



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, 2020, 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, 2020, 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 thereunder, 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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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, 2020 which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts as at March 31, 2020.
- 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, 2020.



Place: Visakhapatnam

04/12/2020

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


V. Jagannadham
Partner
MNo: 024303
UDIN: 21024303AAAABH2051

**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, 2020

- 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



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, 2020

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. 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



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, 2020

(Accounts) Rules, 2014/ Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act

- 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.

Place: Visakhapatnam

04/12/2020



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

[Handwritten Signature]
V. Jagannadham
Partner
MNo: 024303
UDIN: 21024303AAAABH2051

FLASH FORGE PRIVATE LIMITED
Balance Sheet as at 31st March 2020

Amount in Rs

Particulars	Sch No.	As at 31st ,March 2020	As at 31st March, 2019
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	1	7,49,06,980	7,49,06,980
(b) Reserves and Surplus	2	1,08,41,08,417	1,07,22,70,555
		1,15,90,15,397	1,14,71,77,535
2 Non-Current Liabilities			
(a) Long-Term Borrowings	3	9,20,66,490	8,92,36,457
(b) Deferred Tax Liabilities (Net)	4	8,10,10,686	8,32,05,109
		17,30,77,176	17,24,41,566
3 Current Liabilities			
(a) Short-Term Borrowings	5	48,02,00,676	49,39,90,744
(b) Trade Payables	6	63,67,18,289	43,48,92,233
(c) Other Current Liabilities	7	14,22,57,113	25,43,12,629
(d) Short Term Provisions	8	2,24,72,934	8,59,46,303
		1,28,16,49,013	1,26,91,41,909
TOTAL		2,61,37,41,586	2,58,87,61,009
II. ASSETS			
Non-Current Assets			
1 (a) Fixed Assets	9		
(i) Tangible Assets		1,00,08,26,188	99,58,71,183
Less: Depreciation		26,47,53,600	21,47,94,930
		73,60,72,587	78,10,76,253
(ii) Capital-Work-In-Progress		-	-
		73,60,72,587	78,10,76,253
(b) Non-Current Investments	10	8,39,15,383	8,39,15,383
(d) Deferred tax assets (net)	19		
		81,99,87,970	86,49,91,635
2 Current Assets			
(a) Inventories	16	90,01,75,932	65,59,16,973
(b) Trade Receivables	11	61,69,50,402	73,77,72,408
(c) Cash and Cash Equivalents	12	16,48,27,216	18,33,22,898
(d) Short-Term Loans and Advances	13	11,18,00,065	14,67,57,095
		1,79,37,53,615	1,72,37,69,374
TOTAL		2,61,37,41,586	2,58,87,61,009
The accompanying notes are an integral part of the financial statements			

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 : 04.12.2020

GAUTAM MAKKER (MANAGING DIRECTOR)

SUNIL MENON (MANAGING DIRECTOR)



FLASH FORGE PRIVATE LIMITED
Statement of Profit and loss for the year ended on 31st March, 2020

Amount in Rs

Particulars	Sch. No.	As at 31st, March 2020	As at 31st, March 2019
Revenue:			
Revenue from Operations	14	2,71,45,68,428	3,23,36,35,595
Other Income	15	1,52,59,705	1,42,38,009
Increase/(Decrease) in Stock	16	24,42,58,959	2,31,00,324
TOTAL Revenue		2,97,40,87,092	3,27,09,73,928
Expenses:			
Cost of Materials consumed			
Purchases of Stock in Trade	17	2,27,85,70,270	2,27,77,56,395
Direct Expenses	17.1	14,61,60,447	19,27,85,241
Employee benefits Expenses	18	17,58,17,023	17,02,52,229
Finance Costs	19	13,30,80,204	12,08,66,099
Depreciation and Amortization Expenses	9	4,99,58,669	4,46,76,318
Other Expenses	20	17,69,88,949	22,29,76,953
TOTAL Expenses		2,96,05,75,562	3,02,93,13,235
Profit Before Tax		1,35,11,530	24,16,60,693
Tax Expense:			
(1) Current		38,68,091	5,99,18,899
(2) Deferred		(21,94,423)	1,50,14,860
Profit for the year		1,18,37,862	16,67,26,934
Earnings Per Share (Basic & Diluted)		1.58	22.26
part of the financial statements	1 to 20		

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

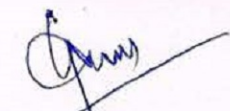

V.JAGANNADHAM
Partner



Place: Visakhapatnam
Date: 04.12.2020

FOR AND ONBEHALF OF BOARD OF DIRECTORS


GAUTAM MAKKER (MANAGING DIRECTOR)


SUNIL MENON (MANAGING DIRECTOR)



FLASH FORGE PRIVATE LIMITED

Notes on Financial statements for the year ended 31.03.2020

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 2020		As at 31st March 2019	
	Number	Amount (Rs)	Number	Amount (Rs)
Authorised Capital				
Equity Share Capital of Rs.10 each	72,80,000	7,28,00,000	72,80,000	7,28,00,000
Differential Voting Rights	7,20,000	72,00,000	7,20,000	72,00,000
TOTAL	80,00,000	8,00,00,000	80,00,000	8,00,00,000
Issued, Subscribed and Paid up				
Issued of Difrential Voting Rights	7,14,000	71,40,000	7,14,000	71,40,000
TOTAL	74,90,698	7,49,06,980	74,90,698	7,49,06,980

2.1 The details of Share holding in excess of 5%

Name of the Share Holder	As at 31st March 2020		As at 31st March 2019	
	Number	%	Number	%
A) LIST OF EQUITY SHARE HOLDERS				
Mr.Gautam Makkar	19,27,936	28.45%	19,27,936	28.45%
Pushpak Advisory Pvt.Ltd	12,50,000	18.45%	12,50,000	18.45%
Mr.Sunil Menon	11,68,159	17.24%	11,68,159	17.24%
Mrs.Shalini menon	9,70,190	14.32%	9,70,190	14.32%
Navigating Sales Pvt.Ltd	7,50,000	11.07%	7,50,000	11.07%
AAY AAR Consultancy services	5,00,000	7.38%	5,00,000	7.38%
Diplok Advisory Pvt.Ltd	1,92,165	2.84%	1,92,165	2.84%
Signet Infotech Private Ltd	18,248	0.27%	18,248	0.27%
TOTAL	67,76,698	100%	67,76,698	100%

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

AAY 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	7,14,000	100%	7,14,000	100%

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

Particulars	As at 31st March 2020		As at 31st March 2019	
	No of Shares		No of Shares	
Shares outstanding at the beginning of the year				
Equity shares		67,76,698		67,76,698
Differential Voting Rights		7,14,000		7,14,000
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		67,76,698		67,76,698
Differential Voting Rights		7,14,000		7,14,000

2 Reserves & Surplus

PARTICULARS	As at 31st March 2020		As at 31st March 2019	
	Amount (Rs)	Amount (Rs)	Amount (Rs)	Amount (Rs)
a. Capital reserve				
As per last balance sheet	36,68,402		36,68,402	
Add: Transferred from statement of profit and loss	-		-	
Closing Balance		36,68,402		36,68,402
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	11,13,78,426		6,42,60,000	
Add: New Shares Allotment			4,71,18,426	
Add: Transferred from statement of profit and loss	-		-	
Closing Balance		11,13,78,426		11,13,78,426
d. Balance in statement of profit and loss				
As per last balance sheet	95,72,23,727		79,04,96,793	
Add: Profit for the year	1,18,37,862		16,67,26,934	
Less: Dividend paid on Preference shares				
Tax on Dividend				
Transferred to General Reserves				
Closing Balance		96,90,61,589		95,72,23,727
TOTAL		1,08,41,08,417		1,07,22,70,555

FLASH FORGE PRIVATE LIMITED

Notes on Financial statements for the year ended 31.03.2020

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

3 BORROWINGS

Particulars	As at 31st March 2020			As at 31st March 2019	
	TOTAL	Non-Current Portion	Current Maturities	Non-Current Portion	Current Maturities
	UNIT-1				
Term loans (Secured)					
A -From Banks					
HDFC BANK Ltd- Swift Dizire	3,47,380	2,17,342	1,30,038	3,47,380	1,19,620
HDFC BANK Ltd- HONDA	4,83,113	3,14,600	1,68,513	4,83,113	1,54,829
ICICI HYDRA	4,89,261	3,59,067	1,30,194	4,89,261	2,75,335
HDFC BANK CAR LOAN -SHIEELA MADAM	4,86,048	1,87,539	2,98,509	4,86,048	2,71,655
HDFC BANK CAR LOAN-TOYOTA	54,351	-	54,351	54,351	6,18,194
KOTAK MAHINDRA PRIME LTD	9,99,276	-	9,99,276	9,99,276	12,59,861
TOTAL - (A)	28,59,429	10,78,548	17,80,881	28,59,429	26,99,494
B- From Financial Institutions					
SIEMENS LOAN-175.00 Lakhs	1,15,85,311	80,94,407	34,90,904.00	1,15,85,311.00	30,67,491.00
SIEMENS LOAN-92.70 Lakhs	60,93,275	41,92,396	19,00,879.00	60,93,275.00	16,70,322.00
CHOLAMANDALAM INVESTMENT & FINANACE CO.;TD	2,88,773	1,58,735	1,30,038.00	2,88,773	1,15,972
CHOLAMANDALAM INVESTMENT & FINANACE CO.;TD	5,38,125	2,09,685	3,28,440.00	5,38,125	2,92,925
JAIN SONS FINLEASE LIMITED	43,59,029	-	43,59,029.00	4359029	7448727
BMW FINANCIAL SERVICES INDIA	11,04,442	2,94,897	8,09,545	11,04,442	7,07,846
SIEMENS FINANCE PVT LTD	-	-	-	3	7,95,379
SIEMENS FINANCIAL SERVICES PVT.LTD. (NEW)	40,43,690	10,78,473	29,65,217	40,14,991	26,27,826
SIEMENS FINANCE PVT LTD-DOOSAN	98,46,966	64,50,191	33,96,775	98,36,497	29,96,186
BAJAJ FINANCE	1,30,904	-	1,30,904	28,199	15,42,231
EDEL WEILS	19,08,561	1,59,493	17,49,068	17,93,061	14,62,229
IVL FINANACE	-	-	-	-	4,66,336
TOTAL - (B)	3,98,99,076	2,06,38,277	1,92,60,799	3,96,41,706	2,31,93,470
TOTAL (A + B)	4,27,58,505	2,17,16,825	2,10,41,680	4,25,01,135	2,58,92,964
Particulars	Maturity Profile				
		1 years	2 to 5 years	1 years	2 to 5 years
Term Loans - From Banks		17,80,881	10,78,548	26,99,494	28,59,429
Term Loans - From Financial Institutions		1,92,60,799	2,06,38,277	2,31,93,470	3,96,41,706
Loans & advances from others & related parties			7,03,49,665	2,74,30,000	4,67,35,322
Total		2,10,41,680	9,20,66,490	5,33,22,964	8,92,36,457

FLASH FORGE PRIVATE LIMITED

Notes on Financial statements for the year ended 31.03.2020

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 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
TOTAL		
Deferred tax Liability		
Related to fixed assets	8,32,05,109	6,81,90,249
ADD: Current year	(21,94,423)	1,50,14,860
	-	-
Total	8,10,10,686	8,32,05,109

5 SHORT TERM BORROWINGS

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
LOANS REPAYABLE ON DEMAND		
• from Banks (Secured) Cash credit-AB	12,98,22,091	12,89,46,104
• from Banks (Secured) Cash credit-AB-Adhoc	-	1,38,32,528
• from Banks (Secured) Cash credit -IDBI	19,90,07,647	20,13,16,801
• from Banks (Secured) Cash credit- BOM	15,13,70,938	14,98,95,310
	-	-
Total	48,02,00,676	49,39,90,744

6 TRADE PAYABLES

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Sundry Creditors	63,67,18,289	43,48,92,233
Total	63,67,18,289	43,48,92,233

7 OTHER CURRENT LIABILITIES

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
(a) Current maturities of long term borrowings	2,10,41,680	5,33,22,964
(b) Duties & Taxes and other Payable	7,83,76,642	7,38,91,614
(c) Advance received from Customers	4,28,38,791	12,70,98,051
Total	14,22,57,113	25,43,12,629

8 SHORT TERM PROVISIONS

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Provision for employee Benefits	1,86,04,843	2,60,27,404
Provision for Income Tax	38,68,091	5,99,18,899
Total	2,24,72,934	8,59,46,303

10 NON-CURRENT INVESTMENTS

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Other investment (Unquoted-Non trade) In Equity Instruments of Associate company fully paid up		
Composite Resin Developing Ltd	1,50,03,734	1,50,03,734
FF TECRON PIPING SYSTEMS CO.LTD	2,26,02,183	2,26,02,183
Invstements(Airotech)	5,00,000	5,00,000
Optimal Armour Limited	1,70,74,927	1,70,74,927
Shares in CFF Fluid Control Pvt Ltd	2,87,34,538	2,87,34,538
Total	8,39,15,383	8,39,15,383

11 TRADE RECEIVABLES

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Unsecured considered good		
Debts outstanding over six months	1,53,52,885	1,97,14,376
Debts outstanding less than six months	60,15,97,517	71,80,58,032
Total	61,69,50,402	73,77,72,408

12 CASH AND CASH EQUIVALENTS

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
a. Balances with banks		
- Current Accounts	50,70,930	1,77,52,421
- Fixed deposits (Margin Money)	15,89,44,146	16,46,13,441
b. Cash on hand	8,12,140	9,57,035
Total	16,48,27,216	18,33,22,898

13 SHORT TERM LOANS AND ADVANCES

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Unsecured and Considered good		
Advances / Imprest to Employees	10,12,277	(4,31,439)
Advances to suppliers and other parties	5,51,93,442	9,41,07,789
Deposits	4,05,56,536	4,18,04,890
Others	1,50,37,810	1,12,75,855
Total	11,18,00,065	14,67,57,095

14 REVENUE FROM OPERATIONS

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
SALES		
INDIGEOUS	2,67,93,64,982	3,12,68,03,355
EXPORT	3,52,03,446	10,68,32,240
	2,71,45,68,428	3,23,36,35,595
Total	2,71,45,68,428	3,23,36,35,595

15 OTHER INCOME

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Interest received on FDR's	1,09,56,801	1,04,71,011
Other Income	43,02,905	37,66,998
Total	1,52,59,705	1,42,38,009

16 INCREASE/DECREASE IN INVENTORIES

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
Closing Stock - Raw Material	90,01,75,932	65,59,16,973
Less: Opening Stock - Raw Material	65,59,16,973	63,28,16,649
Total	24,42,58,959	2,31,00,324

17 OPERATING & OTHER MANUFACTURING EXPENSES

Particulars	As at 31st March 2020	As at 31st March 2019
	Amount (Rs.)	Amount (Rs.)
17.1 Purchase of Raw-Material	2,27,85,70,270	2,27,77,56,395
Manufacturing Expenses	14,61,60,447	19,27,85,241
Total	2,42,47,30,717	2,47,05,41,636

18 EMPLOYEE BENEFITS

Particulars	As at 31st March 2020	As at 31st March- 2019
	Amount (Rs.)	Amount (Rs.)
<i>Wages & Salaries</i>	17,58,17,023	17,02,52,229
Total	17,58,17,023	17,02,52,229

Particulars	As at 31st March 2020	As at 31st March- 2019
	Amount (Rs.)	Amount (Rs.)
<u>Other borrowing costs</u>		
Bank Charges	16,89,360	18,46,203
BANK CHARGES [REMITANCE]	2,65,296	12,24,933
Bank Loan Processing Charges	98,80,531	1,12,15,114
BG Charges	65,08,484	47,11,137
Bill Discount Charges	2,60,906	-
Buyers Credit Charges	-	16,311
Interest A/c	51,25,652	40,83,654
Interest on Custom Duty	2,63,831	2,28,230
Interest on Term Loan	1,65,37,426	1,27,76,445
Interest on Working Capital	7,23,51,092	6,65,24,871
LC Charges	1,70,49,501	1,82,39,200
LC Discounting Charges	31,48,127	
TOTAL	13,30,80,204	12,08,66,099

Particulars	As at 31st March 2020	As at 31st March- 2019
	Amount (Rs.)	Amount (Rs.)
Advertisement	-	9,000
Audit Fee	6,00,000	6,00,000
Business Promotion Exp.	2,27,94,257	2,16,77,033
Carriage Outwards	62,76,690	90,38,639
Commission	8,89,736	1,66,82,951
Computer Maintenance	9,39,009	2,58,212
Consultation Charges	1,10,44,014	1,45,52,871
Conveyance Charges	8,48,868	16,46,155
Directors Remuneration	1,68,00,000	1,68,00,000
Donation	3,81,686	6,57,502
Electricity Charges	32,04,635	52,38,474
ESI	19,31,914	29,77,183
EXCHANGE LOSS	4,73,647	1,10,04,783
Exhibition expenses	-	10,25,000
Food & Beverages	2,14,082	13,63,263
Gifts & Complements	46,251	1,84,868
Insurance Charges	15,79,779	14,67,900
LD Charges	2,56,70,235	2,50,23,856
Medical Expenses	6,56,108	3,86,299
Office & General Maintenance	45,80,695	43,29,973
Postage & Telegrams	2,45,337	17,84,973
Printing & Stationery	5,48,720	11,27,242
Professional Fees	-	14,13,148
Provident Fund	86,00,140	84,27,590
Registration expenses	13,92,366	46,06,350
Rent	3,54,76,284	3,82,19,089
Staff Welfare	35,45,299	52,25,450
Telephone Charges	9,98,106	15,34,883
Travelling Expenses	90,75,833	1,31,29,060
Vehicle Maintenance	16,59,647	24,60,606
Miscellaneous	57,47,919	17,03,138
Export Freight	23,46,780	50,23,295
Late Fee on Govt. Payments	57,72,215	33,98,168
Sales Tax	26,48,697	
Total	17,69,88,949	22,29,76,953
For Audit fees	6,00,000	6,00,000
Total	6,00,000	6,00,000

FLASH FORGE PRIVATE LIMITED

SCHE - 9 DEPRECIATION STATEMENT AS PER COMPANIES ACT FOR THE YEAR 2019-2020

Particulars	LIFE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As on 31.03.2019	Additions UP TO 31.03.2020	Deductions	As on 31.03.2020	Up to 31.03.2019	ADJ	During the Year	Total up to 31.03.19	As on 31.03.2020	As on 31.03.2019
Land		2,66,17,650	-		2,66,17,650	-		-		2,66,17,650	2,66,17,650
Building (3.34% SLM)	30 Years	1,59,35,014	-		1,59,35,014	68,12,075		5,33,688	73,45,763	85,89,252	91,22,939
Cars & Scooters(9.5%)	10.5Years	3,79,51,770	-		3,79,51,770	2,00,78,806		36,26,396	2,37,05,202	1,42,46,568	1,78,72,964
Computers/Electronic -16.21%	6Years	1,48,54,930	13,46,472		1,62,01,402	1,35,41,317		24,54,040	1,59,95,358	2,06,044	13,13,612
Furniture	16Years	1,09,39,281	31,800		1,09,71,081	50,10,281		7,06,214	57,16,495	52,54,585	59,29,000
Plant & Machinery (4.75%)	21Years	83,26,54,447	35,76,733		83,62,31,180	15,50,45,164		4,06,79,490	19,57,24,655	64,05,06,525	67,76,09,282
Factory Buildings	30 Years	5,69,18,091	-		5,69,18,091	1,43,07,287		19,58,841	1,62,66,127	4,06,51,964	4,26,10,805
TOTAL		99,58,71,183	49,55,005	-	1,00,08,26,188	21,47,94,930	-	4,99,58,669	26,47,53,599	73,60,72,588	78,10,76,253
Previous Year		84,64,66,305	14,96,34,877	2,30,000	99,58,71,183	17,01,18,612	-	4,46,76,318	21,47,94,930	78,10,76,253	67,63,47,692

AS PER OUR REPORT OF EVEN DATE

For V.JAGANNADHAM & ASSOCIATES
Chartered AccountantsV.JAGANNADHAM
Partner
Dt: 04/12/2020

FOR AND ON BEHALF OF BOARD OF DIRECTORS OARD OF DIRECTORS

GAUTAM MARKER (MANAGING DIRECTOR)

SUNIL MENON (MANAGING DIRECTOR)



FLASH FORGE PRIVATE LIMITED
Cash Flow Statement for the Financial year ended on 31.03.2020

Amount in Rs

Particulars		FY 2019-20	FY 2018-19
Cash Flow from Operations			
Net profit before Taxation		1,35,11,530	24,16,60,693
Adjustments for			
Depreciation		4,99,58,669	4,46,76,318
Loss on Sale of Assets		-	-
Interest Expenses		13,30,80,204	12,08,66,099
Interest Income		(1,09,56,801)	(1,04,71,011)
Operating Profit before working capital changes		18,55,93,602	39,67,32,099
Changes in Working Capital			
Increase in Trade Payables		20,18,26,056	2,67,87,674
(Increase)/Decrease in Trade Receivables		12,08,22,006	(8,85,27,294)
Increase in Inventories		(24,42,58,959)	(2,31,00,324)
Increase in other current Liabilities		(8,71,96,793)	(3,05,23,323)
Cash generated from Operations		17,67,85,913	28,13,68,832
Income Tax Paid		(5,99,18,899)	(6,51,29,860)
Net Cash used in Operating Activities	A	11,68,67,014	21,62,38,972
Cash Flow From Investing Activities			
Proceeds from Sale of Assets		-	-
Purchase of Fixed Assets		(49,55,005)	(14,94,04,878)
Expenditure on Capital Work-in-Progress		-	53,71,640
Purchase of Investments		-	5,00,000
Short Term Loans & Advances		3,49,57,030	49,03,394
(Increase)/Decrease in Fixed Deposits with Banks (Margin Monies)		56,69,295	(9,16,944)
Interest Received		1,09,56,801	1,04,71,011
Net Cash used in Investing Activities	B	4,66,28,121	(12,90,75,777)
Cash Flow From Financing Activities			
Proceeds from issue of Share Capital		-	-
Proceeds/ (Repayment) of Long Term Borrowings		(2,94,51,251)	24,13,423
Proceeds/(Repayment) from Short Term Borrowings		(1,37,90,067)	2,39,74,756
Interest paid		(13,30,80,204)	(12,08,66,099)
Net Cash used in Financing Activities	C	(17,63,21,522)	(9,44,77,920)
Net Increase in Cash & Cash Equivalents	(A+B+C)	(1,28,26,387)	(73,14,725)
Cash & Cash equivalents at the beginning of the period		1,87,09,457	2,60,24,182
Cash & Cash equivalents at the end of the period		58,83,070	1,87,09,457

Reconciliation of Cash & Cash Equivalents as per Balance Sheet & Cash Flow		
As per Balance Sheet	16,48,27,216	18,33,22,898
Less: FDRs with Banks (Margin Monies)	(15,89,44,146)	(16,46,13,441)
As per Cash Flow	58,83,070	1,87,09,457

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

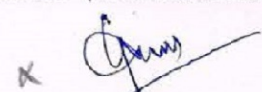

V. JAGANNADHAM
Partner



Place: Visakhapatnam
Date: 04.12.2020

FOR AND ON BEHALF OF BOARD OF DIRECTORS


GAUTAM MAKKER (MANAGING DIRECTOR)


SUNIL MENON (MANAGING DIRECTOR)



M/S FLASH FORGE PRIVATE LIMITED
VISAKHAPATNAM

Schedule: 21

Notes Forming Part Of Accounts as at 31-March-2020:

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:

Sl No.	Name and Designation	FY 2019-20 Rs.	FY 2018-19 Rs.
1	Shri Gautam Makker Managing Director	84,00,000	84,00,000
2	Shri Sunil Menon Managing Director	84,00,000	84,00,000
Total		1,68,00,000	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 31.03.2020
Purchases	1,04,54,848	NIL	18,00,000	1,22,54,848	73,38,858
Directors Remuneration	NIL	1,68,00,000	NIL	1,68,00,000	NIL
Loans & Advances	8,37,05,970	NIL	21,44,278	8,58,50,248	8,58,50,248
Borrowings	2,19,06,767	30,95,332	8,58,755	62,54,087	62,54,087
Sales & Services	NIL	NIL	NIL	NIL	4,74,22,020



Note: Names of the Key Management Personnel:

1. Shri Gautam Makker
2. Shri. Sunil Menon

v) Remuneration to the Auditors:

	FY 2019-20 Rs.	FY 2018-19 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.21,77,54,117/-

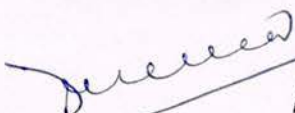
ix) Expenditure in Foreign Currencies

USD :892827.71

EURO :138995.66

GBP : 8874.00


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


V. JAGANNADHAM
Partner



Place: Visakhapatnam
Date : 04.12.2020

FOR AND ONBEHALF OF BOARD OF DIRECTORS


GAUTAM MAKKER (MANAGING DIRECTOR)


SUNIL MENON (MANAGING DIRECTOR)

