

inflame

Inspired Cooking



ANNUAL REPORT
2022-23

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Key Management



Amit Kaushik
CEO & CFO

Amit develops & monitors strategies for ensuring the long-term financial viability of the organization. He is responsible for the identification and design of products & their suppliers, sales & marketing activities and overseas operations. Amit has a combined experience of 28 years in the field of business promotion and held various management positions. He holds a Bachelors degree in economics and prior to this venture, he was working as CEO of a leading appliances brand in India for 6 years. His experience in the international trade and his strong understanding of Indian appliances market motivated him to envisage this project.



Aditya Kaushik
Chairman & Managing Director

Aditya is associated with appliances industry since beginning of this millennium. He has an entrepreneur experience of over 18 years. This journey has given him the insight of appliances trade in India. He has the understanding of all commercial & technical aspects of appliances. He holds a two year Diploma in air-conditioning and refrigeration. He is responsible for operational and logistics functions of the company.project.



Ashwani Goel
Whole Time Director

Ashwani comes from an engineering background and holds a bachelors in engineering in the field of metallurgical engineering from NIT Jaipur in the year 1985. He is working as a whole-time Director with Inflame Appliances Ltd.

He has an illustrious career and spent over 30 years in building and growing JSW. He has successfully led and executed multiple projects within JSW Group. He is a pioneer in the field of supply chain management, plant operations and sales.

Ever since he has taken over as a Director with Inflame, he has played a vital role in the turnaround of the company. He envisages Inflame to be a market leader by 2024 by producing 100,000 chimneys per month by setting up 4 plants across India. Under his leadership Inflame is on its way to become India's most trusted preferred supplier to multiple home appliances groups.im to envisage this project.



Anusheel Kaushik
Whole Time Director

Aged 28 years, Mr. Anusheel Kaushik holds a Bachelor degree in Mechanical Engineering followed by a degree in Masters International Business Management from University of Applied Science, Landshut Germany.

He has worked at the R&D department of BMW group, where he was mainly responsible for Vehicle Assembly planning in coordination with the BMW IT sector in Munich Germany. He also holds experience in PLM, Project management and data analysis which he gained while working as a consultant for MHP, a Porsche company in Munich Germany.

Since he has completed his higher and competitive education in Germany, he is fluent in German language and has a competence level of B1 in Spanish language. Mr. Anusheel Kaushik would be in-charge for implementing new manufacturing project at Maheshwaram, Hyderabad. Using his experience, the Company expects to implement European systems at this new facility.

ABOUT US

Inflamm Appliances Limited is an ISO 9001:2015 certified company and engaged in manufacturing of Electrical Chimneys/Range Hoods, Built-in Gas Hobs and LPG Gas Stove/Cooktops(Metal & Glass Cooktops) in Haryana and Telangana(Production beginning on January 23, 2023).

Our company had also been a part of **PRIME MINISTER UJJWALA YOJANA (PMUY)** launched by the Central Govt. of India for providing 5 Crore new gas connection to the people below poverty line in the country. This PMUY had created a huge demand for LPG gas stoves which helped our company to achieve higher growth.

Inflamm markets and sells its products in its own brand “Inflamm” in the domestic & overseas markets. Being a leading manufacturer of Range Hoods (Electrical Chimneys) in India today, Inflamm is catering to the requirements of other big appliances brands who were sourcing these range hoods from overseas producers previously, benefiting them to serve better quality and saving the cost of transit. Also, the company plans to further increase its capacity to 40,000 Chimneys per month by establishing one more Plant in the State of Telangana in near future.

Our development process includes design, development, testing, manufacturing and delivery. Our progressive management and cutting edge production technology contribute to our ability to provide our customers with exceptional value in a highly competitive industry. Also our manufacturing facilities are equipped with modern infrastructure and sophisticated machines backed by untiring efforts in the field of research & development and high quality consciousness.

Our Company erstwhile Partnership firm was founded by Mr. Dinesh Kapoor and Mr. Karan Kapoor in the year 2010 with an object of manufacturing of Automobile Parts. Later the partnership firm was taken over by Mr. Aditya Kaushik and Mr. Dinesh Kaushik in the year 2015 and presently promoted by Mr. Aditya Kaushik, Mr. Dinesh Kaushik and Mr. Amit Kaushik who have experience in Kitchen Appliances business. The potential experience of the Promoters has been instrumental in determining the vision and growth strategies for our Company. We further believe that our market position has been achieved by adherence to the vision of our Promoters and senior management team and their experience in the Kitchen Appliances Industry.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Name	DIN	Designation
Mr. Aditya Kaushik	06790052	Chairman and Managing Director
Mr. Naveen Kumar	08743772	Whole Time Director
Mr. Ashwani Kumar Goel	08621161	Whole Time Director
Mr. Akshay Kumar Vats	08020018	Non-Executive Independent Director
Ms. Smita Bhandari	08205214	Non-Executive Independent Director
Mr. Anusheel Kaushik*	10091002	Additional Director (Whole Time Director)

*w.e.f April 01, 2023

KEY MANAGERIAL PERSONNEL

Name	DIN/PAN	Designation
Mr. Amit Kaushik	AAKPK0287B	Chief Financial Officer and Chief Executive Officer
Ms. Zalak Nitin Kumar Shah	FCCPS8681C	Company Secretary & Compliance Officer

AUDIT COMMITTEE

Name	DIN	Designation
Mr. Akshay Kumar Vats	08020018	Chairperson
Mr. Aditya Kaushik	06790052	Member
Ms. Smita Bhandari	08205214	Member

STAKEHOLDER'S RELATIONSHIP COMMITTEE

Name	DIN	Designation
Ms. Smita Bhandari	08205214	Chairperson
Mr. Aditya Kaushik	06790052	Member
Mr. Akshay Kumar Vats	08020018	Member

NOMINATION & REMUNERATION COMMITTEE

Name	DIN	Designation
Mr. Akshay Kumar Vats	08020018	Chairperson
Ms. Smita Bhandari	08205214	Member
Mr. Aditya Kaushik	06790052	Member

STATUTORY AUDITORS

M/s. Gandhi Minocha & Co.
Chartered Accountants
Address: 1A, Tribune Colony, Jagadhari Road,
Ambala Cantt., Haryana 133001, India.
Tel. No.: 011-27303070
Email: gandhica@yahoo.com
Contact Person: CA Bhupinder Singh &
CA Gaurav Chibberr

SECRETARIAL AUDITOR

M/s. SCS AND CO LLP
Practicing Company Secretary
Registered Office: Office No. B-1310, Thirteenth Floor,
Shilp Corporate Park, Rajpath Rangoli Road,
Thaltej Road, Ahmedabad - 380054.
Tel No.: 8128156833
Email Id: scsandcollp@gmail.com
Website: www.scsandcollp.com

REGISTRAR & SHARE TRANSFER AGENT

Skyline Financial Services Pvt. Ltd,
D-153A, 1st Floor, Okhla Industrial Area Phase-I,
New Delhi, Delhi, 110020.
Tel. Number: 011-26812682-83
Email Id: info@skylinerta.com
Website: www.skylinerta.com

BANKERS TO THE COMPANY

HDFC Bank
Branch:- Shahzadpur,
Ambala.

REGISTERED OFFICE

Khewat Khatoni No. 45/45, Khasra No. 942/855/1,
Village Kalyanpur, Tehsil-Baddi, Solan-173205,
Himachal Pradesh.
Telephone No.: +91-7832901824
Email: cs@inflammindia.com
Website: www.inflammindia.com

CORPORATE OFFICE

Village Bagwali, Khasra No. 40/14-15-16-17/1,
Block - Raipur Rani, NH-73, Panchkula-134202.
Telephone No.: +91-7832901824

BOARD OF DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors hereby presents 06th Annual Report of your Company ("the Company"), including the Standalone Audited Financial Statements, for the Financial Year ended on March 31, 2023.

FINANCIAL RESULTS:

The Company's financial performance for the year ended on March 31, 2023 is summarized below:

PARTICULARS	AMOUNT (₹ IN LAKHS)	
	YEAR ENDED 31.03.2023	YEAR ENDED 31.03.2022
Revenue From Operations	7735.96	3961.71
Other Income	64.38	10.48
Total Revenue (I+II)	7800.34	3972.18
Earnings Before Interest, Taxes, Depreciation and Amortization Expense	1063.12	150.25
Finance Cost	209.68	172.20
Depreciation and Amortization Expense	223.94	180.66
Profit Before Tax (IV-V-VI)	629.50	(202.61)
Extraordinary items	189.04	17.85
Tax Expense:		
i. Current Tax Expense	6.16	-
ii. Deferred Tax Expenses	(110.50)	(55.75)
iii. MAT -	-	-
iv. Short and excess provision of tax relating to earlier year	-	-
Profit After Tax (VII-VIII)	323.80	(164.71)

COMPANY'S PERFORMANCE:

STANDALONE FINANCIAL RESULTS:

During the year under review, the revenue from operation of the Company was stood at Rs. 7735.96 Lakh as against that of Rs. 3961.71 Lakh for previous year. Revenue from operation of the Company was increased by 95.27% over previous year. The Major increased in revenue from operation was due to increase in Domestic sales.

Profit before Tax for the financial year 2022-23 stood at Rs. 629.50 Lakh as against that of Loss of Rs. (202.61) Lakh making the net profit of Rs. 323.80 for the financial year 2022-23 as against the net Loss of Rs. (164.71) Lakhs for the financial year 2021-22.

During the year under review, Revenue from Operations of the Company was increased by 95.27% than that of previous year. However, increase in revenue also caused increase in cost of material and other operation expenses

DIVIDEND:

With a view to conserve and save the resources for future prospect of the Company, your Directors regret to declare dividend for the financial year 2022-23 (Previous Year Nil).

TRANSFER TO RESERVES:

Your Directors do not propose to transfer any amount to the General Reserves. Full amount of net profit are carried to reserve & Surplus account of the Company.

CHANGE IN NATURE OF BUSINESS:

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company.

CHANGE IN THE REGISTERED OFFICE:

During the year under review, there was no change in the registered office of the Company.

However, the Board of Directors of the Company approved the Corporate Office of the Company situated at Khasra No. 40/14-15-16-17/1, Bagwali, NH-73, Distt, Panchkula -134202, Haryana as the place other than Registered Office where Books of Accounts of the Company be kept.

SHARE CAPITAL:

During the year under review, following changes were carried out in the authorized and paid-up share capital of the Company:

AUTHORIZED CAPITAL SHARE CAPITAL:

During the year under review, vide Special Resolution passed by the Members through postal ballot on June 29, 2022, the authorized share capital of the Company have been increased from Rs. 7,00,00,000/- (Rupees Seven Crores Only) divided into 70,00,000 Equity Shares of Rs. 10/- each to Rs.10,50,00,000/- (Rupees Ten Crore Fifty Lakhs Only) divided into 1,05,00,000 Equity Shares of Rs. 10/- each.

The Authorized share Capital of the Company, as at closure of financial year 2022-23, was Rs.10,50,00,000/- divided into 1,05,00,000 Equity Shares of Rs. 10/- each.

ISSUED, SUBSCRIBED & PAID-UP CAPITAL:

During the year under review, the Members passed the Special resolution to create, issue, offer and allot Upto 6,66,000 Equity Shares at an Issue price of Rs. 382/- Per Equity Share (including a share premium of Rs. 372 Per Equity Share) aggregating to Rs.25,44,12,000/- on Preferential Basis to Non Promoter/Public.

On receipt of funds from Proposed Allottees 6,61,000 Equity Shares were allotted in Board Meeting held on July 9, 2022 to Non Promoter/Public Category Shareholder.

Further Upon receipt of 25% of issue price from the proposed allottees, 3, 80, 000 Warrants were also allotted by the Company in accordance with the provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 on July 15, 2021. Out of these warrants, 3, 50,000 warrants got converted into 3, 50, 000 Equity Shares of face value of Rs.10 each on March 02, 2022 upon receipt of written Notice & balance 75% of issue price from one of the warrant holder.

Further during the financial year 2022-23 remaining 30,000 warrants converted into 30,000 Equity Shares of face value of Rs. 10 each on September 02, 2022 upon receipt of written Notice & balance 75% of issue price from remaining two warrant holder.

Company applied for Listing Approval for 30,000 Equity Shares allotted on Preferential Issue Basis on July 09, 2022 and received Listing Approval from BSE Limited on July 19, 2022 & Trading Approval received as on October 12, 2022 from BSE.

Consequently above, the issued, subscribed and paid-up equity share capital of the Company stands increased to Rs. 7,34,10,000 (Rupees Seven Crore Thirty Four Lakh Ten Thousand Only) divided into 73,41,000 (Seventy Three Lakh Forty One Thousand only) Equity shares of Rs. 10 each allotted on the preferential allotment basis shall rank pari passu with the existing equity shares of the Company in all respects.

UTILIZATION OF PROCEEDS OF PREFERENTIAL ISSUE:

The Company raised funds of Rs. 25,25,02,000/- (Rupees Twenty Five Crore Twenty Five Lakh Two Thousand Only) through Preferential Issue of shares & Rs. 40,50,000/- (Rupees Forty Lakh Fifty Thousand Only) through preferential issue of Warrants . The gross proceeds of the issue has been utilized in the manner as proposed in the Offer Document, the details of which are hereunder:

• Preferential Issue of Equity Shares

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized	Amount of Deviation/ Variation for the quarter according to applicable object	Remarks if any
To make payment of borrowings of the Company, meeting future funding requirements, working capital and other general corporate purposes of the Company	-	Rs. 25,25,02,000	-	Rs. 25,25,02,000	-	-

• **Preferential Issue of Conversion of Warrants into Equity Shares**

Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized	Amount of Deviation/ Variation for the quarter according to applicable ob@ject	Remarks if any
To prepayment of borrowings of the Company, meeting future funding requirements, working capital and other general corporate purposes of the Company	-	Rs. 40,50,000	-	Rs. 40,50,000	-	-

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

• **CONSTITUTION OF BOARD:**

As on the date of this report, the Board comprises of following Directors;

Name of Director	Category Cum Designation	Date of Original Appointment	Date of Appointment at current Term & designation	Total Directorship ²	No. of Committee ¹		No. of Equity Shares held as on March 31, 2023
					in which Director is Member	in which Director is Chairman	
Mr. Aditya Kaushik	Chairman and Managing Director	November 14, 2017	January 5, 2018	1	2	-	30,13,400
Mr. Ashwani Kumar Goel	Whole Time Director	December 12, 2019	September 29, 2020	1	-	-	3,50,000
Mr. Naveen Kumar	Whole Time Director	March 14, 2020	September 29, 2020	1	-	-	-
Mr. Akshay Kumar Vats	Non-Executive Independent Director	January 05, 2018	January 05, 2018	1	2	1	-
Ms. Smita Bhandari	Non-Executive Independent Director	August 28, 2018	September 28, 2018	1	2	1	-
Mr. Anusheel Kaushik	Additional Director (Whole Time Director)	April 01, 2023	April 01, 2023	1	-	-	-

1. Committee includes Audit Committee and Stakeholder's Relationship Committee across all Public Companies.

2. Excluding LLPs, Section 8 Company & Struck Off Companies.

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from the requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Director of the Company is serving as a Whole-Time Director in any other Listed Company and the number of their directorship is within the limits laid down under section 165 of the Companies Act, 2013.

• **DISCLOSURE BY DIRECTORS:**

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP-1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company.

• **BOARD MEETING:**

Regular meetings of the Board are held at least once in a quarter. Additional Board meetings are called & convened, as and when required, to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Board of Directors of the Company met 12 times on May 20, 2022, May 27, 2022, June 13, 2022, June 27, 2022, July 07, 2022, July 09, 2022, July 30, 2022, September 02, 2022, September 17, 2022, November 14, 2022, December 15, 2022, and March 25, 2023. Pursuant to Section 173 of the Companies Act, 2013, the time gap between the two consecutive Board Meetings was not be more than 120 days.

The details of attendance of each Director at the Board Meeting and Annual General Meeting are given below:

Name of Director	Mr. Aditya Kaushik	Mr. Akshay Kumar Vats	Ms. Smita Bhandari Goel	Mr. Ashwani Kumar	Mr. Naveen Kumar	Mr. Anusheel Kaushik
Number of Board Meeting held	12	12	12	12	12	12
Number of Board Meetings Eligible to attend	12	12	12	12	12	-
Number of Board Meeting attended	12	12	12	12	12	-
Presence at the previous AGM of F.Y. 2021-22	Yes	Yes	Yes	Yes	Yes	-

INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the act that they meet the criteria of independence laid down in Section 149 (6) of the Act. Further, all the Independent Directors of the Company have registered themselves in the Independent Director Data Bank. In the opinion of the Board, all our Independent Directors possess requisite qualifications, experience, expertise including the Proficiency and hold high standards of integrity for the purpose of Rule 8(5)(iii) of the Companies (Accounts) Rules, 2014.

A separate meeting of Independent Directors was held on March 25, 2023 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board

INFORMATION ON DIRECTORATE AND KEY MANAGERIAL PERSONNEL (KMP):

During the year under review, there was change in constitution of the Board of Directors of the Company.

Retirement By Rotation And Subsequent Re-Appointment

Further, In accordance with the provisions of the Articles of Association and Section 152 and other applicable provisions if any of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules 2014 (including and statutory modification(s) or re-enactment(s) thereof for the time being in force) Mr. Naveen Kumar (DIN: 08743772) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, have offered himself for re-appointment.

i. Change in Designation of Board of Directors

During the year under review Mr. Aditya Kaushik (DIN: 06790052) as a Chairman and Managing Director were re-appointed in the annual general meeting held on August 31, 2022 to hold office for further period of five years and liable to retire by rotation.

During the year under review Mr. Anusheel Kaushik appointed as additional director (Whole Time Director) of the Company in the board meeting held on March 25, 2023 subject to Allotment of Valid DIN to hold office till conclusion of ensuing Annual General meeting of the Company.

DETAILS OF KEY MANAGERIAL PERSONNEL:

In terms of Section 203 of the Companies Act, 2013, during the FY 2022-23, the Company had Mr. Aditya Kaushik as Chairman and Managing Director, Mr. Ashwani Kumar Goel and Mr. Naveen Kumar as Whole Time Director, Mr. Amit Kaushik as CEO and CFO and Ms. Zalak Shah as Company Secretary and Compliance Officer of the Company as Key Managerial Personnel.

PERFORMANCE EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act.

- The performance of the board was evaluated by the board, after seeking inputs from all the directors, on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.
- The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.
- The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

Separate meeting of independent directors was held to evaluate the performance of non-independent directors, performance of the board as a whole and performance of the chairman, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013 the Board of Directors to the best of their knowledge and ability confirm that:

- In preparation of Annual Accounts for the year ended March 31, 2023 the applicable accounting standards have been followed and that no material departures have been made from the same;
- The Directors have selected such accounting policies and applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for the year;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the Annual Accounts for the year ended March 31, 2023 on going concern basis;
- The Directors have laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEE OF BOARD:

The Board of Directors in line with the requirement of the act has formed various committees, details of which are given hereunder:

A. AUDIT COMMITTEE:-

The Board of Directors had constituted Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013. The terms of reference of the Committee is available on the website of the Company at www.inflameindia.com.

During the year under review, the Audit Committee met 2 (Two) times during the Financial Year 2022-23 on May 27, 2022, and November 14, 2022.

The composition of the Committee and the details of meetings attended by its members are given below:

Name of the Directors	Category	Designation	Number of meetings during the Financial Year 2022-23		
			Held	Eligible to attend	Attended
Mr. Akshay Kumar Vats	Non-Executive Independent Director	Chairperson	2	2	2
Mr. Aditya Kaushik	Chairman and Managing Director	Member	2	2	2
Ms. Smita Bhandari	Non-Executive Independent Director	Member	2	2	2