20,758.03	716.98	1,722.98	3,005.29	60,582.38
Carrying amount: -							
Balance as at 31st March 2021	21,974.00	27,187.27	40,023.57	24.01	817.72	343.51	90,370.08
Balance as at 31st March 2022	21,974.00	22,266.37	36,221.33	24.01	606.01	198.98	81,290.70

Notes

- 11.1 All the above property, plant & equipment are owned by the company.
11.2 The company has not made any of change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipment due to revaluation.

12 Deferred tax assets/ (liabilities) (net)

	As at 31st March 2022	As at 31st March 2021
Asset/ (liabilities) at the start of the year	670.64	-
Credit/ (charge) to the statement of profit & loss	94.18	670.64
Asset/ (liabilities) at the end of the year	764.82	670.64

- 12.1 Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

- 12.2 The tax effect of significant timing differences that has resulted in deferred tax assets are given below: -

Timing differences on account of :-	For the year ended on 31st March 2022		
	Opening balance	Recognised in statement of profit and loss	Closing balance
Property, plant & equipment	670.64	94.18	764.82
Total	94.18	94.18	764.82



Timing differences on account of :-	For the year ended on 31st March 2021		
	Opening balance	Recognised in statement of profit and loss	Closing balance
Property, plant & equipment	(419.48)	1,090.12	670.64
Total	(419.48)	1,090.12	670.64

13 Inventories	As at	As at
	31st March 2022	31st March 2021
<u>Closing stock</u>		
Raw Materials	2,08,335.77	2,00,502.67
Work in progress	-	-
Finished goods	-	-
	2,08,335.77	2,00,502.67
14 Trade receivables	As at	As at
	31st March 2022	31st March 2021
<u>Unsecured, considered good</u>	1,31,439.13	66,011.07
	1,31,439.13	66,011.07

14.1 Trade receivables ageing schedule

Particulars	Outstanding from due date of payment as on 31st March 2022					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables : Considered good	1,31,439.13	-	-	-	-	1,31,439.13
Particulars	Outstanding from due date of payment as on 31st March 2021					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables : Considered good	66,011.07	-	-	-	-	66,011.07

15 Cash and cash equivalents	As at	As at
	31st March 2022	31st March 2021
<u>Balances with banks: -</u>		
In current accounts	23,081.07	146.95
In deposit accounts	16,946.53	20,054.18
Cash on hand (as certified)	500.00	-
	40,527.60	20,201.13
16 Short terms loans and advances	As at	As at
	31st March 2022	31st March 2021
<u>Unsecured, considered good</u>	82,264.44	23,663.15
Advances to suppliers	271.69	-
Advance to related parties	410.15	-
Advances to employees	-	-
	82,946.28	23,663.15
17 Other current assets	As at	As at
	31st March 2022	31st March 2021
Security deposit	1,932.28	696.28
Retention Money and other Deposits	10,284.16	1,746.83
Earnest money deposit	117.50	117.50
Advance income tax (net of provision)	-	355.99
Input tax credit under GST	1,931.71	18,153.76
	14,265.65	21,070.36
18 Revenue from operations	For the year ended on	For the year ended on
	31st March 2022	31st March 2021
Sale of Goods	4,27,994.80	1,40,764.85
Sale of service	41,882.16	4,475.68
	4,69,876.96	1,45,240.53
19 Other income	For the year ended on	For the year ended on
	31st March 2022	31st March 2021
Interest on fixed deposit	1,044.61	805.40
Balance written back	317.54	-
Foreign exchange fluctuation gain	-	2,081.35
	1,362.15	2,886.75



	For the year ended on 31st March 2022	For the year ended on 31st March 2021
20 Cost of material consumed		
Opening Stock	2,00,502.67	1,82,980.26
Add: Purchases	3,16,050.93	1,14,231.63
Custom Duty	2,003.37	1,017.98
Clearing & Forwarding Charges	1,125.95	369.85
Less: Closing Stock	2,08,335.77	2,00,502.67
	3,11,347.15	98,097.05
21 Operating expense		
Excise duty reversal/duties & taxes	-	26.11
Factory Expenses	6.05	-
Labour charges	240.77	62.98
Job charges	2,610.50	47.54
Loading and unloading charges	7,975.47	847.29
Packing expense	0.20	8.00
Testing charges	430.12	255.45
Water expense	42.35	107.50
Electricity expense	4,887.34	4,023.45
Repair and Maintenance	146.79	154.34
	8.59	38.30
	16,348.18	5,570.96
22 Employee benefit expenses		
Salaries and wages	9,168.46	9,918.26
Contribution to EPF	180.31	198.13
Contribution to ESI	19.09	-
Gratuity (Note 31.2)	175.72	-
Staff welfare expenses	91.79	10.00
Rent expenses	44.00	-
	9,679.37	10,126.39
23 Finance Costs		
Bank Interest	11,534.87	15,785.61
BG Commission	947.99	1,396.35
Interest to others	34.50	93.47
	12,517.36	17,275.43
24 Other Expenses		
Administration Charges	0.67	1.46
Bank Charges	121.41	33.01
Commission expenses	210.00	-
Conveyance expense	422.90	-
Filing fees	25.80	-
GST liability paid	583.82	-
Insurance Expense	208.36	245.85
Inspection charges	3.29	-
Late fee/interest on statutory dues	564.85	-
Loan processing fee and supervision	-	340.99
Miscellaneous Expenses	54.43	74.34
Office Maintenance expenses	34.48	-
Payment to auditors (As statutory audit fee)	300.00	30.00
Postage & Courier	241.29	107.37
Printing and Stationery	-	42.79
Professional fees	2,861.00	1,260.84
Professional tax	0.60	-
Rent	1,429.16	144.40
Roc expenses	-	7.30
Security charges	235.70	321.49
Foreign exchange fluctuation loss	209.70	-
Sundry Balance Write off	-	159.73
Telephone & Internet charges	141.80	214.49
Travelling and conveyance expense	224.75	686.38
	7,874.01	3,670.44



25 In absence of any identifiable business segment, Accounting Standard (AS) 17 on Segment Reporting are not applicable on the Company.

26 Balance shown under head Sundry debtors, creditors and advances are subject to confirmation.

27 Following are the disclosure under the requirements of Accounting Standard (AS)- 18 on 'Related Party Disclosure': -

27.1 Related Parties Covered: -

Key Managerial Personnel	Sunil Menon (Director)
Relatives of Key Management Personnel	None
Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Flash Forge Private Limited (Ceased to be holding company on 01/04/2021)

27.2 Transaction with Related Parties: -

Transaction with	Nature of Transaction	Transaction during the year ended on	
		31st March 2022	31st March 2021
<u>Key Management Personnel-</u>			
Sunil Menon (Director)	Loan Taken	1160.00	Nil
	Loan Repaid	1199.99	Nil
<u>Relative of Key Management Personnel- None</u>			
<u>Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives-</u>			
Flash Forge Pvt. Ltd.	Sales	Nil	91987.72
	Loan Taken	92293.00	174028.94
	Loan Repaid	84166.13	103147.37

Transaction with	Nature of Balance	Closing Balance as at	
		31st March 2022	31st March 2021
<u>Key Management Personnel-</u>			
Sunil Menon (Director)	Borrowings	Nil	39.99
<u>Relative of Key Management Personnel- None</u>			
<u>Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives-</u>			
Flash Forge Pvt. Ltd.	Expenses payable	Nil	Nil
	Borrowings	79021.23	70894.36

28 Earning/ Remittance and/ or Expenditure in Foreign Currency: -

Particulars	31st March 2022	31st March 2021
<u>Expenditure in Foreign Currency</u>		
Purchase of Raw Material	17,580.95	11,652.51
<u>Earnings/ Income in Foreign Currency</u>	Nil	Nil

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

Particulars	31st March 2022	31st March 2021
Contingent liabilities not provided for	Nil	Nil
Pending litigations/ against the company	Nil	Nil



31 Ratio Analysis and its components

S.No.	Particulars	31st March 2022	31st March 2021	% change from March 31, 2021 to March 31, 2022
1	Current ratio	1.59	1.33	19.93%
2	Debt- equity ratio	1.12	3.18	-64.65%
3	Debt service coverage ratio	3.71	1.05	253.22%
4	Return on equity ratio	0.70	0.04	1885.30%
5	Inventory turnover ratio	2.09	0.73	185.19%
6	Trade receivable turnover ratio	4.76	2.49	91.06%
7	Trade payable turnover ratio	2.46	1.55	58.71%
8	Net capital turnover ratio	2.64	1.77	49.10%
9	Net profit ratio	0.16	0.02	863.70%
10	Return on capital employed	0.37	0.06	489.68%
11	Return on investment	0.06	0.04	53.49%

Reasons for variance of more than 25% in above ratios

Particular	Reasons
Debt- equity ratio	Increase in total shareholder fund due to net profits.
Debt service coverage ratio	Substantial increase in earning for debt services as compared to interest and principal repayment of long term borrowing.
Return on equity ratio	Increase in net profits as compared to average shareholder's equity.
Inventory turnover ratio	Increase in revenue from sales of products.
Trade receivable turnover ratio	Increase in revenue from operation during the year.
Trade payable turnover ratio	Increase in purchase of goods during the year.
Net capital turnover ratio	Substantial increase in revenue from operation as compared to working capital.
Net profit ratio	Substantial increase in net profit as compared to revenue from operations.
Return on capital employed	Increased in net profits for the current year.
Return on investment	Increase in interest income from fixed deposits with banks.

Components of Ratio

S.No.	Ratios	Numerator	Denominator	31st March 2022		31st March 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	4,77,514.43	2,99,750.51	3,31,448.38	2,49,523.89
2	Debt- equity ratio	Total Debts	Total Equity(Equity Share capital+Other equity)	1,66,755.97	1,48,532.74	2,26,120.83	71,201.09
3	Debt service coverage ratio	Earnings available for debt service (Net profit before exceptional Items & tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	1,24,379.24	33,544.37	29,266.09	27,879.08
4	Return on equity ratio	Net profit after tax- Exceptional items	Average Total Equity [(Opening Equity Share capital + Opening Other equity + Closing Equity Share Capital + Closing Other Equity)/2]	77,331.65	1,09,866.92	2,480.39	69,960.89
5	Inventory turnover ratio	Revenue from sales of products	Average Inventory [(opening balance + closing balance)/2]	4,27,994.80	2,04,419.22	1,40,764.85	1,91,741.46



6	Trade receivable turnover ratio	Revenue from operations	Average trade receivable [(Opening balance + closing balance)/2]	4,69,876.96	98,725.10	1,45,240.53	58,305.76
7	Trade payable turnover ratio	Purchase of Goods	Average trade payable [(Opening balance + closing balance)/2]	3,16,050.93	1,28,235.80	1,14,231.63	73,559.20
8	Net capital turnover ratio	Revenue from operations	Working capital (Current asset-current liabilities)	4,69,876.96	1,77,763.92	1,45,240.53	81,924.49
9	Net profit ratio	Net profit after tax-Exceptional items	Revenue from operations	77,331.65	4,69,876.96	2,480.39	1,45,240.53
10	Return on capital employed	Profit Before interest, Tax & Exceptional item	Total Equity + Total Debts (including preference share liability)	1,15,299.87	3,14,449.81	18,487.99	2,97,321.92
11	Return on investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	1,044.61	16,946.53	805.40	20,054.18

32 Necessary disclosures as per requirements of Accounting Standard (AS) - 15 on 'Employee Benefits' are made as follows: -

32.1 Defined contribution plans: -

The amount recognised as expense for defined contribution plans are as under: -

	31st March 2022	31st March 2021
Contribution to provident fund	180.31	198.13
Contribution to employee's state insurance	19.09	-
	<u>199.40</u>	<u>198.13</u>

32.2 Defined benefit plans: -

In respect of gratuity, the Company has recognised following amounts: -

	31st March 2022	31st March 2021
<u>Amount recognised in balance sheet: -</u>		
Present Value of the obligation	838.90	-
Fair Value of Plan Assets	-	-
Funded Status [Surplus/ (Deficit)]	(838.90)	-
Unrecognised Past Service Cost	-	-
Net Asset/ (liability) recognised in Balance Sheet	<u>(838.90)</u>	<u>-</u>
<u>Amount recognised in statement of Profit and Loss: -</u>		
Current service cost	139.53	-
Interest cost	43.77	-
Expected Return on plan asset	-	-
Actuarial loss/ (gain) recognised during the year	(7.58)	-
Expenses recognised in the statement of Profit & Loss (Note 21)	175.72	-
Prior period adjustments in the statement of Profit & Loss	663.17	-
Total expenses charged to Profit & Loss Account	<u>838.90</u>	<u>-</u>

Financial assumptions: -

Method of valuation	Projected Unit Credit Method	None
Discount rate	7.05% p.a.	None
Rate of increase in salaries	7.00% p.a.	None

Demographic assumptions: -

Mortality rate	100% of IALM 2012-14	None
Normal retirement age	60 Years	None
Expected return on plan Assets	7.05 % per annum	
Attrition rate, based on age (% p.a.)		
Upto 31 Years	15.00%	None
From 31 Years to 44 Years	10.00%	None
More than 44 Years	5.00%	None



CFF FLUID CONTROL LIMITED

CIN: U28990MH2012PLC227023

NOTES TO THE FINANCIAL STATEMENTS

(In Rs. "000")

- 32.3 As the gratuity provisions made for the first time, comparative figures would not appear in the financial statements.
- 33 The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
- 34 The company does not have transactions with the companies struck off under section 248 of Companies Act ,2013.
- 35 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- 36 The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 37 The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- 38 The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- 39 The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.
- 40 The financial statements were approved for issue by the board of directors on 15th September 2022.
- 41 Figures have been rounded off to the nearest thousands of rupees.
- 42 Figures in brackets indicate negative (-) figures.
- 43 Previous year's figures have been re- arranged or re- grouped wherever considered necessary.

Signed for the purpose of Identification

FOR V. N. PUROHIT & CO.
Chartered Accountants
Firm Regn. 304040E

O.P. Pareek
O.P. Pareek
Partner
Membership No. 014238
UDIN: 22014238BBH2YJ7946



For and on behalf of the Board of Directors of
CFF FLUID CONTROL LIMITED

Gautam Makker
Gautam Makker
Director
DIN:- 00354956

Sumit Menon
Sumit Menon
Director
DIN:- 00409485

Mumbai, the 15th day of September, 2022