

CHANDIRAMANI & CO.

CHARTERED ACCOUNTANTS

402, AGARWAL B2B CENTRE, D'MONT LANE, MALAD WEST, MUMBAI - 400 064.

INDEPENDENT AUDITOR'S REPORT

To
The Members,
CFF FLUID CONTROL PVT. LTD.
Plot No 1, Survey No-96, Kumbhivli, Madap Khopoli IN,
Khalapur, Raigad, Maharashtra-410203.

Report on Financial Statements

We have audited the accompanying financial statements of CFF FLUID CONTROL Pvt. Ltd. ("the Company"), which comprise the Balance Sheet as at 31st March, 2019 Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for matters stated in section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of financial statements that give a true and fair view of the financial position, financial performance and cash flow 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at **March 31, 2019**; and
- (b) in the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date.

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 Act, we give in the Annexure a statement on the matters specified in the paragraph 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 obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss, Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements in comply with the accounting standards specified under section 133 of the Act, read with the Rule 7 of Companies(Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors, as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies(Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us :
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred to the Investors Education and Protection Fund by the Company.

FOR CHANDIRAMANI & CO.
CHARTERED ACCOUNTANTS
FIRM NO - 101667W

Mohan Chandiramani

MOHAN CHANDIRAMANI
PROPRIETOR
(M.NO. 040127)



PLACE : MUMBAI

DATED : 25TH SEPTEMBER, 2019.

UDIN : 19040127AAAAB01751

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF CFF FLUID CONTROL PVT LTD

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

We have audited the internal financial controls over financial reporting of (CFF Fluid Control Pvt Ltd) as of 31-Mar-2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 financial statements, whether due to fraud or error. We believe that the audit evidence I/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

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 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 detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

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 31-Mar-2016.

FOR CHANDIRAMANI & CO.

CHARTERED ACCOUNTANTS

FIRM NO - 101667W



MOHAN CHANDIRAMANI

PROPRIETOR

(M.NO. 040127)



PLACE : MUMBAI

DATED : 25TH SEPTEMBER, 2019.

UDIN : 19040127AAAAB01751

Annexure to the Auditors' Report

The Annexure referred to in our report to the members of CFF FLUID CONTROL PVT. LTD. for the year ended 31st March, 2019. We report that:

- (1) (a) The Company is in the process of setting up its production unit. Hence, records showing quantitative details are under preparation.
(b) fixed assets, which will be operational once the installation of capital assets is complete.
(c) The title deeds of immovable properties are held in the name of the company.
- (2) (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (3) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered by clause (76) of Section 2 of the Companies Act, 2013.
- (4) 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 loans, investments, guarantees, and security.
- (5) The Company has not accepted any deposits according to the the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013
- (6) As informed to us, the Central Government has not prescribed maintenance of cost record under sub-section (1) of Section 148 of the Act

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including income-tax,

- (7) (a) sales-tax, Value added Tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities, As explained to us, the company does not have registration on account of provident fund, employees' state insurance, service tax and excise duty.
(b) There were no arrears of disputed statutory dues as at the last day of financial year.

- (8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- (9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or 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 and hence not commented upon.



- (10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration payment or provision in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act is not applicable.
- (12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment of shares or fully or partly convertible debentures but has made private placement during the year under review and the requirement of Section 42 of the Companies Act, 2013 have been complied and the amount raised have been used for the purposes for which the funds were raised.
- (15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- (16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

FOR CHANDIRAMANI & CO.
CHARTERED ACCOUNTANTS
FIRM NO - 101667W



MOHAN CHANDIRAMANI
PROPRIETOR
(M.NO. 040127)



PLACE : MUMBAI

DATED : 25TH SEPTEMBER, 2019.

UDIN : 19040127AAAAB01751

APPENDIX TO THE AUDIT REPORT

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 risk of material misstatement of the financial statements, Whether due to fraud or error, design and perform audit procedures responsive to the risk , and obtain audit evidence that is sufficient and appropriate to provide basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher then for one resulting from error, as fraud may involve collusion, forgery, international omission, 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 be 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 drown 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 up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as ageing concern.

Evaluate the overall presentation, structure and content of the financial statement's, including the disclosures, and whether the financial statements represents 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 aid 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 ethics requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be through to bear on our independence, and where applicable, related safeguards.

FOR CHANDIRAMANI & CO.

CHARTERED ACCOUNTANTS

FIRM NO - 101667W



MOHAN CHANDIRAMANI

PROPRIETOR

(M.NO. 040127)



PLACE : MUMBAI

DATED : 25TH SEPTEMBER, 2019.

UDIN : 19040127AAAAB01751

NAME OF ASSESSEE	CFF FLUID CONTROL PVT. LTD.	ASSESSMENT YEAR	: 2019-2020
STATUS	: PRIVATE LIMITED COMPANY	FINANCIAL YEAR	: 2018-2019
PAN	: AAFCC3630A	DATE OF CREATION	: 19-10-2012
ADDRESS	: PLOT NO-1 SURVEY NO-96, KUMBHIVALI, MADAP, KHOPILI IN, KHALAPUR-RAIGAD-410203	WARD/RANGE	
E-MAIL ID	: sales@ffengg.com	TELEPHONE	
NAME OF BANK	: HDFC BANK LTD	MOBILE NO	: 8879998142
BRANCH ADDRESS	: JUHU VERSOVA ROAD ANDHERI(W)	TYPE OF ACCOUNT	: CURRENT
		BANK A/C NO.	: 50200004480593
		IFSC	: HDFC0000019

COMPUTATION OF TOTAL INCOME

(I) INCOME FROM BUSINESS OR PROFESSION	
NET PROFIT (AS PER P&L A/C)	17,480,411
ADD : DEPRECIATION AS PER BOOKS	17,480,241
ADD : <u>DISALLOWED EXPENSES</u>	
Interest on Late Payment of Taxes	194,575
	<u>35,155,226</u>
LESS : DEPRECIATION U/S. 32 (As Per Statement attached)	13,250,902
	<u>21,904,324</u>
	GROSS TAXABLE INCOME
	<u>21,904,324</u>
LESS: BROUGHT FORWARD LOSSES	
BUSINESS LOSS	-
UNABSORBED DEPRECIATION U/S 32	-
	<u>21,904,324</u>
	NET TAXABLE INCOME
	<u>21,904,320</u>
	ROUNDED-OFF
	<u>21,904,320</u>

COMPUTATION OF INCOME TAX

INCOME TAX PAYABLE ON RS. 21904320	5,476,080
ADD : SURCHARGE	383,326
ADD : EDUCATION CESS @ 4%	234,376
	<u>6,093,782</u>
	TOTAL TAX PAYABLE
	<u>6,093,782</u>

STATEMENT OF INCOME U/S 115 JB

(I) INCOME FROM BUSINESS OR PROFESSION	
NET PROFIT (AS PER P&L A/C)	17,480,411
	<u>17,480,411</u>
	NET TAXABLE INCOME
	<u>17,480,410</u>
	ROUNDED-OFF
	<u>17,480,410</u>

COMPUTATION OF MAT

INCOME TAX PAYABLE ON RS. 17480410	3,233,876
ADD : SURCHARGE	226,371
ADD : EDUCATION CESS @ 4%	138,410
	<u>3,598,657</u>
Higher of (A) or (B)	6,093,782
Less: MAT Credit B/F	-
NET TAX LIABILITY /(REFUND)	<u>6,093,783</u>
ADD : INTEREST UUNDER SECTION 234A	-
ADD : INTEREST UUNDER SECTION 234B	-
ADD : INTEREST UUNDER SECTION 234C	72,504
	<u>72,504</u>
Less: TDS	
TDS Receivable	4,303,435
Advance Tax	2,500,000
TOTAL TAX LIABILITY /(REFUND)	<u>(637,150)</u>

CFF FLUID CONTROL PVT. LTD.
BALANCE SHEET AS AT 31st March 2019

PARTICULARS	SH No.	AS ON 31.03.2019		AS ON 31.03.2018	
EQUITY AND LIABILITIES					
(1) SHAREHOLDERS' FUNDS					
(a) Share Capital	2	7,137,050		7,137,050	
(b) Share Application Pending Allotment		19,864,006		19,864,006	
(c) Reserves & Surplus	3	47,474,571	74,475,627	35,942,442	62,943,498
(2) NON-CURRENT LIABILITIES					
(a) Long-Term Borrowings	4	111,309,395		61,309,395	
(d) Advance From Customers	5	20,907,094		130,455,845	
(b) Deferred tax liabilities (Net)	10	980,910	133,197,399	1,132,628	192,897,867
(3) CURRENT LIABILITIES					
(a) Short-Term Bank Borrowings	6	201,245,518		49,435,090	
(b) Trade Payables	7	59,481,759		8,929,478	
(c) Other Current Liabilities	8	-		-	
(d) Short-Term Provisions	9	6,344,158	267,071,434	6,017,302	64,381,871
TOTAL			474,744,460		320,223,236
ASSETS					
(1) NON-CURRENT ASSETS					
(a) Fixed Assets					
Tangible Assets	10	113,916,874		129,791,431	
(b) Deferred Tax Assets (Net)	11	-		-	
(c) Long Term Advance to Suppliers	12	-	113,916,874	103,622,020	233,413,451
(2) CURRENT ASSETS					
(a) Inventories		204,978,020		44,649,990	
(b) Trade Receivables	13	30,033,129		14,481,843	
(c) Cash and Cash Equivalents	14	20,153,319		13,181,668	
(d) Short Terms Loans & Advances	15	105,663,116	360,827,585	14,496,285	86,809,786
TOTAL			474,744,460		320,223,236

IN TERMS OF OUR REPORT ATTACHED.

CHANDIRAMANI & CO
CHARTERED ACCOUNTANTS
FIRM NO: 101667

Chandiramani
MOHAN CHANDIRAMANI
PROPRIETOR
(M. NO. 040127)
UDIN : 19040127AAAAAB01751

PLACE : MUMBAI
DATED : 25/09/2019



ON THE BEHALF OF BOARD

[Signature]
DIRECTOR

[Signature]
DIRECTOR

PLACE : MUMBAI
DATED : 25/09/2019

CFF FLUID CONTROL PVT. LTD.

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31st March 2019

PARTICULARS	SH No.	AS ON 31.03.2019	AS ON 31.03.2018
CONTINUING OPERATIONS			
(1) Revenue from Operations (gross)		447,151,918	235,531,891
Less: Sales Tax		-	4,562,206
Less: GST		68,127,595	30,077,629
Revenue from operations (net)		<u>379,024,323</u>	<u>200,892,055</u>
Other Income	16	3,003,132	988,478
TOTAL REVENUE		382,027,455	201,880,533
EXPENSES			
(1) Cost of Material Consumed	17	255,913,421	124,871,892
(2) Manufacturing Expenses	18	34,970,167	17,694,708
(3) Employee Benefits Expenses	19	14,786,436	9,582,767
(4) Finance Cost	20	36,180,088	22,194,143
(5) Administration Expenses	21	5,216,691	8,187,228
(6) Depreciation & Amortisation Expenses		17,480,241	8,294,865
TOTAL EXPENSES		364,547,044	190,825,604
NET PROFIT / (LOSS) BEFORE TAX		17,480,411	11,054,930
Less : Tax Expenses			
(a) Current tax for current year		6,100,000	2,350,000
(b) Deferred tax		(151,718)	1,185,714
(c) Short/(Excess)Tax Provision for Earlier Year		-	(22,230)
		5,948,282	3,513,484
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		11,532,129	7,541,446
EARNINGS PER EQUITY SHARE			
Basic	22	-	-
Diluted		-	-

IN TERMS OF OUR REPORT ATTACHED.

CHANDIRAMANI & CO
CHARTERED ACCOUNTANTS
FIRM NO. 101667W

Mohan Chandiramani
MOHAN CHANDIRAMANI
PROPRIETOR
(M. NO. 040127)
UDIN : 19040127AAAA01751

PLACE : MUMBAI
DATED : 25/09/2019

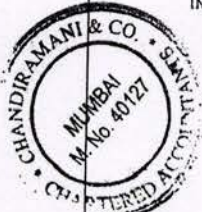


ON THE BEHALF OF BOARD

[Signature]
DIRECTOR

[Signature]
DIRECTOR

PLACE : MUMBAI
DATED : 25/09/2019



CFF FLUID CONTROL PVT. LTD.

NOTE-01

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

CORPORATE INFORMATION

M/s. Cff Fluid Control Pvt. Ltd. company incorporated on 19-10-2012, having its registered office at Plot No 1, Survey No-96, Kumbhivli, Madap Khopoli In, Khalapur, Raigad, Maharashtra. Directors of the company are Mr. Gautam Makkar & Mr. Sunil Menon. The nature of the operations and principal activities of the company are fluid control.

SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

(b) Use of estimates :

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

(d) Depreciation and Amortisation :

Depreciation on all assets of the Company is charged on written down value method over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act, 2013.

(c) Revenue Recognition :

(i) The company follows the Mercantile System of Accounting and recognises revenue / income, cost / expenditure on accrual basis except in the case of significant uncertainties. Sales are recognised, net of returns and discounts.

(ii) Interest income is recognised on time proportion method basis taking into account the amounts outstanding and the rate applicable.

(f) Fixed Assets :

(i) Fixed assets are recorded at cost less depreciation.

(ii) Costs comprise the purchase price and attributable costs of bringing the asset to its working condition for its intended use.

(g) Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

(h) Foreign Exchange Transactions :

Foreign Currency transactions are accounted at the exchange rates ruling on the date of the transaction. Foreign currency monetary items, as at the Balance Sheet date restated at the closing exchange rates. Exchange differences arising on actual payments / realisations and year end restatements of foreign currency monetary items are dealt with in the Profit & Loss Accounts.

(i) Employee benefits

The Company has not evolved any short term or long term retirement benefit and any liability towards the same shall be effected on payment basis.

(j) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost

(k) Earnings per share :

(i) Basic earnings per share are calculated by dividing the net profit for the year/period attributed to equity shareholders by the weighted average number of equity shares outstanding during the year/period.

(ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



Statement of Significant Accounting policies and Other Explanatory Notes (contd.)

(l) Taxes on Income

(i) Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961

(ii) Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

(m) Impairment of assets :

(i) On an annual basis the company makes an assessment of any indicator that may lead to impairment of assets. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The recoverable amount is higher of an asset's net selling price and value in use. Value is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

(ii) An impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired.

(iii) The impairment loss recognized in the prior accounting is reversed if there has been a change in the estimate of recoverable amount.

(n) Provisions, Contingent Liabilities and Contingent Assets :

(i) A provision is recognised when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(ii) Contingent Liabilities are not recognized but disclosed in notes to accounts. Contingent assets are neither recognized nor disclosed in financial statements.



IN TERMS OF OUR REPORT ATTACHED.

CHANDIRAMANI & CO
CHARTERED ACCOUNTANTS

FIRM NO: 101667W

Mohan Chandiramani
MOHAN CHANDIRAMANI
PROPRIETOR

(M. NO. 040127)

UDIN : 19040127AAAA01751

PLACE : MUMBAI
DATED : 25/09/2019



ON THE BEHALF OF BOARD

[Signature]
DIRECTOR

[Signature]
DIRECTOR

PLACE : MUMBAI
DATED : 25/09/2019

Statement of Significant Accounting policies and Other Explanatory Notes (contd..)

OTHER EXPLANATORY NOTES

NOTE : 02

SHARE CAPITAL :

PARTICULARS	AS ON 31.03.2019		AS ON 31.03.2018	
	Number	Amount (Rs)	Number	Amount (Rs)
AUTHORISED				
Equity Shares of Rs. 10/- each	1,000,000	10,000,000	1,000,000	10,000,000
ISSUED, SUBSCRIBED & PAID UP				
Equity Shares of Rs. 10/- each	713,705	7,137,050	713,705	7,137,050
Total	713,705	7,137,050	713,705	7,137,050

DETAILS OF SHAREHOLDING IN EXCESS OF 5%

PARTICULARS	AS ON 31.03.2019		AS ON 31.03.2018	
	Number	Percent (%)	Number	Percent (%)
Financiere MB Sas	139,015	19.48%	139,015	19.48%
Flash Forge Pvt. Ltd.	574,689	80.52%	574,689	80.52%
Others Less than 5%	1	0.00%	1	0.00%
TOTAL	713,705	100.00%	713,705	100.00%

RECONCILIATION OF THE NUMBER OF SHARES AND AMOUNT OUTSTANDING AT THE BEGINNING AND AT THE END OF THE REPORTING PERIOD:

PARTICULARS	AS ON 31.03.2019		AS ON 31.03.2018	
	Number	Amount (Rs)	Number	Amount (Rs)
Shares outstanding at the beginning of the period	713,705	7,137,050	713,705	7,137,050
Fresh issue	-	-	-	-
Bonus	-	-	-	-
ESOP	-	-	-	-
Conversion	-	-	-	-
Buy back	-	-	-	-
Other changes (give details)	-	-	-	-
Shares outstanding at the end of the period	713,705	7,137,050	713,705	7,137,050

PARTICULARS	AS ON 31.03.2019		AS ON 31.03.2018	
	Number	Amount (Rs)	Number	Amount (Rs)
NOTE : 03				
RESERVED & SURPLUS :				
(a) Share Premium Account				
Opening Balance	27,871,765	-	27,871,765	-
Add : Premium on shares issued during the year	-	27,871,765	-	27,871,765
Less : Utilised during the year	-	-	-	-
(c) Surplus in Statement of Profit and Loss				
Opening Balance	8,070,677	-	529,231	-
Add: Transfer for the year	11,532,129	19,602,806	7,541,446	8,070,677
Total Rs.		47,474,571		35,942,442



Statement of Significant Accounting policies and Other Explanatory Notes (contd..)

PARTICULARS	AS ON 31.03.2019		AS ON 31.03.2018	
			SECURED	UNSECURED
NOTE : 04				
LONG-TERM BORROWINGS				
(a) Loan From Bank				
Term Loan from Bank		33,686,162	46,686,162	
Term Loan from Axis Bank Limited secured against Exclusive First charge by way of hypothecation on the entire assets of the company(Present and Future) and Equitable Mortgage of Factory Land and Building, owned by the company, Corporate guarantee of Flash Forge Pvt Ltd and personal guarantee of Directors Gautam Makkar and Sunil Menon.				
(b) Loan From Director				
Sunil Menon		39,990	39,990	-
(c) Loan From Subsidiary Company				
Flash Forge Pvt. Ltd.		77,583,243	14,583,243	-
Total Rs.		111,309,395	61,309,395	-
NOTE : 05				
ADVANCES FROM CUSTOMERS				
DCNS India Private Limited		20,907,094		130,455,845
Total Rs.		20,907,094		130,455,845
NOTE : 06				
SHORT-TERM BANK BORROWINGS				
Current Maturities of Long Term Borrowing		12,000,000		9,500,000
Bank Cash Credit (Existing Limits)		38,401,525		39,935,090
Bank Cash Credit (New Limits)		150,843,993		-
		201,245,518		49,435,090
Bank Cash Credit (Existing Limits & New Limits)from Axis Bank Limited is secured against Exclusive First charge by way of hypothecation on the entire Current Assets of the company(Present and Future).Extention of Exclusive charge by way of Equitable Mortgage on Land and Building,owned by the company,Corporate Guarantee of Flash Forge Pvt. ltd. and personal guarantee of Directors Gautam Makkar and Sunil Menon.				
NOTE : 07				
TRADE PAYABLES				
(a) Acceptances				-
(b) Trade Payables		59,481,759		8,929,478
Total Rs.		59,481,759		8,929,478
NOTE : 08				
OTHER CURRENT LIABILITIES				
(a) Other Current Liabilities		-		-
Total Rs.		-		-
NOTE : 09				
SHORT TERM PROVISIONS				
Audit Fees Payable		30,000		78,750
Provision for Income Tax		3,475,000		2,350,000
Other Payable		2,839,158		3,588,552
Total Rs.		6,344,158		6,017,302



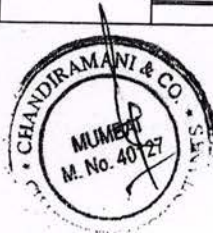
Statement of Significant Accounting policies and Other Explanatory Notes (contd..)

PARTICULARS	AS ON 31.03.2019		AS ON 31.03.2018	
NOTE : 10				
TANGIBLE ASSETS				
Gross Block				
(a) Land	21,974,000		21,974,000	
(b) Factory Building (Construction Work)	56,979,364		55,079,770	
(c) Plant & Machinery	56,617,955		56,979,364	
(d) Computers	740,986		740,986	
(e) Office equipment	3,150,385		2,328,991	
(f) Furniture and Fixtures	2,328,991		3,082,885	
	141,791,680		140,185,995	
Total Gross Block		141,791,680		140,185,995
Accumulated Depreciation				
(a) Land				
(b) Factory Building (Construction Work)	8,112,020		2,794,956	
(c) Plant & Machinery	16,115,950		6,158,324	
(d) Computers	712,346		493,095	
(e) Furniture and Fixtures	840,142		236,753	
(f) Office equipment	2,094,348		711,437	
	27,874,805		10,394,565	
Total Accumulated Depreciation		27,874,805		10,394,565
Net Block (A) - (B)		113,916,874		129,791,431
NOTE : 11				
DEFERRED TAX (ASSET)				
Tax effect of items constituting deferred tax assets :				
Depreciation				1,185,714
Deferred tax Assets and Deferred Tax Liabilities have been offset as they relate to the same government taxation laws.				
Opening Net Liability				
Closing Net Asset/(Liability)		980,910		(53,086)
Current Year Deferred Tax Asset/(Liability)				1,185,714
Total Rs.		980,910		1,132,628
NOTE : 12				
LONG-TERM LOANS & ADVANCES				
<i>(Unsecured, considered good)</i>				
Advances to Supplier for Goods to be received				103,622,020
Total Rs.				103,622,020
NOTE : 13				
Trade Receivable				
<i>(Unsecured, considered good)</i>				
Trade receivables outstanding for a period exceeding six months from the date they were due for payment	1,424,771			887,090
Other Trade receivables	28,608,359			13,594,753
Total Rs.	30,033,129			14,481,843
NOTE : 14				
CASH AND CASH EQUIVALENTS				
(a) Cash on hand				
(b) Balances with banks				
(i) in Current Account	605,494			101,837
(ii) in Deposit Account	19,547,825			13,079,831
Total Rs.	20,153,319			13,181,668
NOTE : 15				
SHORT-TERM LOANS & ADVANCES				
<i>(Unsecured, considered good)</i>				
(a) Loans and advances to employees & Others	79,501,049			5,415,607
(b) Balances with government authorities :				
Service Tax Refund	196,567			196,567
GST	25,965,501			8,884,111
VAT Refund				
Total Rs.	105,663,116			14,496,285



Statement of Significant Accounting policies and Other Explanatory Notes (contd.)

PARTICULARS	AS ON 31.03.2019		AS ON 31.03.2018	
NOTE : 16				
OTHER INCOME				
Duty Drawback				402,861
Interest on FD		1,136,626		500,985
Sundry Balanc Write Off		1,866,506		84,632
		3,003,132		988,478
NOTE : 17				
COST OF MATERIAL CONSUMED				
Opening Stock		44,649,990		32,045,283
Add : Purchases		416,241,452		137,476,599
Less : Closing Stock		204,978,020		44,649,990
Cost of Material Consumed		255,913,421		124,871,892
NOTE : 18				
MANUFACTURING EXPENSES				
Labour Charges Paid		8,587,975		11,060,506
Clearing & Forwarding Charges		2,049,556		1,322,334
Electricity Expenses		2,590,578		1,546,917
Loading & Unloading		49,804		78,776
Packing Expenses		16,015		7,252
Testing Charges		187,509		410,186
Water Charges		215,800		124,400
Excise Duty Reversal		81,250		-
Repairs & Maintenance		979,948		437,373
Custom Duty		17,112,105		-
Transportation		3,099,628		2,706,964
		34,970,167		17,694,708
NOTE : 19				
EMPLOYEE BENEFIT EXPENSES				
<i>(No contribution to PF or any other funds)</i>				
Salary & Bonus		14,322,186		9,093,203
Staff Welfare Expenses		464,250		489,564
		14,786,436		9,582,767
NOTE : 20				
FINANCE COST				
Bank Charges		303,855		288,379
Bank Interest		14,658,552		8,110,329
Loan processing charges		5,250,000		799,248
Interest (Others)		3,134,247		-
BG Commission		1,270,827		2,094,301
Stamp Duty		300,000		520,000
Foreign Exchange Profit/Loss		11,262,607		10,381,886
Total Rs.		36,180,088		22,194,143
NOTE : 21				
ADMINISTRATION EXPENSES				
Audit Fees		26,250		25,000
Administration Charges		15,885		-
Books & Periodicals		22,101		290,547
Commission & Brokerage		-		627,518
Computer Maintenance		8,500		44,503
Consultancy/ Professional Fess/ Legal Fess		2,092,991		2,975,901
Exhibition Expenses		2,500		2,116,600
Foreign Travelling Expenses		187,382		-
Fees and taxes		316,625		145,930
Insurance Expenses		49,859		89,505
Miscellaneous Expenses		593,113		27,603
Postage & Courier		2,300		12,612
Printing & Stationery		226,676		225,807
Profession Tax		2,500		2,500
Rent		241,652		71,705
Security Charges		276,000		230,000
Telephone & Internet Expenses		1,678		90,311
Travelling Expenses		1,110,677		1,159,621
Web Charges		40,003		51,565
Total Rs.		5,216,691		8,187,228



NOTE 22

RELATED PARTY DISCLOSURES:

(i) List of related parties where control exists and related parties with whom transactions have taken place an relationships:

List of the Related Party	
a. Key Management Personnel	Mr. Sunil Menon
b. Associates and Joint Ventures	Flash Forge Pvt. Ltd.
b. Enterprises where Key Management Personnel or their relatives are able to exercise significant influence	Financier M.B Sas
	Coyard
	ICARUS

Transactions during the year with related parties:

Nature of transactions	As on 31.03.2019	As on 31.03.2018
a. Key Management Personnel		
Loan Taken From		
Mr. Sunil Menon	-	1,000,000
Loan Repaid to		
Mr. Sunil Menon	-	1,200,000
Outstanding Loan		
Mr. Sunil Menon	39,990	39,990
b. Associates and Joint ventures		
Purchase of Goods		
Flash Forge Pvt. Ltd.	237,724,900	32,252,376
Loan Taken		
Flash Forge Pvt. Ltd.	261,801,052	39,745,586
Loan Repaid		
Flash Forge Pvt. Ltd.	374,997,942	65,549,593
Outstanding Loan		
Flash Forge Pvt. Ltd.	79,288,415	(45,239,595)
c. Enterprises where Key Management Personnel or their relatives are able to exercise significant		
Purchase of Goods		
Coyard	176,787,686	108,477,934
Bank Guarantee Charges		
ICARUS	3,749,546	597,720



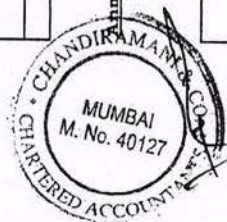
NOTE : 09
FIXED ASSETS

Particulars	Balance as on		Gross Block		Accumulated Depreciation		Net Block	
	01.04.2018	31.03.2019	Additions	Disposals	Balance as on 01.04.2018	Expense for the year	Balance as on 01.04.2018	Balance as on 31.03.2019
LAND	21,974,000	21,974,000	-	-	-	-	21,974,000	21,974,000
PLANT & MACHINERY	55,079,770	56,617,955	1,538,184	-	6,158,324	9,957,626	48,921,446	40,502,005
Factory Building(Construction Work)	56,979,364	56,979,364	-	-	2,794,956	5,317,064	54,184,408	48,867,344
COMPUTER	740,986	740,986	-	-	493,095	219,251	247,891	28,640
FURNITURE & FIXTURES	2,328,991	2,328,991	-	-	236,753	603,389	2,092,238	1,488,849
OFFICE EQUIPMENTS	3,082,885	3,150,385	67,500	-	711,437	1,382,911	2,371,448	1,056,036
Total Rs.	140,185,995	141,791,680	1,605,684	-	10,394,565	17,480,241	129,791,431	113,916,874

Annexure :- "A"

STATEMENT OF DEPRECIATION ALLOWABLE AS PER INCOME TAX ACT,1961.

Block Of Assets	Op. W.D.V. 01-04-2018	Addition During The Year		Net Total 31-03-2019	More than 180 Days	Less Than 180 Days	Dep Allowable	WDV As On 31-03-2019
		180 days or More	Less than 180 Days					
Computers	349,468	-	-	349,468	139,787	-	139,787	209,681
Furniture	2,162,639	-	-	2,162,639	216,264	-	216,264	1,946,375
Office Equipment	2,696,648	67,500	-	2,764,148	414,622	-	414,622	2,349,526
Plant & Machinery	47,588,907	1,311,813	226,371	49,127,091	7,335,108	16,978	7,352,086	41,775,005
Factory Building(Construction Work)	51,281,427	-	-	51,281,427	5,128,143	-	5,128,143	46,153,284
Land	21,974,000	-	-	21,974,000	-	-	-	21,974,000
CWIP	-	-	-	-	-	-	-	-
Total Rs	126,053,089	1,379,313	226,371	127,658,773	13,233,924	16,978	13,250,902	114,407,871

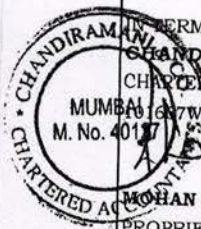


CFF FLUID CONTROL PVT. LTD.

Cash Flow Statement for FY 18-19

	March.19	March.18
Cash flow from Operating activities		
NPBT	17,480,411	11,054,930
Adjustments:		
Depreciation	17,480,241	8,294,865
Finance Cost	36,180,088	22,194,143
Operating Profit before Working Capital Changes	71,140,739	41,543,937
Increase/(Decrease) in Advances from Customer	(109,548,751)	(55,455,135)
Increase/(Decrease) in Trade Payables	50,552,280	(1,634,614)
Increase/(Decrease) in Current Liabilities	(151,718)	(33,063,225)
(Increase)/Decrease In Inventories	(160,328,030)	(12,604,707)
Increase/(Decrease) in Short Term Provision	326,855	
Payments to Suppliers	-	63,693,983
(Increase)/Decrease in Short Term Loans & Advance	(91,166,831)	-
(Increase)/Decrease in Long Term Loans & Advance	103,622,020	
Decrease in Loans & Advances	-	15,918,002
(Increase)/Decrease in Trade Receivables	(15,551,287)	(10,694,641)
Net Cash from Operating Activity	(151,104,722)	7,703,601
Cash flow from Investing activities		
Purchase of FA	(1,605,684)	(30,193,536)
Net Cash from Investing Activity	(1,605,684)	(30,193,536)
Cash flow from Financing activities		
Increase in Share capital	-	-
Increase in Share capital Pending allotment	-	-
Repayment\ Receipt of Long Term Borrowings	50,000,000	1,383,243
Repayment\ Receipt of other current liabilities	-	-
Increase in Short term Borrowing	151,810,427	39,439,993
Payment of Income Tax	(5,948,282)	
Finance Cost	(36,180,088)	(22,194,143)
Net Cash from Financing Activity	159,682,057	18,629,094
Net Increase in Cash & Cash Equivalent	6,971,651	(3,860,841)
Cash and cash equivalents at the beginning	13,181,668	17,042,509
Cash and cash equivalents at the End	20,153,319	13,181,668
	(0)	(0)

IN TERMS OF OUR REPORT ATTACHED.



CHANDIRAMANI & CO
CHARTERED ACCOUNTANTS

Mohan Chandiramani

MOHAN CHANDIRAMANI
PROPRIETOR

(M. NO. 040127)
UDIN : 19040127AAAA01751
PLACE : MUMBAI
DATED : 25/09/2019



ON THE BEHALF OF BOARD

[Signature]
DIRECTOR

[Signature]
DIRECTOR

PLACE : MUMBAI
DATED : 25/09/2019