



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF FLASH FORGE PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **FLASH FORGE PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and statement of cash flows then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('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 March 31, 2021, and its Profit for the year ended on that date.

Basis for opinion

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.



Information other than the standalone financial statements and auditors' 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 Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for Standalone 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 standalone financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

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



Auditors' Responsibility for the Audit of the Standalone Financial Statements

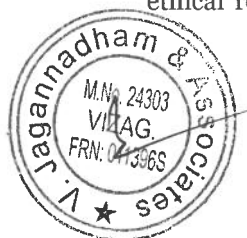
Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and



other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the 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 March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) The Company being a private limited company, the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in respect



of whether the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act is not applicable; and


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

- i. The Company does not have any pending litigations as at March 31, 2021 which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2021.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2021.

For V.Jagannadham & Associates,
Chartered Accountants
FRN: 0011396S
Chartered Accountants



Place: Visakhapatnam


V. Jagannadham
Partner

MNo: 024303

UDIN: 22024303AEVXVL4254

Annexure A to Independent Auditors' Report

Referred to in paragraph on Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Flash Forge Private Limited on the standalone financial statements as of and for the year ended March 31, 2021

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.
 - (c) According to the information and explanations are given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date.
- ii. The inventory has been physically verified by the management during the year, based on planned cyclical count procedures. In our opinion, the frequency of such verification is reasonable. However, due to the lockdown restrictions issued by the Central and State Government following the COVID'19 pandemic, the Company could not carry out physical verification of inventory at the reporting date. The physical verification of inventory was done by the management subsequent to the balance sheet date on the partial lifting of the lockdown. We have relied on the management in this regard since we could not observe the physical inventory verification because of the travel restrictions imposed due to COVID'19. We have performed roll backward procedures based on the management physical verification of inventory subsequent to the balance sheet date to reconcile with the book stock as of the reporting date. According to the information and explanations are given to us and based on the alternative procedures performed as aforesaid, no material discrepancies were noticed on such verification.
- iii. According to information and explanation are given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships, or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.



Annexure A to Independent Auditors' Report

Referred to in paragraph on Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Flash Forge Private Limited on the standalone financial statements as of and for the year ended March 31, 2021

We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, undisputed statutory dues of income-tax have to deposited with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, service-tax, duty of customs, and duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under [Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014/ Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act



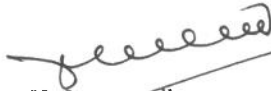
Annexure A to Independent Auditors' Report

Referred to in paragraph on Report on Other Legal and Regulatory Requirements of the Independent Auditors' Report of even date to the members of Flash Forge Private Limited on the standalone financial statements as of and for the year ended March 31, 2021

- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review³⁹. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For V.Jagannadham & Associates,
Chartered Accountants
FRN: 0011396S
Chartered Accountants

Place: Visakhapatnam


V. Jagannadham
Partner

MNo: 024303

UDIN: 22024303AEVXVLY254

Annexure B to Independent Auditors' Report

Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of Flash Forge Private Limited on the standalone financial statements for the year ended March 31, 2021

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

1. We have audited the internal financial controls over financial reporting of Flash Forge Private Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 the risks of material misstatement of the Standalone financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable



Annexure B to Independent Auditors' Report

Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditors' Report of even date to the members of Flash Forge Private Limited on the standalone financial statements for the year ended March 31, 2021

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detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
(2) provide reasonable

assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements .

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

9. Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to two Branches of the Company. Our opinion is not qualified in respect of this matter.

Place: Visakhapatnam



For V. Jagannadham & Associates,
Chartered Accountants
FRN: 0011396S
Chartered Accountants

V. Jagannadham
Partner

MNo: 024303

UDIN: 22024303AEVXVL4254

FLASH FORGE PRIVATE LIMITED
Balance Sheet as at 31st March 2021

Amount in Rs

Particulars	Sch No.	As at 31st ,March 2021	As at 31st ,March 2020
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	74,906,980	74,906,980
(b) Reserves and Surplus	2	1,019,578,313	1,084,108,417
		1,094,485,293	1,159,015,397
2 Non-Current Liabilities			
(a) Long-Term Borrowings	3	47,683,741	92,066,490
(b) Deferred Tax Liabilities (Net)	4	85,381,052	81,010,686
		133,064,793	173,077,176
3 Current Liabilities			
(a) Short-Term Borrowings	5	751,188,351	480,200,676
(b) Trade Payables	6	384,228,265	636,718,289
(c) Other Current Liabilities	7	135,079,916	142,257,113
(d) Short Term Provisions	8	40,352,327	22,472,934
		1,310,848,859	1,281,649,013
TOTAL		2,538,398,945	2,613,741,586
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets			
(i) Tangible Assets	9	1,001,888,527	1,000,826,188
Less: Depreciation		313,261,873	264,753,599
		688,626,654	736,072,588
(ii) Capital-Work-In-Progress		-	-
		688,626,654	736,072,588
(b) Non-Current Investments	10	66,840,455	83,915,383
(d) Deferred tax assets (net)	19	-	-
		755,467,109	819,987,971
2 Current Assets			
(a) Inventories	16	993,373,775	900,175,932
(b) Trade Receivables	11	548,981,783	616,950,402
(c) Cash and Cash Equivalents	12	131,006,826	164,827,216
(d) Short-Term Loans and Advances	13	109,569,452	111,800,065
		1,782,931,836	1,793,753,615
TOTAL		2,538,398,945	2,613,741,586
The accompanying notes are an integral part of the financial statements			

AS PER OUR REPORT OF EVEN DATE
For V JAGANNADHAM & ASSOCIATES
Chartered Accountants

V JAGANNADHAM
PARTNER
Dt: 07/11/2021



FOR AND ON BEHALF OF BOARD OF DIRECTORS

GAUTAM MAKKER (MANAGING DIRECTOR)

SUNIL MENON (MANAGING DIRECTOR)



FLASH FORGE PRIVATE LIMITED
Statement of Profit and loss for the year ended on 31st March, 2021

Amount in Rs

Particulars	Sch. No.	As at 31st, March 2021	As at 31st, March 2020
Revenue:			
Revenue from Operations	14	1,304,072,066	2,714,568,428
Other Income	15	7,840,811	15,259,705
Increase/(Decrease) in Stock	16	93,197,843	244,258,959
TOTAL Revenue		1,405,110,720	2,974,087,092
Expenses:			
Cost of Materials consumed			
Purchases of Stock in Trade	17	979,546,186	2,278,570,270
Direct Expenses	17.1	55,535,987	146,160,447
Employee benefits Expenses	18	105,761,957	175,817,023
Finance Costs	19	147,476,127	133,080,204
Depreciation and Amortization Expenses	9	48,508,274	49,958,669
Other Expenses	20	111,367,001	176,988,949
TOTAL Expenses		1,448,195,531	2,960,575,562
Profit/(Loss) From Continuing Operation		(43,084,811)	13,511,530
Exceptional Items			
Write-off investments		17,074,927	
total exceptional item		17,074,927	0
Profit /(Loss) Before Tax		(60,159,738)	13,511,530
Tax Expense:			
(1) Current		0	3,868,091
(2) Deferred		4,370,366	(2,194,423)
Profit for the year		(64,530,104)	11,837,862
Earnings Per Share (Basic & Diluted)		-4.95%	0.44%
part of the financial statements	1 to 20		

AS PER OUR REPORT OF EVEN DATE
 For V.JAGANNADHAM & ASSOCIATES
 Chartered Accountants

FOR AND ON BEHALF OF BOARD OF DIRECTORS

V.JAGANNADHAM
 PARTNER
 Dt: 07/11/2021



GAUTAM MAKKER (MANAGING DIRECTOR)

SUNIL MENON (MANAGING DIRECTOR)



FLASH FORGE PRIVATE LIMITED

Notes on Financial statements for the year ended 31.03.2021

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation

1

SHARE CAPITAL

PARTICULARS	As at 31st March 2021		As at 31st March 2020	
	Number	Amount (Rs)	Number	Amount (Rs)
Authorised Capital				
Equity Share Capital of Rs.10 each	7,280,000	72,800,000	7,280,000	72,800,000
Differential Voting Rights	720,000	7,200,000	720,000	7,200,000
TOTAL	8,000,000	80,000,000	8,000,000	80,000,000
Issued, Subscribed and Paid up	6,776,698	67,766,980	6,776,698	67,766,980
Issued of Difrential Voting Rights	714,000	7,140,000	714,000	7,140,000
TOTAL	7,490,698	74,906,980	7,490,698	74,906,980

2.1 The details of Share holding in excess of 5%

Name of the Share Holder	As at 31st March 2021		As at 31st March 2020	
	Number	%	Number	%
A) LIST OF EQUITY SHARE HOLDERS				
Mr.Gautam Makkar	1,927,936	28.45%	1,927,936	28.45%
Pushpak Advisory Pvt.Ltd	1,250,000	18.45%	1,250,000	18.45%
Mr.Sunil Menon	1,168,159	17.24%	1,168,159	17.24%
Mrs.Shalini menon	970,190	14.32%	970,190	14.32%
Navigating Sales Pvt.Ltd	750,000	11.07%	750,000	11.07%
AA Y AAR Consultancy services	500,000	7.38%	500,000	7.38%
Diplok Advisory Pvt.Ltd	192,165	2.84%	192,165	2.84%
Signet Infotech Private Ltd	18,248	0.27%	18,248	0.27%
TOTAL	6,776,698	100%	6,776,698	100%

B) LIST OF SHARE HOLDERS OF EQUITY SHARE WITH DIFFERENTIAL VOTING RIGHTS

AA Y AAR CONSULTANCY SERVICES	100000	14%	100000	14%
LALIMA TIE UP PRIVATE LIMITED	100000	14%	100000	14%
NAVIGATING SALES PVT.LTD	100000	14%	100000	14%
PUSHPAK ADVISORY PVT.LTD	200000	28%	200000	28%
PAGARIA HOLDINGS PRIVATE LIMITED	214000	30%	214000	30%
TOTAL	714,000	100%	714,000	100%



2.2 The reconciliation of number of shares outstanding is set out below

Particulars	As at 31st March 2021		As at 31st March 2020	
	No of Shares		No of Shares	
Shares outstanding at the beginning of the year				
Equity shares		6,776,698		6,776,698
Differential Voting Rights		714,000		714,000
Shares Issued during the year				
Equity shares		-		-
Preference shares		-		-
Shares bought back during the year				
Equity shares		-		-
Differential Voting Rights		-		-
Shares outstanding at the end of the year				
Equity shares		6,776,698		6,776,698
Differential Voting Rights		714,000		714,000

2 Reserves & Surplus

PARTICULARS	As at 31st March 2021		As at 31st March 2020	
	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)
a. Capital reserve				
As per last balance sheet	3,668,402		3,668,402	
Add: Transferred from statement of profit and loss	-		-	
Closing Balance		3,668,402		3,668,402
b. Revaluation reserve				
As per last balance sheet				
Add: Transferred from statement of profit and loss				
Closing Balance				
c. Securities premium				
As per last balance sheet	111,378,426		64,260,000	
Add: New Shares Allotment			47,118,426	
Add: Transferred from statement of profit and loss	-		-	
Closing Balance		111,378,426		111,378,426
d. Balance in statement of profit and loss				
As per last balance sheet	969,061,589		957,223,727	
Add: Profit for the year	(64,530,104)		11,837,862	
Less: Dividend paid on Preference shares				
Tax on Dividend				
Transferred to General Reserves				
Closing Balance		904,531,485		969,061,589
TOTAL		1,019,578,313		1,084,108,417



FLASH FORGE PRIVATE LIMITED

Notes on Financial statements for the year ended 31.03.2021

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current

4 Deferred Tax Liability (Net)

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
TOTAL		
Deferred tax Liability		
Related to fixed assets	81,010,686	83,205,109
ADD: Current year	4,370,366	(2,194,423)
	-	-
Total	85,381,052	81,010,686

5 SHORT TERM BORROWINGS

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
LOANS REPAYABLE ON DEMAND		
• from Banks (Secured) Cash credit-AB	128,245,925	129,822,091
• from Banks (Secured) Cash credit-AB-Adhoc	-	-
• from Banks (Secured) Cash credit -IDBI	428,920,033	199,007,647
• from Banks (Secured) Cash credit- BOM	194,022,393	151,370,938
	-	-
Total	751,188,351	480,200,676

6 TRADE PAYABLES

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Sundry Creditors	384,228,265	636,718,289
Total	384,228,265	636,718,289

7 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
(a) Current maturities of long term borrowings	34,972,736	21,041,680
(b) Duties & Taxes and other Payable	93,349,406	78,376,642
(c) Advance received from Customers	6,757,774	42,838,791
Total	135,079,916	142,257,113



8 SHORT TERM PROVISIONS

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Provision for employee Benefits	40,352,327	18,604,843
Provision for Income Tax	-	3,868,091
Total	40,352,327	22,472,934

10 NON-CURRENT INVESTMENTS

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Other investment (Unquoted-Non trade) In Equity Instruments of Associate company fully paid up		
Composite Resin Developing Ltd	15,003,734	15,003,734
FF TECRON PIPING SYSTEMS CO.LTD	22,602,183	22,602,183
Invstements(Airotech)	500,000	500,000
Optimal Armour Limited	-	17,074,927
Shares in CFF Fluid Control Pvt Ltd	28,734,538	28,734,538
Total	66,840,455	83,915,383

11 TRADE RECEIVABLES

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Unsecured considered good		
Debts outstanding over six months	16,150,312	15,352,885
Debts outstanding less than six months	532,831,471	601,597,517
Total	548,981,783	616,950,402



12 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
a. Balances with banks		
- Current Accounts	8,551,885	5,070,930
- Fixed deposits (Margin Money)	121,899,985	158,944,146
b. Cash on hand	554,956	812,140
Total	131,006,826	164,827,216

13 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Unsecured and Considered good		
Advances / Imprest to Employees	1,475,152	1,012,277
Advances to suppliers and other parties	46,176,631	55,193,442
Deposits	44,279,444	40,556,536
Others	17,638,226	15,037,810
Total	109,569,452	111,800,065

14 REVENUE FROM OPERATIONS

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
<u>SALES</u>		
INDIGEOUS	1,281,489,674	2,679,364,982
EXPORT	22,582,392	35,203,446
	1,304,072,066	2,714,568,428
Total	1,304,072,066	2,714,568,428



15 OTHER INCOME

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Interest received on FDR's	7,727,873	10,956,801
Other Income	112,938	4,302,905
Total	7,840,811	15,259,705

16 INCREASE/DECREASE IN INVENTORIES

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Closing Stock - Raw Material	993,373,775	900,175,932
Less: Opening Stock - Raw Material	900,175,932	655,916,973
Total	93,197,843	244,258,959

17 OPERATING & OTHER MANUFACTURING EXPENSES

Particulars	As at 31st March 2021	As at 31st March 2020
	Amount (Rs.)	Amount (Rs.)
Purchase of Raw-Material	979,546,186	2,278,570,270
17.1 Manufacturing Expenses	55,535,987	146,160,447
Total	1,035,082,172	2,424,730,717

18 EMPLOYEE BENEFITS

Particulars	As at 31st March 2021	As at 31st March- 2020
	Amount (Rs.)	Amount (Rs.)
Wages & Salaries	105,761,957	175,817,023
Total	105,761,957	175,817,023



Particulars	As at 31st March 2021	As at 31st March- 2020
	Amount (Rs.)	Amount (Rs.)
<u>Other borrowing costs</u>		
Bank Charges	244,873	1,689,360
BANK CHARGES [REMITANCE]	6,440	265,296
Bank Loan Processing Charges	8,711,843	9,880,531
BG Charges	4,123,923	6,508,484
Bill Discount Charges	28,371	260,906
Buyers Credit Charges	-	-
Interest A/c	492,015	5,125,652
Interest on Custom Duty	85,741	263,831
Interest on Term Loan	7,883,459	16,537,426
Interest on Working Capital	108,522,488	72,351,092
LC Charges	16,232,845	17,049,501
LC Discounting Charges	1,144,130	3,148,127
TOTAL	147,476,127	133,080,204



OTHER EXPENSES

Particulars	As at 31st March 2021	As at 31st March- 2020
	Amount (Rs.)	Amount (Rs.)
Advertisement	-	-
Audit Fee	600,000	600,000
Business Promotion Exp.	31,037,915	22,794,257
Carriage Outwards	645,512	6,276,690
Commission	-	889,736
Computer Maintenance	843,432	939,009
Consultation Charges	5,179,116	11,044,014
Conveyance Charges	248,161	848,868
Directors Remuneration	-	16,800,000
Donation	228,941	381,686
Electricity Charges	1,751,721	3,204,635
ESI	-	1,931,914
EXCHANGE LOSS	14,938	473,647
Exhibition expenses	-	-
Food & Beverages	37,711	214,082
Gifts & Complements	132,260	46,251
Insurance Charges	798,923	1,579,779
LD Charges	11,300,824	25,670,235
Medical Expenses	422,400	656,108
Office & General Maintainence	2,140,553	4,580,695
Postage & Telegrams	173,037	245,337
Printing & Stationery	224,301	548,720
Security Charges	4,540,037	4,916,680
Provident Fund	-	8,600,140
Registration expenses	1,047,347	1,392,366
Rent	23,601,918	35,476,284
Research & Development	18,370,325	-
Staff Welfare	1,314,606	3,545,299
Telephone Charges	1,114,509	998,106
Travelling Expenses	3,540,473	9,075,833
Vehicle Maintainence	967,648	1,659,647
	-	-
Export Freight	320,976	2,346,780
Late Fee on Govt. Payments	5,650	5,772,215
Sales Tax	265,598	2,648,697
Packing Material	498,168	831,239
Total	111,367,001	176,988,949
For Audit fees	600,000	600,000
Total	600,000	600,000

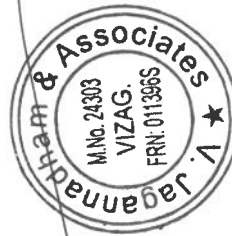


FLASH FORGE PRIVATE LIMITED

SCH - 9 DEPRECIATION STATEMENT AS PER COMPANIES ACT FOR THE YEAR 2020-2021

Particulars	LIFE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 31.03.2020	Additions UP TO 31.03.2021	Deductions	As on 31.03.2021	Up to 31.03.2020	ADJ	During the Year 2020-2021	Total up to 31.03.21	As on 31.03.2021	As on 31.03.2020
Land		26,617,650	-		26,617,650	-				26,617,650	26,617,650
Building (3.34% SLM)	30 Years	15,935,014	-		15,935,014	7,345,763	533,688	7,879,450		8,055,564	8,589,252
Cars & Scooters(9.5%)	10.5Years	37,951,770	-		37,951,770	23,705,202	3,600,368	27,305,570		10,646,200	14,246,568
Computers/Electronic -16.21%	6Years	16,201,402	148,220		16,349,622	15,995,358	2,579,938	18,575,296		(2,225,674)	206,044
Furniture	16Years	10,971,081	-		10,971,081	5,716,495	705,117	6,421,612		4,649,469	5,254,585
Plant & Machinery (4.75%)	21Years	836,231,180	914,120		837,145,299	195,724,655	39,135,685	234,860,340		602,284,959	640,506,525
Factory Buildings	30 Years	56,918,091	-		56,918,091	16,266,127	1,953,477	18,219,605		38,698,487	40,651,964
TOTAL		1,000,826,188	1,062,340	-	1,001,888,527	264,753,599	48,508,274	313,251,873	-	688,626,654	736,072,588
Previous Year		846,466,305	149,634,877	230,000	995,871,183	170,118,612	44,676,318	214,794,930	-	781,076,253	676,347,692

AS PER OUR REPORT OF EVEN DATE
For V. JAGANNADHAM & ASSOCIATES
Chartered Accountants



V. JAGANNADHAM
Partner

Dt: 07/11/2021

FOR AND ON BEHALF OF BOARD OF DIRECTORS JARD OF DIRECTORS



GAUTAM MAKKER (MANAGING DIRECTOR)

SUNIL MENON (MANAGING DIRECTOR)

FLASH FORGE PRIVATE LIMITED
Cash Flow Statement for the Financial year ended on 31.03.2021

Amount in Rs

Particulars		FY 2020-21	FY 2019-20
Cash Flow from Operations			
Net profit before Taxation		(60,159,738)	241,660,693
Adjustments for			
Depreciation		48,508,274	44,676,318
Loss on Sale of Assets		-	-
Interest Expenses		147,476,127	120,866,099
Interest Income		(7,727,873)	(10,471,011)
Operating Profit before working capital changes		128,096,790	396,732,099
Changes in Working Capital			
Increase in Trade Payables		(252,490,023)	26,787,674
(Increase)/Decrease in Trade Receivables		67,968,619	(88,527,294)
Increase in Inventories		(93,197,843)	(23,100,324)
Increase in other current Liabilities		639,231	(30,523,323)
Cash generated from Operations		(148,983,228)	281,368,832
Income Tax Paid		(3,868,091)	(65,129,860)
Net Cash used in Operating Activities	A	(152,851,319)	216,238,972
Cash Flow From Investing Activities			
Proceeds from Sale of Assets		-	-
Purchase of Fixed Assets		(1,062,340)	(149,404,878)
Expenditure on Capital Work-in-Progress		-	5,371,640
Purchase of Investments		17,074,927	500,000
Short Term Loans & Advances		2,230,613	4,903,394
(Increase)/Decrease in Fixed Deposits with Banks (Margin Monies)		37,044,162	(916,944)
Interest Received		7,727,873	10,471,011
Net Cash used in Investing Activities	B	63,015,235	(129,075,777)
Cash Flow From Financing Activities			
Proceeds from issue of Share Capital		-	-
Proceeds/ (Repayment) of Long Term Borrowings		(30,451,694)	2,413,423
Proceeds/(Repayment) from Short Term Borrowings		270,987,675	23,974,756
Interest paid		(147,476,127)	(120,866,099)
Net Cash used in Financing Activities	C	93,059,854	(94,477,920)
Net Increase in Cash & Cash Equivalents	(A+B+C)	3,223,771	(7,314,725)
Cash & Cash equivalents at the beginning of the period		5,883,070	26,024,182
Cash & Cash equivalents at the end of the period		9,106,842	18,709,457

Reconciliation of Cash & Cash Equivalents as per Balance Sheet & Cash Flow		
As per Balance Sheet	131,006,826	164,827,216
Less: FDRs with Banks (Margin Monies)	(121,899,985)	(158,944,146)
As per Cash Flow	9,106,841	5,883,070

AS PER OUR REPORT OF EVEN DATE
For V.JAGANNADHAM & ASSOCIATES
Chartered Accountants

V.JAGANNADHAM
Partner
Dt: 07/11/2021



FOR AND ON BEHALF OF BOARD OF DIRECTORS

GAUTAM MAKKER (MANAGING DIRECTOR)

SUNIL MENON (EXECUTIVE DIRECTOR)



M/S FLASH FORGE PRIVATE LIMITED
VISAKHAPATNAM

Schedule: 21

Notes Forming Part Of Accounts as at 31-March-2021:

Accounting Policies:

- i) **General:** Financial Statements are prepared under the historical cost convention and in accordance with the normally accepted accounting standards.
- ii) The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.
- iii) **Tangible Fixed Assets:** Fixed assets are stated at cost, net of accumulated depreciation and impairment losses, if any. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.
- iv) **Depreciation on Fixed Assets:** Depreciation on fixed assets is calculated on straight-line basis using the rates arrived at based on the useful life estimated by the Management, which coincides with the rates prescribed under Schedule II of the Companies Act, 2013.
- v) **Impairment:** The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the



estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. Impairment losses, if any, are recognized in the statement of profit and loss

vi) **Investments:** Investments, which are not readily realizable and intended to be held for more than one year from the date on which such investments are made, are classified as Non-current investments. Non-current Investments are stated at cost. There is no Current Investments.

vii) **Foreign Currency Transactions:** Foreign Currency Transactions are recorded at prevailing exchange rates at the time of transaction. Monetary items denominated in foreign currency at the yearend are stated at closing exchange rate value of foreign currency. Non Monetary items are carried at Cost. Exchange differences i.e., gain/loss on the transactions are recorded in the Profit and Loss Account.

viii) **Inventories:** Inventories are valued as follows:

- a) Raw Material : Valued at Cost or Net Realizable Value whichever is lower
- b) Stores : Valued at Cost
- c) Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of fixed manufacturing overheads based on the normal operating capacity. Cost is determined on a weighted average basis.

ix) **Turnover:** Turnover disclosed in the Profit & Loss Account is net of GST.

x) **Borrowing Costs:** Borrowing Costs incurred during the construction period up to the commercial production are allocated to the respective assets.

xi) **Pre-operative expenditure:** Preoperative expenditure incurred during the construction period up to the commercial production is allocated to the respective assets.



21. Notes to Accounts:

- i) Working Capital facility from Consortium bankers IDBI Bank, Bank of Maharashtra & Andhra Bank is secured by way of hypothecation of all stocks of Raw Material, Stores, Work-in-Process, Finished Goods, Bills Receivables and Book Debts.

Promoter Directors of the company guarantee the above loans in their personal capabilities.

- ii) In the opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated in the accounts, if realized in the ordinary course of business.

iii) Managerial Remuneration to Directors:

SI No.	Name and Designation	FY 2020-21 Rs.	FY 2019-20 Rs.
1	Shri Gautam Makker Managing Director	60,00,000	84,00,000
2	Shri Sunil Menon Managing Director	60,00,000	84,00,000
Total		1,20,00,000	1,68,00,000

iv) Related party Transactions:

Nature of Transaction	Associates	Key Management Personnel	Relatives of Key Management Personnel	Total	Balance Outstanding As On 31.03.2021
Purchases	6,16,355.00	NIL	NIL	6,16,355.00	31,64,808.00
Directors Remuneration	NIL	1,20,00,000	NIL	1,20,00,000	1,09,21,106.00
Loans & Advances	9,73,24,961.00	NIL	NIL	9,72,99,961	8,90,88,,850
Borrowings	31,67,708	NIL	NIL	31,67,708	2,70,25,900
Sales & Services	NIL	NIL	NIL	NIL	1,01,76,965 .



Note: Names of the Key Management Personnel:

1. Shri Gautam Makker
2. Shri. Sunil Menon

v) Remuneration to the Auditors:

	FY 2020-21 Rs.	FY 2019-20 Rs.
Statutory Audit	6,00,000	6,00,000

vi) Previous year figures have been regrouped or rearranged wherever necessary.

vii) The Company has only one segment of business i.e, manufacturing of Valves, butt-weld pipe fittings and hollow forgings. Hence Segment Information Reporting is not applicable.

viii) Contingent Liabilities not provided for
Bank Guarantees Issued Rs.18,40,79,648/-

ix) Expenditure in Foreign Currencies
USD :75774.00
EURO :48096.00
INWARD: EURO: 68095.00

AS PER OUR REPORT OF EVEN DATE
For V.JAGANNADHAM & ASSOCIATES
Chartered Accountants

FOR AND ONBEHALF OF BOARD OF DIRECTORS



V. JAGANNADHAM
Partner

Place: Visakhapatnam
Date : 07.11.2021



GAUTAM MAKKER (MANAGING DIRECTOR)

SUNIL MENON (MANAGING DIRECTOR)