



## Innovators Facade Systems Limited

Our Company was originally incorporated as “Innovators Engineers & Contractors Private Limited” at Mumbai, Maharashtra, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 8, 1999 bearing Registration Number 11-120229 issued by Assistant Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed from Innovators Engineers & Contractors Private Limited to Innovators Facade Systems Private Limited vide Fresh Certificate of Incorporation dated July 19, 2005 issued by Assistant Registrar of Companies, Belapur, Navi Mumbai. Our Company was converted to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on January 29, 2018 and the name of our Company was changed to Innovators Facade Systems Limited and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated February 15, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U45200MH1999PLC120229. For further details of change of name and registered office of our Company, please refer to chapters titled “General Information” and “Our History and Certain Other Corporate Matters” beginning on page 74 and 174, respectively of this Red Herring Prospectus.

**Registered Office:** 204, B-65, Sector No 1, Shanti Nagar, Mira Road (East), Thane- 401107, Maharashtra, India  
**Corporate Identification Number:** U45200MH1999PLC120229 **Tel:** 022- 28132151 **Fax:** 022- 28132151

**Contact Person:** Radhika Tibrewala

**Email:** investors@innovators.in; **Website:** www.innovators.in

**PROMOTERS OF OUR COMPANY: RADHESHYAM SHARMA AND JOLLY MULTITRADE PRIVATE LIMITED**

### THE ISSUE

**INITIAL PUBLIC OFFER CONSISTING OF FRESH ISSUE OF UPTO 56,60,800\* EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] /- PER EQUITY SHARE (“THE ISSUE PRICE”), (INCLUDING A SHARE PREMIUM OF RS. [•] /- PER EQUITY SHARE), AGGREGATING RS. [•] LAKHS \*\* (“THE ISSUE”), OF WHICH UPTO 2,88,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] /- PER EQUITY SHARE, AGGREGATING RS. [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE OF UPTO 53,72,800 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. [•] /- PER EQUITY SHARE, AGGREGATING RS. [•] LAKHS IS HEREINAFTER REFERRED TO AS THE “NET ISSUE”. THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.**

**THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER (“BRLM”) AND WILL BE ADVERTISED IN ALL EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER BUSINESS STANDARD, ALL EDITIONS OF THE HINDI NATIONAL NEWSPAPER BUSINESS STANDARD AND MUMBAI EDITION OF REGIONAL NEWSPAPER MUMBAI LAKSHADEEP EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND WILL BE MADE AVAILABLE TO THE SME PLATFORM OF BSE LIMITED (“BSE SME”, REFERRED TO AS THE “STOCK EXCHANGE”) FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE**

**In case of any revisions in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision of the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLM and the terminals of the Syndicate Members (defined herein below)**

**In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount (“ASBA”) process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks (“SCSBs”) for the same. For details in this regard, specific attention is invited to the chapter titled “Issue Procedure” beginning on page 279 of this Red Herring Prospectus. A copy of Red Herring Prospectus has been delivered for registration to the Registrar as required under Section 32 and 26 of the Companies Act, 2013. A copy of Prospectus will be delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013**

**In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “SCRR”) the Issue is being made for at least 25% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time (“SEBI (ICDR) Regulations”), wherein 50.00% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Issue will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All investors (except Anchor Investors) shall participate in this Issue mandatorily through the Applications Supported by Blocked Amount (“ASBA”) process by providing details of their respective bank accounts which will be blocked by SCSBs. For further details please refer the section titled ‘Issue Information’ beginning on page 264 of this Red Herring Prospectus.**

**THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME (“SEBI (ICDR) REGULATIONS”). For further details please refer the section titled ‘Issue Information’ beginning on page 264 of this Red-Herring Prospectus.**

### RISKS IN RELATION TO FIRST ISSUE

**This being the first public issue of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is RS. 10 each. The Floor Price is [•] times the face value and the Cap Price is [•] times the face value. The Issue Price (as determined by our Company in consultation with the Book Running Lead Manager as stated in the chapter titled ‘Basis for issue Price’ beginning on page 117 of this Red-Herring Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and / or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.**

### GENERAL RISKS

**Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this issue. For taking an investment decision, investors must rely on their own examination of the Company and this issue, including the risks involved. The Equity Shares issued in the issue have not been recommended or approved by the Securities and Exchange Board of India (“SEBI”), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red-Herring Prospectus. Specific attention of the investors is invited to the section titled ‘Risk Factors’ beginning on page 20 of this Red-Herring Prospectus.**

### COMPANY’S ABSOLUTE RESPONSIBILITY

**Our company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red-Herring Prospectus contains all information with regard to our Company and this issue, which is material in the context of this Issue, that the information contained in this Red-Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission or inclusion of which makes this Red-Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect.**

### LISTING

**The Equity Shares of our Company issued through this Red-Herring Prospectus are proposed to be listed on the SME Platform of BSE Limited (“BSE SME”), in terms of the Chapter XB of the SEBI ICDR Regulations, 2009 as amended from time to time. Our Company has received an In Principal approval letter dated April 19, 2018 from BSE Limited for using its name in this Offer Document for listing of our shares on the SME Platform of BSE Limited. For the purpose of this issue, SME Platform of the BSE Limited shall be the Designated Stock Exchange.**

#### BOOK RUNNING LEAD MANAGER

**PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**  
 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India  
**Tel:** +91-22 61946719; **Fax:** +91-22 2659 8690  
**Website:** www.pantomathgroup.com  
**Email:** ipo@pantomathgroup.com  
**Investor Grievance Id:** ipo@pantomathgroup.com  
**Contact Person:** Mr. Hardik Bhuta  
**SEBI Registration No:** INM000012110



#### REGISTRAR TO THE ISSUE

**LINK INTIME INDIA PRIVATE LIMITED**  
 C 101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai, Maharashtra, India.  
**Tel:** +91-022-49186200  
**Fax:** +91-022-49186195  
**Email:** innovators.ipo@linkintime.co.in  
**Website:** www.linkintime.co.in  
**Contact Person:** Ms. Shanti Gopalkrishnan  
**SEBI Registration Number:** INR000004058



### ISSUE PROGRAMME

**ISSUE OPENS ON MONDAY, MAY 14, 2018\*\*\***

**ISSUE CLOSES ON WEDNESDAY, MAY 16, 2018**

\*Number of shares may need to be adjusted for lot size upon determination of issue price

\*\*Subject to finalisation of basis of allotment

\*\*\*Our Company may, in consultation with the BRLM consider participation by Anchor Investor. The Anchor investor shall bid on the Anchor Investor Bidding Date i.e. one Working Day prior to the Bid/issue Opening Date. Our Company may, in consultation with the BRLM, consider closing the Bidding by QIB Bidders one Working Day Prior to the Bid/Issue Closing Date in accordance with the SEBI regulation.

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**The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended (“U.S. Securities Act”) or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, “U.S. Persons” (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

**SECTION I GENERAL  
DEFINITION AND ABBREVIATION**

In this Red Herring Prospectus, unless the content otherwise requires, the terms and abbreviations stated hereunder shall have the meanings assigned therewith.

**General Terms**

Term	Description
“Innovators Façade Systems Limited”, or “the Company” ,or “our Company” or “we”, “us”, “our”, or “Issuer” or the “Issuer Company”	Innovators Façade Systems Limited, a Public Limited Company incorporated under the provisions of the Companies Act, 1956 and having its registered office at 204, B-65, Sector No 1, Shanti Nagar, Mira Road East, Thane- 401107, Maharashtra, India.

**Company Related Terms**

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The Statutory Auditor of our Company, being M/s SGCO & Co LLP
Audit Committee	The committee of Board of Directors constituted in accordance with Section 177 of the Companies Act, 2013.
Banker to our Company	The Banker to our Company, being Oriental Bank of Commerce and Indian Bank
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company Secretary and Compliance Officer	The Company Secretary and Compliance Officer of our Company being Radhika Tibrewala
CIN	Company Identification Number: U45200MH1999PLC120229
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10/- each fully paid up
Equity Shareholders	Persons / Entities holding Equity Shares of our Company
Group Companies	Such Companies as are included in the chapter titled “ <i>Our Group Companies</i> ” beginning on page no. 198 of this Red Herring Prospectus
ISIN	ISIN International Securities Identification Number, in this case being INE870Z01015
Independent Director	A non-executive, Independent Director as per the Companies Act, 2013 and the Listing Regulations
Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI Regulations, Section 2(51) of the Companies Act, 2013 and as disclosed in “Our Management” beginning on page 180 of this Red Herring Prospectus.
Memorandum of Association or Memorandum or MOA or Memorandum	The Memorandum of Association of our Company, as amended from time to time
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company means an, Independent Auditor having a valid Peer Review Certificate in our case being M/s Mittal & Associates, Chartered Auditors
“Promoter”, “Promoters” or “our Promoters”	Promoters of our Company being Radheshyam Sharma and Jolly Multi Trade Private Limited



<b>Term</b>	<b>Description</b>
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations and as disclosed in the chapter titled “ <i>Our Promoters and Promoter Group</i> ” on page no. 194 of this Red Herring Prospectus
Registered Office	The Registered office of our Company situated at 204, B-65, Sector No 1, Shanti Nagar, Mira Road East, Thane- 401107, Maharashtra, India.
RoC / Registrar of Companies	Registrar of Companies, Mumbai at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India
Shareholders	Shareholders of our Company

### Issue Related Terms

<b>Term</b>	<b>Description</b>
Acknowledgement slip	Slip or document issued by designated Intermediary to a bidder as a proof of registration of the Bid
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue and allotment of Equity Shares of our Company pursuant to Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicant(s) to whom Equity Shares of our Company have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of the Red Herring Prospectus. All the applicants should make application through ASBA only.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after approval of the Basis of Allotment by the Designated Stock Exchange
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least Rs. 1000 Lakhs, in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Allocation Notice	Notice or intimation of Allocation of Equity Shares sent to Anchor Investors who have been allocated Equity Shares, and includes any device, intimation or notice sent to Anchor Investors in the event that the Issue Price is higher than the Anchor Investor Allocation Price.
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated in terms of the Red Herring Prospectus and Prospectus to the Anchor Investors, which will be decided by our Company, in consultation with the BRLM, on the Anchor Investor Bidding Date.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bidding Date	One Working Day prior to the Bid/Offer Opening Date on which Bids by Anchor Investors shall be submitted, prior to or after which the members of the Syndicate will not accept any Bids from Anchor Investors and allocation to Anchor Investors shall be completed.
Anchor Investor Escrow Account(s)	Accounts opened for the Issue to which funds shall be transferred by Anchor Investors.
Anchor Investor Pay-in Date	With respect to Anchor Investors, it shall be the Anchor Investor Bidding Date, and, in the event the Anchor Investor Allocation Price is

<b>Term</b>	<b>Description</b>
	lower than the Issue Price, not later than two Working Days after the Bid/Issue Closing Date.
Anchor Investor Portion	Upto 59.95% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of the Red Herring Prospectus
Application Collecting Intermediaries	<ol style="list-style-type: none"> <li>1. a SCSB with whom the bank account to be blocked, is maintained</li> <li>2. a syndicate member (or sub-syndicate member) If any</li> <li>3. a stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity)('broker') if any</li> <li>4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> <li>5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)</li> </ol>
ASBA / Application Supported by Blocked Amount	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
ASBA Application Location(s) / Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata
ASBA Bidders	Any Bidder except Anchor Investor
ASBA form/ Bid Cum Application	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Red Herring Prospectus.
Banker/Refund Banker to the Issue/ Public Issue Bank	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account and Refund Account will be opened and in this case being ICICI Bank Limited and HDFC Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled " <i>Issue Procedure</i> " beginning on page 279 of this Red Herring Prospectus.
Bid	An indication to make an issue during the Bid/Issue Period by a Bidder (other than an Anchor Investor) or on Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form.
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue.

<b>Term</b>	<b>Description</b>
	However, for Eligible Employees applying in the Employee Reservation Portion the Bid Amount shall be Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employees mentioned in the Bid cum Application Form net of Employee Discount.
Bid cum Application Form	The application form in terms of which a bidder (including an ASBA Bidder) makes a Bid in terms of the Red Herring Prospectus and which will be considered as an application for allotment.
Bid Lot	[●] equity shares and in multiples of [●] equity shares thereafter
Broker Centres	Broker centres notified by the Stock Exchanges, where the applicants can submit the Application forms to a Registered Broker.
Bid/Issue Closing Date	Except in relation to Anchor Investors, the date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard, and Mumbai edition of the regional newspaper Mumbai Lakshadeep, each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard, and Mumbai edition of the regional newspaper Mumbai Lakshadeep, each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders other than Anchor Investor can submit their Bids, including any revisions thereof. Provided however that the Bidding/Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an ASBA Bidder and Anchor Investor
Bid/Issue Proceeds	Proceeds from the Issue that will be available to our Company, being [●] lakhs
Bidding/Collection Centres	Centres at which the Designated intermediaries shall accept the ASBA Forms, i.e Designated SCSB Branch for SCSBs, specified locations for syndicate, broker centre for registered brokers, designated RTA Locations for RTAs and designated CDP locations for CDPs
Book Building Process/Book Building method	The book building route as provided under Schedule XI of the SEBI (ICDR) Regulations, 2009 in terms of which this Issue is being made
Book Running Lead Manager/ BRLM	Book Running Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum Application form to a Registered Broker. The details of such broker centres, along with the names and contact details

<b>Term</b>	<b>Description</b>
	of the Registered Brokers, area available on the website of Bombay Stock Exchange
CAN/Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange. In the case of Anchor Investors, CAN shall mean the note or advice or intimation of Allotment of Equity Shares sent to the Anchor Investors to whom Equity Shares have been Allotted.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Cap Price	The higher end of the price band above which the Issue Price will not be finalised and above which no Bids (or a revision thereof) will be accepted.
Client ID	Client Identification Number maintained with one of the Depositories in relation to Demat account.
Collecting Depository Participant	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure applications at the Designated CDP Locations in terms of circular no CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/ Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Cut Off Price	Any price within the Price Band finalised by our Company in consultation with BRLM. A bid submitted at Cut Off Price is a valid price at all levels within the Price Band. Only Retail Individual Bidders are entitled to Bid at the Cut Off Price, for a Bid Amount not exceeding Rs [●]. No other category of bidders is entitled to Bid at the Cut Off Price.
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Depositories Act	The Depositories Act, 1996 as amended from time to time
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated Date	The date on which the amount blocked by the SCSBs is transferred from the ASBA Account to the Public Issue Account or the amount is unblocked in the ASBA Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted to the successful Applicants

<b>Term</b>	<b>Description</b>
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) updated from time to time
Designated Stock Exchange	SME Platform of Bombay Stock Exchange, BSESME
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time.
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated March 27, 2018 issued in accordance with section 32 of the Companies Act, 2013 and filed with the BSESME under SEBI (ICDR) Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and size of the Issue.
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
General Information Document	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI.
First/ Sole Applicant	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII/ Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
Floor Price	The lowest end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids (or revisions thereof) will be accepted
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue aggregating upto 56,60,800 Equity Shares of face value of Rs. 10 each fully paid of Innovators Façade Systems Limited for cash at a price of Rs [●] per Equity Share (including a premium of Rs. [●] per Equity Share) aggregating Rs.[●] lakhs.
Issue Agreement	The agreement dated March 20, 2018 between our Company and the Book Running Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Price	The final price at which Equity Shares will be allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book Building Process and the Red Herring Prospectus.
Issue Proceeds	The proceeds of the Issue that is available to our Company. For further information about use of fresh proceeds, refer to the chapter titled “Objects of the Issue” beginning on page 105 of this Red Herring Prospectus.
Indian GAAP	Generally Accepted Accounting Principles in India
IFRS	International financial reporting standard

<b>Term</b>	<b>Description</b>
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the Bombay Stock Exchange Limited
Market Making Agreement	Market Making Agreement dated March 20, 2018 between our Company, Book Running Lead Manager and Market Maker.
Market Maker	Market Maker appointed by our Company from time to time, in this case being Pantomath Stock Broker Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of upto 2,88,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Fund Portion	5.00 % of the QIB Portion (excluding the Anchor Investor Portion) i.e. [●] Equity Shares available for allocation to Mutual Funds, out of the QIB Portion
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue (excluding the Market Maker Reservation Portion) aggregating upto 53,72,800 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs [●] per Equity Share aggregating Rs. [●] lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company.
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non Institutional Bidders	All Bidders, including Category III FPIs that are not QIBs or Retail Individual Investors, who have applied for Equity Shares for an amount of more than Rs. 2,00,000 but not including NRIs other than Eligible NRIs
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
OCB/ Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs, including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Pay-in Period	The period commencing on the Bid/Issue Opening Date and extending until the closure of the Anchor Investor Pay-in Date.
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Price Band	Price Band of a minimum price (Floor Price) of Rs [●] and the maximum price (Cap Price) of Rs [●] and includes revisions thereof. The Price Band will be decided by our Company in consultation with

<b>Term</b>	<b>Description</b>
	the BRLM and advertised in two national daily newspapers (one each in English and in Hindi) with wide circulation and one daily regional newspaper with wide circulation at least five working days prior to the Bid/Issue Opening Date.
Pricing date	The date on which our Company in consultation with the BRLM, will finalize the Issue Price
Prospectus	The Prospectus to be filed with RoC on or after Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited and HDFC Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Public Issue Account Agreement/ Banker to the Issue Agreement	Agreement entered on March 20, 2018 amongst our Company, Book Running Lead Manager, the Registrar to the Issue and Public Issue Bank/Banker to the Issue for collection of the Application Amount on the terms and conditions thereof.
QIB Portion	The portion of the Issue being 49.97% of the Net Issue, consisting of [●] Equity Shares, available for Allocation to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Issue Price
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations 2009
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto
Refund Account	Account to which Application monies to be refunded to the Applicants in case of failure of the Issue
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of BSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com/membership/dynaContent/find_a_broker.htm">http://www.bseindia.com/membership/dynaContent/find_a_broker.htm</a>
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited, having its office at C-101,1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400083, Maharashtra, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registrar Agreement	Agreement dated March 20, 2018 entered into among our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue



<b>Term</b>	<b>Description</b>
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Investor(s)/ Retail Individual Bidder(s)/RII(s)/RIB(s)	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i> ), who apply for an amount less than or equal to Rs 2,00,000
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries</a> or at such other website as may be prescribed by SEBI from time to time
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investor) Regulations, 2014
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SME Exchange	BSE SME
Specified Locations	Collection centres where the SCSBs shall accept application form, a list of which is available on the website of the SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time.
Sub syndicate Member	A SEBI Registered member of Bombay Stock Exchange appointed by the BRLM and/or syndicate member to act as a Sub Syndicate Member in the Issue
Syndicate	Includes the BRLM, Syndicate Members and Sub Syndicate Members
Syndicate Agreement	The agreement dated April 03, 2018 entered into amongst our Company, the BRLM and the Syndicate Members, in relation to the collection of Bids in this Issue.
Syndicate ASBA Building Locations	Bidding Centres where an ASBA Bidder can submit their Bid in terms of SEBI Circular no CIR/CFD/DIL/1/2011 dated April 29, 2011, namely Mumbai, Chennai, Kolkata, Delhi
Syndicate Members/ Members of the Syndicate	Intermediaries registered with the SEBI eligible to act as syndicate member and who is permitted to carry on the activity as an underwriter, in this case being Pantomath Capital Advisors Private Limited
Transaction Registration Slip/TRS	The slip or document issued by the Syndicate or SCSB (only on demand), to the Bidder as proof of registration of the Bid
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated March 20, 2018 entered into between the Underwriter and our Company.
US GAAP	Generally accepted accounting principal (United states)
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All trading days of stock exchanges excluding Sundays and bank holidays in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

#### Technical and Industry Related Terms

<b>Term</b>	<b>Description</b>
GDP	Gross Domestic Product
FY	Financial Year



<b>Term</b>	<b>Description</b>
FDI	Foreign Direct Investment
CAGR	Compounded Annual Growth Rate
PPP	Public Private Partnership
IFSL	Innovators Facade Systems Limited
Bn	Billion
Mn	Million
Cr	Crore
Kms	Kilometers
EMEA	Europe, Middle East, and Africa
APAC	Asia-Pacific
IIA	India Industries Association
MT	Metric Tonnes
YoY	year on year
TPA	Tonnes Per Annum
WEO	World Economic Outlook
CSO	Central Statistics Organization
IMF	International Monetary Fund
RBI	Reserve Bank of India
BCG	Boston Consulting Group
PPP	Purchasing Power Parity
SEZ	Special Economic Zones
CIPET	Central Institute of Plastics Engineering & Technology
MMT	Million Metric Tons

#### **Conventional and General Terms / Abbreviations**

<b>Term</b>	<b>Description</b>
A.Y./AY	Assessment Year
A/C	Account
AGM	Annual General Meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AoA	Articles of Association
AS/Accounting Standard	Accounting Standards as issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
BIFR	Board for Industrial and Financial Reconstruction
CAGR	Compounded Annual Growth Rate
Category I Foreign Portfolio Investors	FPIs who are registered as - Category I foreign portfolio investors under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as - Category II foreign portfolio investors under the SEBI FPI Regulations
Category III Foreign Portfolio Investors	FPIs who are registered as - Category III foreign portfolio investors under the SEBI FPI Regulations
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CFO	Chief Financial Officer
CIN	Corporate Identification Number

<b>Term</b>	<b>Description</b>
Cm	Centimetre
CMD	Chairman and Managing Director
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the Notified Sections) and the Companies Act, 2013.
Companies Act, 2013	The Companies Act, 2013, to the extent in force pursuant to the notification of the notified sections
CS	Company Secretary
CST	Central Sales Tax
Depositories	NSDL (National Securities Depository Limited) and CDSL (Central Depository Services Limited); Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identity
EBIDTA	Earnings before interest, depreciation, tax, amortization and extraordinary items
ECS	Electronic Clearing System
EGM	Extraordinary General Meeting
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
ESPS	Employee Stock Purchase Scheme
F.Y./FY	Financial Year
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and registered with the SEBI under applicable laws in India
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FIs	Financial Institutions
FPI(s)	Foreign Portfolio Investor means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014,

Term	Description
	which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
FTP	Foreign Trade Policy
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Net-worth Individual
HUF	Hindu Undivided Family
I. T. Act	The Income Tax Act, 1961, as amended.
ICAI	Institute of Chartered Accountants of India
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations/Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR	Indian National Rupee
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
IT Authorities	Income Tax Authorities
IT Rules	The Income Tax Rules, 1962, as amended from time to time
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 180 of this Red Herring Prospectus
Listing Regulations / SEBI Listing Regulations/ SEBI (LODR) Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
Ltd.	Limited
MD	Managing Director
MICR	Magnetic Ink Character Recognition
Mn	Million
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non Banking Finance Company
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate

<b>Term</b>	<b>Description</b>
NR	Non Resident
NRE Account	Non Resident (External) Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident (Ordinary) Account
NSDL	National Securities Depository Limited
BSE	Bombay Stock Exchange
OCB	Overseas Corporate Bodies
p.a.	per annum
P/E Ratio	Price Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
Pvt.	Private
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoC	Registrar of Companies
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SARFAESI	The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contracts (Regulation) Act, 1956 as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

<b>Term</b>	<b>Description</b>
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 as repealed pursuant to the SEBI AIF Regulations
Sec	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	Bombay Stock Exchange
STT	Securities Transaction Tax
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
TAN	Tax Deduction Account Number
TIN	Taxpayers Identification Number
TNW	Total Net Worth
TRS	Transaction Registration Slip
U.S. GAAP	Generally accepted accounting principles in the United States of America
u/s	Under Section
UIN	Unique Identification Number
UOI	Union of India
US/ U.S. / USA/ United States	United States of America
USD / US\$ / \$	United States Dollar, the official currency of the United States of America
UV	Ultraviolet
VAT	Value Added Tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India.
w.e.f.	With effect from
WDV	Written Down Value
WTD	Whole-time Director
YoY	Year over year

Notwithstanding the following: -

- i. In the section titled “*Main Provisions of the Articles of Association*” beginning on page 336 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the chapter titled “*Financial Statements as Restated*” beginning on page 205 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter;
- iii. In the section titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled “*Statement of Possible Tax Benefits*” beginning on page 122 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter; and

- v. In the chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 206 of this Red Herring Prospectus, defined terms shall have the meaning given to such terms in that chapter.

## PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to “India” are to the Republic of India and all references to the “Government” are to the Government of India.

### FINANCIAL DATA

Unless stated otherwise, the financial data included in this Red Herring Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘*Financial Statements*’ beginning on page 205 this Red Herring Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1<sup>st</sup> of each year and ends on March 31<sup>st</sup> of the next year. All references to a particular fiscal year are to the 12 month period ended March 31<sup>st</sup> of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company’s financial data. Accordingly to what extent, the financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in “*Risk Factors*”, “*Our Business*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” and elsewhere in this Red Herring Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘*Financial Statements*’ beginning on page 205 of this Red Herring Prospectus.

### CURRENCY OF PRESENTATION

In this Red Herring Prospectus, references to “Rupees” or “Rs.” or “INR” are to Indian Rupees, the official currency of the Republic of India. All references to “\$”, “US\$”, “USD”, “U.S. \$” or “U.S. Dollars” are to United States Dollars, the official currency of the United States of America.

All references to ‘million’ / ‘Million’ / ‘Mn’ refer to one million, which is equivalent to ‘ten lacs’ or ‘ten lakhs’, the word ‘Lacs / Lakhs / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

### INDUSTRY & MARKET DATA

Unless stated otherwise, Industry and Market data and various forecasts used throughout this Red Herring Prospectus have been obtained from publically available Information, Industry Sources and Government Publications.

Industry Sources as well as Government Publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although we believe that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified by the Book Running Lead Manager or our Company or any of their affiliates or advisors. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section “*Risk Factors*” on page 21 of this Red Herring Prospectus. Accordingly, investment decisions should not be based solely on such information.

Future looking statements speak only as of the date of this Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.

### **Exchange Rates**

This Red Herring Prospectus contains conversions of US\$ and Euro and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI ICDR Regulations.

These conversions should not be construed as a representation that such currency amounts could have been, or can be converted into Indian Rupees, at any particular rate, or at all. The exchange rates of the respective foreign currencies are provided below:

<b>Currency</b>	<b>Amount as on date</b>	
1 US\$	As on January 18, 2018	Rs 63.8431
1 Euro	As on January 19, 2018	Rs 78.1441



## FORWARD LOOKING STATEMENT

This Red Herring Prospectus contains certain “forward-looking statements”. These forward looking statements can generally be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “shall”, “will”, “will continue”, “will pursue” or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors / areas in which we operate;
- Increased competition in the sectors / areas in which we operate;
- Factors affecting the Industry in which we operate;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “*Risk Factors*” and chapter titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 21 and 206 respectively of this Red Herring Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Red Herring Prospectus. Neither we, our Directors, Book Running Lead Manager, Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the BRLM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange Further, in accordance with Regulation 51A of the SEBI Regulations, the Company may be required to undertake an annual updation of the disclosures made in the Red Herring Prospectus/ Prospectus and make it publicly accessible in the manner specified by SEBI.

## SECTION II – RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.*

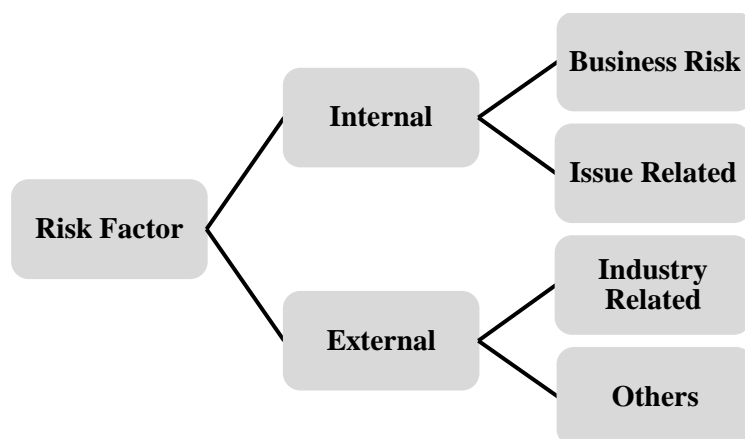
*Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. Unless otherwise stated, the financial information of our Company used in this section is derived from our restated financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI ICDR Regulations. To obtain a better understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 149, “Our Industry” beginning on page 125 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 206 respectively, of this Red Herring Prospectus as well as other financial information contained herein.*

*The following factors have been considered for determining the materiality of Risk Factors:*

- Some events may not be material individually but may be found material collectively;*
- Some events may have material impact qualitatively instead of quantitatively;*
- Some events may not be material at present but may have material impact in future.*

*The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Red Herring Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviation” beginning on page 3 of this Red Herring Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.*

*The risk factors are classified as under for the sake of better clarity and increased understanding:*



1. *Our Company, Promoter-Director and Subsidiary are involved in certain litigation which is currently pending at various stages. Currently, our Company is also involved in arbitration matters, civil proceedings, direct and indirect tax related proceedings; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.*

*Further our Company has filed two applications before National Company Law Tribunal for compounding of offences under Section 621A of the Companies Act, 1956 read with Section 441 of the Companies Act, 2013 for compounding of offence under Section 212 of the Companies Act 1956 read with Section 129 (3) of the Companies Act, 2013; and second application for compounding of offences under Section 383A(1) of the Companies Act, 1956 read with Section 203 of the Companies Act, 2013; ; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.*

There are no legal proceedings by or against our Group Companies. A classification of legal proceedings is mentioned below:

Also, there is no assurance that in future, we, our promoters, our directors or group companies or subsidiary may not face legal proceedings; any adverse decision in such legal proceedings may impact our business. For further details in relation to legal proceedings involving our Company, Promoters, Directors, Group Company and Subsidiaries see the chapter titled “Outstanding Litigation and Material Developments” on page 229 of this Red Herring Prospectus.

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved (Rs. In lakhs)
<b>Company</b>							
By the Company	Nil	6	Nil	Nil	Nil	Nil	703.65*
Against the Company	Nil	Nil	13	Nil	Nil	Nil	807.72
<b>Promoters</b>							
By the Promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Promoter	Nil	Nil	5	Nil	Nil	Nil	17.18
<b>Group Companies</b>							

<b>By Group Companies</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Against Group Companies</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Directors other than promoters</b>							
<b>By the Directors</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Against the Directors</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Subsidiaries</b>							
<b>By the Subsidiaries</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Against the Subsidiaries</b>	Nil	Nil	2	Nil	Nil	Nil	149.09

*Since the cases are pending in courts/ with tax authorities the final amount in certain cases may change.  
\*This is the amount involved in 3 out of 6 cases. The amount involved in one of the cases is disputed.*

- Our customers have a right to cancel the contract by giving a minimal notice on the occurrence of certain events. Any such cancellation may adversely affect our business, financial condition and results of operations.***

Our contracts usually provide for a right to our customer(s) to cancel the contract upon the occurrence of certain events such as, among other things, our failure to comply with the terms of the purchase order including specifications and other technical requirements; our failure to carry out the work as per the schedule or to maintain the acceptable quality of the workmanship or to observe the safety precautions at site or noncompliance of rules and regulations of local and government policies or non compliance of any other conditions of the agreement. Further, our contracts may also provide that the customer shall not be responsible for any payment for any loss sustained by us by reason of our having purchased any materials or entered into any commitments or made any advances in connection with the execution of the contract. In the event any of the above events occur, our contract may be cancelled which may adversely affect our business, financial condition and results of operations. Further, such termination may also affect our reputation and growth prospects.

- Our business requires the services of third parties, including suppliers and subcontractors, which entail certain risks.***

Our business generally requires the services of third parties, including sub contractors and suppliers of labour and materials. The timing and quality of facade we install depends on the availability and skill of those third parties, as well as contingencies affecting them, including labour and material shortages and industrial action, such as strikes and lockouts. We cannot assure you that skilled third parties will continue to be available at reasonable rates and in the areas in which we need to execute our projects. As a result, we may be required to make additional investments or provide additional services to ensure the adequate performance and delivery of contracted services, and any delay in project execution could adversely affect our profitability. There is also a risk that we may have disputes with our subcontractors arising from, among other things, the quality and timeliness of work performed by the subcontractor, customer concerns about the subcontractor, or our failure to extend existing orders or issue new orders under a subcontract. In addition, if any of our subcontractors fail to deliver on a timely basis the agreed-upon supplies and/or perform the agreed-upon services, our ability to fulfil our obligations as a prime contractor may be jeopardized. In most instances, there is no contractual relationship between our

customers and our suppliers, subcontractors. Consequently, we would have to seek remedies from our suppliers or sub-contractors, as the case may be, should any service or product liability claim be made by our customers against us. In case of any such claim against us, even if it is not proven, our reputation may suffer and our business may be materially and adversely affected. We cannot assure you that claims of such nature will not be brought against us, which could have a material adverse effect on our reputation, business and financial performance.

**4. *Our projects are typically awarded to us on satisfaction of prescribed pre-qualification criteria and following a competitive bidding process. Our business and our financial condition may be adversely affected if new projects are not awarded to us.***

Our contracts are generally obtained through a competitive bidding process which involves certain pre-qualification criteria like net worth, experience, capacity and performance, reputation for quality, safety record, financial strength and bonding capacity and size of previous contracts in similar projects. In selecting contractors for major projects, customers generally limit the tender to contractors they have pre-qualified based on these criteria, although price competitiveness of the bid is the most important selection criterion. Our ability to bid for and win such projects is dependent on our ability to show experience of working on similar or larger projects and developing strong execution capabilities and credentials to execute more challenging projects. The growth of our business mainly depends on our ability to obtain new contracts in the sectors in which we operate. Generally, it is very difficult to predict whether and when we will be awarded a new contract. Our future results of operations and cash flows can fluctuate materially from period to period depending on the timely award of contracts, commencement of work and completion of projects in the scheduled time period. If we fail to qualify or are unable to obtain new contracts, our business and financial condition could be adversely affected.

**5. *Increase in costs or a shortfall in availability of the materials we purchase could have a material adverse effect on our Company's sales, profitability and results of operations.***

Our Company is dependent on third party suppliers for procuring the materials which we use in executing our projects. We are exposed to fluctuations in the prices of these materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major requirement is met in the spot market. The cost and availability of such materials are subject to a variety of factors and any increase in their cost and their availability at a reasonable price or at all, could adversely affect our margins, sales and results of operations. There can be no assurance that strong demand, capacity limitations or other problems experienced by our suppliers will not result in occasional shortages or delays in their supply of materials. If we were to experience a significant or prolonged shortage of such materials from any of our suppliers, and we cannot procure the products from other sources, we would be unable to meet our execution schedules and to deliver such products to our customers in timely fashion, which would adversely affect our sales, margins and customer relations. We cannot assure you that a particular supplier will continue to supply the required materials to us in the future. Any change in the supplying pattern of our products can adversely affect our business and profits. Though we enjoy favourable terms from the suppliers both in prices as well as in supplies, our inability to obtain high quality materials in a timely and cost-effective manner would cause delays in our execution cycles and delivery schedules, which may result in the loss of our customers and revenues.

**6. *The nature of our business exposes us to liability claims and contract disputes and our indemnities may not adequately protect us. Any liability in excess of our reserves or indemnities could result in additional costs, which would reduce our profits.***

Time is often of the essence in our projects. We typically enter into contracts which provide for liquidated damages for time overruns. In the event there are delays in our current or future orders and we are unable to receive extensions from our customers, we may be exposed to liquidated damages and termination apart from entailing significant cost and time overruns. Additionally, in some contracts, in case of delay due to deficiency in services or because of defective work done by us, clients may have

the right to complete the work at our risk and cost by engaging a third party. We are generally required to furnish performance guarantees in the form of bank guarantees. In the event we fail to perform under the terms of a contract, a bank guarantee may be called upon by our customer, which could adversely affect our financial condition and results of operations. In addition, our operations are subject to hazards inherent in providing fabrication services, such as risk of work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to and destruction of property and environmental damage. We may also be subject to claims resulting from defects arising from fabrication services provided by us within the warranty periods extended by us. Further, our subcontractors may not have adequate financial resources to meet their indemnity obligations to us. Failure to effectively cover ourselves against any of these reasons could expose us to substantial costs and potentially lead to material losses. Faults in design and execution might also require repair work, which may not be foreseen. In addition, if there is a customer dispute regarding our performance or workmanship, the customer may delay or withhold payment to us.

**7. *Our results of operations and cash flows could be adversely affected, if we are unable to collect our dues and receivables from, or invoice our unbilled services to, our clients.***

Our business depends on our ability to successfully obtain payment from our clients of the amounts they owe us for work performed. We evaluate the financial condition of our clients and usually bill and collect on relatively short cycles. There is no guarantee that we will accurately assess the creditworthiness of our clients. Such conditions could cause clients to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of fees for client services also depends on our ability to complete our contractual commitments and subsequently bill for and collect our contractual service fees. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our client balances, and if this occurs, our results of operations and cash flows could be adversely affected. Our results of operations and cash flows could be adversely affected, if we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our client balances. In addition, if we experience delays in billing and collection for our services, our cash flows could be adversely affected.

**8. *Our pricing structures do not accurately anticipate the cost and complexity of performing our work and if we are unable to manage costs successfully, then certain of our contracts could be or become unprofitable***

We negotiate pricing terms with our clients utilizing a range of pricing structures and conditions. Depending on the particular contract, we may use time-and-materials pricing, pursuant to which we typically invoice on periodical basis for the services that we provide to our client. In certain instances, we enter into time-and-materials pricing arrangements, but with the inclusion of fixed-price elements for certain specified services.

Our ability to improve or maintain our profitability is dependent on managing our costs successfully. Our cost management strategies include maintaining appropriate alignment between the demand for our products and services and our resource capacity, optimizing the costs of service delivery through business process digitalization and deployment of tools, and effectively leveraging our sales and marketing and general and administrative costs. Our contracts could prove unprofitable for us or yield lower profit margins than anticipated, if we do not accurately estimate the resources required, costs and timing for completing projects, future rates of wage inflation and currency exchange rates, or if we fail to complete our contractual obligations within the contracted timeframe. There is a risk that we will underprice our contracts, fail to accurately estimate the costs of performing the work or fail to accurately assess the risks associated with potential contracts. In particular, any increased or unexpected costs, or wide fluctuations compared to our original estimates or delays, or unexpected risks we encounter in connection with the performance of this work, including those caused by factors outside of our control, could make these contracts less profitable or unprofitable, which could adversely impact our profit

margin. However our contracts usually provides for escalation and delay charges clause to minimise such risks.

**9. Failure to anticipate and develop new products & services and enhance existing execution capabilities in order to keep pace with rapid changes in technology and industry may suffer our business**

The facade industry is characterized by rapid technological changes, evolving industry standards, changing client preferences, and new product and service introductions that could result in product obsolescence and short product life cycles. Our success depends on our ability to anticipate these advances, enhance our existing offerings or develop new service offerings to meet client needs, in a timely manner. We may not be successful in anticipating or responding to these advances on a timely basis. It may also happen that the products or services or technologies we develop may not be successful in the marketplace. We may also be unsuccessful in stimulating customer demand for new and upgraded products & services, or seamlessly manage to introduce new products, service or transitions. If we fail to address the demands of the rapidly evolving IT environment, particularly with respect to emerging technologies, and technological obsolescence, it could have a material adverse effect on our business, results of operations and financial condition.

**10. We have certain contingent liabilities that have not been provided for in our Company's financials which if materialised, could adversely affect our financial condition.**

Our contingent liabilities as per our Restated Standalone Financial Statements on December 31, 2017 is as under:

(Rs in lakhs)

Sr.	Particulars	As at December 31, 2017
1.	Guarantees given on Behalf of the Company	3,017.81
2.	Disputed VAT Liabilities	9.72
3.	Outstanding Tax Demand with Respect to Income Tax Assessment year - 2006-07	3.38
4.	Outstanding Tax Demand with Respect to Income Tax Assessment year - 2011-12	16.24
5.	Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	6.89
6.	Outstanding TDS Defaults for (Earlier Years)	39.50
7.	Outstanding TDS Defaults for FY 2015-16	1.91
8.	Outstanding TDS Defaults for FY 2016-17	4.88
9.	Outstanding TDS Defaults for FY 2017-18	0.15
	<b>Total</b>	<b>3,100.48</b>

In the event any such contingencies mentioned above were to materialize or if our contingent liabilities were to increase in the future, our financial condition could be adversely affected. For further details, see the section entitled "Financial Statements" on page 205 of this Red Herring Prospectus.

**11. Our Company has not complied with certain statutory provisions under Companies Act. Such non-compliances/lapses may attract penalties.**

Our Company has not complied with certain statutory provisions such as the following:

- Appointment of Company Secretary under section 383A of Companies Act, 1956 and Section 203 of Companies Act 2013. However, our Company has now appointed a Company Secretary to look after the legal and secretarial functions of the Company.
- Non-compliance with section 212 of the Companies Act, 1956 by not preparing consolidated financial statements for FY 2012-13 & 2013-14. However the Company has as on date

complied with such section and have prepared its consolidated financials for FY 2012-13 & FY 2013-14.

However, our Company has filed two applications before National Company Law Tribunal for compounding of offences under Section 621A of the Companies Act, 1956 read with Section 441 of the Companies Act, 2013 for compounding of offence under Section 212 of the Companies Act 1956 read with Section 129 (3) of the Companies Act, 2013; and second application for compounding of offences under Section 383A(1) of the Companies Act, 1956 read with Section 203 of the Companies Act, 2013; ; any adverse decision in such proceedings may render us liable to liabilities and penalties and may adversely affect our business and results of operations.

Further, our Company has delayed filing of some forms under the Companies Act. No show cause notice in respect of the above has been received by the Company till date, any penalty imposed for such non-compliance in future by any regulatory authority could affect our financial conditions to that extent. Such delay/noncompliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned.

***12. Our Statutory auditors have included certain audit qualifications and observations on certain matters in their auditor's reports.***

Our statutory auditors for financial years 2016 and 2017 have provided certain audit qualification in their auditor's reports with respect to need for strengthening of the documentation in respect of specific policies and procedures and the IT Controls pertaining to internal financial controls over financial reporting. Our management believes that it shall be able to complete all the required documentation required in respect of internal financial controls over financial reporting so as to avoid the potential risks, if any, in recording of the transactions. Further the statutory auditors of our Company for each of these periods and for financial year 2015 have also reported certain observations in their reports on the Companies (Auditors Report) Order, 2003 (to extent applicable) and Companies (Auditors Report) Order, 2015. These matters include certain statutory dues not being deposited due to disputes with the relevant authorities. For details on such qualifications and observations by our statutory auditor, please refer to the chapter titled "Financial Statements" beginning on page 205 of the RHP. Investors should consider the same in evaluation of our financial position, results of operation and cash flows.

***13. The Company is yet to place orders for 95.78% of the plant & machinery for our proposed object, as specified in the Objects of the Issue. Any delay in placing orders, procurement of plant & machinery may delay our implementation schedule and may also lead to increase in price of these plant & machinery, further affecting our revenue and profitability.***

As on the date of filing of this Red Herring Prospectus, we have already placed order for one of the plant and machinery and made advance payment against the said order of Rs 14.28 lakhs towards the same out of internal accruals, details of the same has been mentioned in the chapter titled, "Objects of the Issue" beginning on page 105 of this RHP. Further, Although we have identified the type of plant and machinery required to be bought for our upgradation and modernisation of existing facility, we are yet to place orders for 95.78% of the plant & machinery worth Rs 324.13 lakhs as detailed in the — "Objects of the Issue" beginning on page 105 of this RHP. These are based on our estimates and on third-party quotations, which are subject to a number of variables, including possible cost overruns, changes in management's views of the desirability of current plans, change in supplier of equipments, among others, which may have an adverse effect on our business and results of operations. Further, we cannot assure that we would be able to procure these plant and machinery, or procure the same within budgeted costs and timelines. Delays in acquisition of the same could result in the cost and time overrun in the implementation of the Project, which would have a material adverse effect on our business, results of operations and financial condition. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 105 of this Red Herring Prospectus.

***14. We generate our major portion of sales from our operations in certain geographical regions especially Maharashtra. Any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.***



For the period ended December 31, 2017 and for the year ended March 31, 2017 our revenue from our customers situated in Maharashtra contributed 72.30% and 75.94% of our total revenue from operations as per our Restated Standalone Financial Statements. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in Maharashtra region to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations. Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in such regions, and our experience in these regions may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside Maharashtra market may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we may face and should not rely on our results of operations for any prior periods as an indication of our future performance.

*Management Perception: As on the date of the RHP, the Company has already started its operations in Goa, Haryana, Hyderabad, Karnataka, Kolkatta, Tamil Nadu and Uttar Pradesh and aims to strengthen its presence in such regions.*

***15. Some of our corporate records including forms filed with the Registrar of Companies are not traceable.***

Our Company is unable to trace certain corporate and other documents in relation to our Company including forms filed with the Registrar of Companies prior to the year 2006. Due to change in methods of record keeping over the years, certain forms filed with ROC prior to the year 2006 like Return of Allotment and annual return could not be traced by our Company. Further online filing of RoC documents was initiated in the year 2006 and all forms prior to the said year were physically filed, hence some of these forms could not be retrieved from Ministry of Corporate Affairs (MCA) portal. Our Company had carried limited purpose search for the physical copies of the untraceable forms at the office of ROC, Mumbai, but the forms are not available at the office of Registrar of Companies as well. As such under the circumstances elaborated above, our Company cannot assure you that the filings were made in a timely manner or the information gathered through other available documents of the Company are correct. Also our Company may not be in a position to attend to and / or respond appropriately to any legal matter due to lack of lost destroyed records and to that extent the same could adversely affect our business operations. Further some information mentioned in this RHP with respect to periods prior to 2006 is based on the ROC search report, data provided by the management and to the best of information available.

***16. Our Body Corporate Promoter, Jolly Multitrade Private Limited do not have the experience of operating in the real estate sector and façade industry.***

Our Body Corporate Promoter, Jolly Multitrade Limited do not have prior experience in the sector in which our Company operates. Jolly Multitrade Limited have not acquired any technical expertise which is required in our field. Our Company relies on the technical expertise of its individual promoter, Key Managerial Personnel and senior management with significant experience in facade industry. There can be no assurance that we will be able to retain our Key Managerial Personnel and senior management to work for our Company and be successful in our business plans due the lack of such direct experience of our Corporate Promoter, Jolly Multitrade Limited.

***17. We do not own the land on which our registered office is located. Further all our branch offices have been taken on lease basis from third parties.***

We do not own the land on which our registered office is located. The registered office of our Company which is situated at 204/b-65, Station Road, Shantinagar, Sector-1, Mira road, Maharashtra-401107 is taken on rent from Narendra Sharma and Shivchand Sharma for a period of 60 months from January 01, 2015 to December 31, 2020. Further at present we have 5 branch offices to aid our operations at different places. All such branch offices have been taken on lease from third parties. If we do not comply with certain conditions of the lease/rent agreement, the lessor may terminate the lease, which could have an adverse effect on our operations and there can be no assurance that renewal of lease agreement with the owner will be entered into. In the event of non-renewal of lease, we may be required to shift our registered or branch offices to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

**18. Our Company has negative cash flows from its operating activities, investing activities as well as financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.**

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in the previous year(s) as per the Restated Standalone Financial Statements and the same are summarized as under:

*(Rs. in Lakhs)*

Particulars	For the period ended December 31, 2017	For The Year Ended				
		2017	2016	2015	2014	2013
Cash Flow from / (used in) Operating Activities	666.99	914.71	(137.67)	(247.42)	1,043.77	(738.04)
Cash Flow from / (used in) Investing Activities	(109.03)	(169.89)	41.55	18.80	(577.24)	(639.24)
Cash Flow from / (used in) Financing Activities	(468.96)	(505.00)	(265.30)	297.13	(146.78)	1,401.15

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

**19. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.**

Our business is working capital intensive. A significant portion of our working capital is utilized towards inventories, trade receivables and other current assets. Summary of our working capital position as per our Restated Standalone Financial Statements is given below:-

*Amount (Rs. In lakhs)*

Particulars	For the period ending December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
<b>A. Current Assets</b>						
Inventories	3,311.75	3,425.25	1,101.59	1,281.64	995.52	837.04

Particulars	For the period ending December 31, 2017	As at March 31,				
		2017	2016	2015	2014	2013
Trade Receivables	4,540.78	3,758.26	4,128.95	3,447.16	1,558.23	3,042.60
Cash and Cash Equivalents	937.17	848.18	608.36	969.77	901.26	581.51
Short Term Loans & Advances	434.16	273.41	224.85	207.25	386.15	175.45
Other Current Assets	4,034.78	2,500.00	3,477.39	3,327.64	4,695.00	3,083.35
<b>B. Current Liabilities</b>						
Trade Payables	2,452.36	2,078.91	1,873.25	2,486.00	2,197.95	1,863.69
Other Current Liabilities	2,313.04	1,483.80	944.90	630.44	1,151.80	303.95
Short Term Provisions	138.58	1.35	1.89	1.61	-	52.30
<b>Working Capital (A-B)</b>	<b>8,354.66</b>	<b>7,241.03</b>	<b>6,721.10</b>	<b>6,115.41</b>	<b>5,186.41</b>	<b>5,500.01</b>
<b>Inventories as % of total current assets</b>	<b>24.98%</b>	<b>31.70%</b>	<b>11.55%</b>	<b>13.88%</b>	<b>11.66%</b>	<b>10.84%</b>
<b>Trade receivables as % of total current assets</b>	<b>34.25%</b>	<b>34.78%</b>	<b>43.28%</b>	<b>37.33%</b>	<b>18.25%</b>	<b>39.41%</b>
<b>Other current assets as % of total current assets</b>	<b>30.43%</b>	<b>23.14%</b>	<b>36.45%</b>	<b>36.04%</b>	<b>55.00%</b>	<b>39.94%</b>

We intend to continue growing by expanding our business operations. This may result in increase in the quantum of current assets particularly inventories, trade receivables and other current assets. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital could adversely affect our financial condition and result of our operations. For further details regarding working capital requirement, please refer to the chapter titled "Objects of the Issue" beginning on page 105 of this Red Herring Prospectus.

**20. Delay in schedule of implementation or of our modernisation project may subject our Company to risks related to time and cost overrun which may have a material adverse effect on our business, results of operations and financial condition.**

Our Company is currently proposing to modernise and upgrade our existing manufacturing facility at Wada. For further details regarding to our proposed modernisation and upgradation of our existing facility, please refer the chapter titled "Objects of the Issue" on page 105 of this RHP. We may face risks relating to the modernisation and upgradation of our existing facility, complete the projects within our estimated budget, failure of our contractors and suppliers to adhere to our specifications and timelines, and changes in the general economic and financial conditions in India. We have limited control over the timing and quality of services, equipment or other supplies from third party contractors and/or consultants appointed by us, and we may be required to incur additional unanticipated costs to remedy any defect or default in their services or products to ensure that the planned timelines are adhered to. Further as and when we complete our upgradation work, our material requirements and costs as well as our staffing requirements and employee expenses may increase and we may face other challenges in extending our financial and other controls to our unit managing our consequent growth. In the event that the risks and uncertainties discussed above or any other unanticipated risks, uncertainties, contingencies or other events or circumstances limit or delay our efforts to use the Net Proceeds to achieve the planned growth in our business, the use of the Net Proceeds for purposes identified by our management may not result in actual growth of our business, increased profitability or an increase in the value of your investment in our Equity Shares.

**21. Our business is subject to seasonal and other fluctuations that may affect our financial performance and business operations.**

Our business and operations are affected by seasonal factors. In particular, the monsoon season in the second quarter of each Fiscal may restrict our ability to carry on activities related to our projects and fully utilize our resources. During periods of curtailed activity due to adverse weather conditions, we may continue to incur operating expenses and our project related activities may be delayed or reduced. Adverse seasonal developments may also require the evacuation of personnel, suspension or curtailment of operations, resulting in damage to project sites or delays in the delivery of materials. Such fluctuations may adversely affect our liquidity, business, financial condition, results of operations and prospects. As a result, our revenues and profits may vary significantly during different financial periods and certain periods are not indicative of our financial position for the year.

**22. *Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that the industry in which we operate faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its business operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. We have not experienced any major disruptions to our business operations due to disputes or other problems with our work force in the past; there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

**23. *At present our manufacturing facility is not fully automated. Further any disruption in production at, or shutdown of, our sole manufacturing facility could adversely affect our business, results of operations and financial condition.***

We own and operate only one manufacturing facility situated at Wada, Maharashtra. All of our products are fabricated and assembled at this facility only. At present, our manufacturing facility is not fully automated and requires manual intervention and processes. However we propose to modernise and upgrade our manufacturing facility by purchasing new machineries and modifying our civil structure through the use of a portion of Net proceeds. For details, please refer chapter titled "Objects of the Issue" beginning on page 105 of the RHP. Further our manufacturing facility is susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, and industrial accidents and similar events. Further, our manufacturing facility is also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

**24. *We require a number of approvals, NOCs, licences, registrations and permits in the ordinary course of our business. Some of the approvals are required to be transferred in the name of "INNOVATORS FACADE SYSTEMS LIMITED" from "INNOVATORS FACADE SYSTEMS PRIVATE***

***LIMITED” pursuant to name change of our company and any failure or delay in obtaining the same in a timely manner may adversely affect our operations.***

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course. Also, we were a private limited company in the name of “INNOVATORS ENGINEERS & CONTRACTORS PRIVATE LIMITED” which was carrying business of manufacturing, engineering, designing and installation of all types of façade systems. Thereafter, there was change of name of the Company on July 19, 2005 from “INNOVATORS ENGINEERS & CONTRACTORS PRIVATE LIMITED” to “INNOVATORS FACADE SYSTEMS PRIVATE LIMITED”. As per Companies Act, 2013, a private limited company can be converted into public limited company. After complying with the relevant procedure of Companies Act, 2013, the said private limited company was converted into a public limited company in the year February 15, 2018. After conversion there was change of name of the company from “INNOVATORS FACADE SYSTEMS PRIVATE LIMITED” to “INNOVATORS FACADE SYSTEMS LIMITED”.

We need to apply for renewal of approvals which expire, from time to time, as and when required in the ordinary course of our business Pursuant to our conversion from a private limited company to a public limited company in the year 2018, we need to take necessary steps for transferring the approvals of our company in the new name. Approvals like cancellation of certification of certain branches are currently not traceable by the company. In case of delay or failure to obtain the same, it could affect our business operations. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licences, registrations or permits, or any suspension or revocation of any of the approvals, licences, registrations and permits that have been or may be issued to us, could result in delaying the operations of our business, which may adversely affect our business, financial condition, results of operations and prospects. We cannot assure you that the approvals, licences, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. For more information, see chapter “Government and Other Statutory Approvals” on page 244 of this Red Herring Prospectus.

**25. *We depend on certain brand names and our corporate name and logo that we may not be able to protect and/or maintain. We have a logo which is used for our business purpose.***

Our ability to market and sell our products depends upon the recognition of our brand names and associated consumer goodwill. Currently, we have applied for change in name of our logo



and it is pending. Our Company has filed an application to get the above trademark transferred in the name of M/s. Innovators Façade Systems Private Limited. This may affect our ability to protect our trademark in the event of any infringement of our intellectual property. We may not assure you that we shall be able to successfully transfer the above logo in the name of M/s Innovators Façade Systems Private Limited. As a result, this could materially and adversely affect our business, financial condition, results of operations and prospects. In case of failure to renew our intellectual property on time, it may adversely affect our business operations.

Our failure to comply with existing or increased regulations, or the introduction of changes to existing regulations, could adversely affect our business, financial condition, results of operations and prospects. See “Government and other Statutory Approvals” on page 244 of this Red Herring Prospectus for further details on the required material approvals for the operation of our business.

**26. *Our revenues have been significantly dependent on few customers and our inability to maintain such business may have an adverse effect on our results of operations.***

For the period ended December 31, 2017 and March 31, 2017, our revenue from operations from our top 5 customers contributed to 62.02% and 72.62% respectively and our revenue from operations from our top 10 customers contributed to 86.29% and 93.97% respectively of our revenues from operations as per our Restated Standalone Financial Statements. Our Company is primarily engaged in providing

façade systems and solutions to customers and usually a single contract may take 6 months to three years for completion. As we operate on contract basis, our revenue from operations for a particular period may be concentrated in few clients or may be dependent on some large contracts. Larger contracts from few customers may represent a larger part of our portfolio, increasing the potential volatility of our results and exposure to individual contract risks. We may be vulnerable to accepting onerous contractual terms with regard to change in scope of work or inclusion of additional work within the scope of an existing contract. Such concentration of our business on a few projects or clients may have an adverse effect on our results of operations and result in a significant reduction in the award of contracts which could also adversely affect our business if we do not achieve our expected margins or suffer losses on one or more of these large contracts, from such clients. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. While we believe that we shall not face challenges in finding new customers in the ordinary course of business, our results of operations and financial condition may be adversely affected if we remain dependent on few customers.

***27. Any slowdown in the real estate sector in India could significantly decrease the demand for our products.***

The demand for our products is dependent, among other things, on the conditions of the global and, in particular, the Indian economy. For instance, the demand for our products is significantly affected by the real estate sector. A decline in economic activity in India or in international markets may have an adverse effect on consumer and industrial demand for new infrastructural structures or complexes. If development of real estate declines, it would have a corresponding impact on the demand for our products leading to lower margins or slack in project executions and may materially and adversely affect our business, financial condition, results of operations, cash flows and business prospects.

***28. Any delay in completion of civil structure by the principal contractor or third parties involved or the customer could result in delay of our project execution and consequently affect our business operations.***

We are primarily engaged in designing, drawing, fabricating and installation of façade systems at various civil structure sites. We are dependent on the principal contractor and other parties to carry out their scope of work so as to enable us to initiate our project execution. In the life cycle of a construction project, there are phases which needs to be completed by other respective parties post which we can start our work. Any delay in execution of work by such parties may result in consequent delay in our project execution and may hinder our business operations adversely. Also if there is any delay from the customer like delay in approval of plans of the project, delay in starting the construction activity, delay in release of payments etc. we may also suffer a delay in our project execution or cash flows which may adversely affect our financial condition and results of operations.

***29. Conflicts of interest may arise out of common business undertaken by our Company, Promoter and our Group Companies.***

All our Group Companies are also authorized to carry similar activities as those conducted by our Company. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, and our Group Company in circumstances where our respective interests diverge. In cases of conflict, our Promoter may favour other company in which our Promoter has interests. There can be no assurance that our Promoter or our Group Company or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

***30. Our subsidiary M/s. Kapindra Multitrade Private Limited has incurred losses in the previous financial years.***

Sustained financial losses by our Subsidiary Company may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business

operations. Further our consolidated results from operations may also be affected due to losses incurred by our Subsidiary Company. At present our Subsidiary Company is not carrying out any operations. We cannot assure you that our subsidiary company shall be able to generate business and positive earnings in the future.

**Details of Standalone Financial Performance of Kapindra Multi Trade Private Limited is as follows;**

(Rs in lakhs)

Particulars	2016-17	2015-16	2014-15
Paid Up Capital	38.31	38.31	38.31
Reserves and Surplus	1819.32	1821.92	1825.09
Net Asset Value (In Rs.)	484.80	485.47	486.30
Sales and Other Income	0.00	0.00	0.00
Profit/ Loss after tax	(2.59)	(3.17)	(3.03)

**31. As per our restated consolidated financial statements, our subsidiary M/s. Kapindra Multitrade Private Limited has invested in unsecured compulsorily convertible debentures of M/s. Innovators Façade Solutions Private Limited**

Our subsidiary M/s. Kapindra Multitrade Private Limited has invested in 1,56,041 unsecured compulsorily convertible debentures of M/s. Innovators Façade Solutions Private Limited, one of our Group Company amounting to Rs. 1,560.41 lakhs. Further these debentures carry nil rate of interest. For more details refer to the chapter titled “Financial Statements” beginning on page 205 of this RHP.

**32. Some of our Group Companies have negative net worth and have incurred losses in the previous financial years.**

Sustained financial losses by our Group Companies may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations. The following of our Group Companies has incurred losses in previous years:

**Financial Performance of Innovators Façade Solutions (Bangaluru) Private Limited**

(Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid Up Capital	1.00	1.00	1.00
Reserves and Surplus	(2.01)	(1.32)	(0.78)
Net Asset Value (In Rs.)	(10.12)	(3.28)	2.18
Sales and other income	-	-	-
Profit/Loss after tax	(0.68)	(0.54)	(0.48)

**Financial Performance of Innovators Façade Solutions (Mumbai) Private Limited**

(Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid Up Capital	1.00	1.00	1.00
Reserves and Surplus	(2.81)	(2.13)	(0.77)
Net Asset Value (In Rs.)	(18.10)	(11.3)	2.30
Sales and other income	0.11	-	-
Profit/(Loss) after tax	(0.67)	(1.36)	(0.47)

**Financial Performance of Innovators Façade Solutions Private Limited**

(Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid Up Capital	1.00	1.00	1.00
Reserves and Surplus	52.54	15.20	(0.76)
Net Asset Value (In Rs.)	535.46	162.06	2.39
Sales and other income	1109.91	722.36	-
Profit/(Loss) after tax	37.34	15.96	(0.45)

### Financial Performance of Parth Façade Solutions Private Limited

(Rs. in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid Up Capital	1.00	1.00	1.00
Reserves and Surplus	25.98	3.42	5.90
Net Asset Value (In Rs.)	269.85	44.23	69.06
Sales and other income	614.90	0.00	1.53
Profit/(Loss) after tax	22.56	(2.48)	(1.80)

#### 33. *We have in the past entered into related party transactions and may continue to do so in the future.*

Our Company has entered into various transactions with our Promoters, Promoter Group, Group Companies, Directors and their relatives. While we believe that all such transactions are conducted on arms length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions were not entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in future. There can be no assurance that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to chapter “Related Party Transactions” beginning on page 203 of the Red Herring Prospectus.

#### 34. *Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.*

Due to the nature of our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labour, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:

- a. Environment (Protection) Act, 1986
- b. Air (Prevention and Control of Pollution) Act, 1981
- c. Water (Prevention and Control of Pollution) Act, 1974
- d. Hazardous Waste Management & Handling Rules, 2008
- e. Other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Maharashtra.

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, could adversely affect our business, prospects, financial condition and results of operations.



**35. *We have referred to the data derived from industry report commissioned from the CARE Advisory Research & Training Limited.***

We have retained the services of an independent third party research agency, CARE Advisory Research & Training Limited, to prepare a report on overview of façade and fenestration industry, excerpts from which have been included in this Red Herring Prospectus. The report prepared by CARE Advisory Research & Training Limited, is subject to various limitations and based upon certain assumptions that are subjective in nature. There can be no assurance that the assumptions adopted by this third party agency for the purposes of preparing their research report will prove to be accurate. If any of these assumptions are incorrect, the understanding of the Facade Market industry could be materially different from that set forth in the reports.

**36. *If we are unable to source business opportunities effectively, we may not achieve our financial objectives.***

Our ability to achieve our financial objectives will depend on our ability to identify, evaluate and accomplish business opportunities. To grow our business, we will need to hire, train, supervise and manage new employees and to implement systems capable of effectively accommodating our growth. However, we cannot assure you that any such employees will contribute to the success of our business or that we will implement such systems effectively. Our failure to source business opportunities effectively could have a material adverse effect on our business, financial condition and results of operations. It is also possible that the strategies used by us in the future may be different from those presently in use. No assurance can be given that our analyses of market and other data or the strategies we use or plans in future to use will be successful under various market conditions.

**37. *Our insurance coverage may not be adequate.***

Our Company has obtained insurance coverage in respect of certain risks. We have taken insurance policies to insure our assets against standard fire and special perils for our assets against fire, earthquake, shock burglary and public liability, employee's compensation insurance policy to insure our employees against some specified risks and vehicle insurance policies to insure our vehicles. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like housebreaking, terrorism, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For further details, please refer chapter titled "Our Business" beginning on page 149 of this Red Herring Prospectus.

**38. *The industry segments in which we operate being fragmented, we face competition from other players, which may affect our business operations and financial conditions.***

The market for our products and services is competitive on account of both the organized and unorganized players. Players in this industry generally compete with each other on key attributes such as technical competence, quality of products and services, designing and execution, pricing and timely delivery. Some of our competitors may have longer industry experience and greater financial, technical and other resources, which may enable them to react faster in changing market scenario and remain competitive. Moreover, the unorganized sector offers their products & services at highly competitive prices which may not be matched by us and consequently affect our revenue from operations and growth prospects. Growing competition may result in a decline in our market share and may affect our margins which may adversely affect our business operations and our financial condition.

**39. *We are susceptible to risks relating to fluctuations in currency exchange rates.***

We meet some of our input material requirements through imports. We generally import glass, aluminium composite panels, some hardware items, etc. Any fluctuation in the value of the Indian Rupee against any other foreign currency will affect our results of operations. Further, we currently do

not use any foreign exchange hedging contracts to manage our exchange rate risk. Although we may, in the future, enter into such foreign exchange hedging contracts, we cannot assure you that such hedges will be available or commercially viable or effective to hedge our exposure to foreign currency risks. In addition, the policies of the RBI may also change from time to time, which may limit our ability to effectively hedge our foreign currency exposures and may adversely affect our costs of works contracts and financial results. We cannot guarantee that we will not experience foreign exchange losses going forward and that such losses will not adversely affect our business, financial condition or results of operations.

**40. *Failure or disruption of our IT and/or business resource planning systems may adversely affect our business, financial condition, results of operations, cash flows and prospects.***

We have implemented some information technology (“IT”) and/or business resource planning systems to cover key areas of our operations. We are dependent on technology in relation to customer order management and dispatches, production planning and reporting, manufacturing processes, financial accounting and scheduling material purchase and shipments. We rely on our IT infrastructure to provide us with connectivity and data backup across our locations and functions. While the business resource planning systems that we have implemented have enabled us to improve our working capital cycles, despite an increase in our sales over the period, we can provide no assurance that we will be able to do so in the future.

We believe that we have deployed adequate IT disaster management systems including data backup and retrieval mechanisms, at our manufacturing facility and registered office. However, any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyze work in progress and sales, process financial information, manage our creditors, debtors, or otherwise conduct our normal business operations, which may increase our costs and otherwise adversely affect our business, financial condition, results of operations and cash flows.

**41. *If we fail to maintain and enhance our brand and reputation, our clients’ recognition of, and trust in us, and our business may be materially and adversely affected.***

Our business depends significantly on the strength of our brand and reputation of completing our projects in a timely and efficient manner. Our Company is known to conduct operations in a manner that ensures that our projects are free of any defects or vulnerabilities. We believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives is important for our ability to increase our revenues, grow our existing market share and expand into new markets. Consequently, defects, delays, consumer complaints, or negative publicity or media reports involving us, or any of our projects could harm our brand and reputation and may dilute the impact of our branding and marketing initiatives and adversely affect our business, financial condition, results of operations and prospects.

In addition, adverse publicity about any regulatory or legal action against us could damage our reputation and brand image, undermine public confidence in us and reduce long-term demand for our operations, even if the regulatory or legal action is unfounded or immaterial to our operations. We may be involved in costly lawsuits or time consuming regulatory proceedings. If we are unable to neutralise the impact of such negative publicity effectively or efficiently, we may suffer damage to our reputation and relationships with our clients, lenders, suppliers and communities and experience significant project delays or cost overruns.

**42. *Our operations are subject to accidents and other risks and could expose us to material liabilities, loss in revenues and increased expenses. Further glass being a fragile commodity is also susceptible to breakages.***

While we conduct various scientific and site studies during the course of bidding for projects, there are always anticipated or unforeseen risks that may come up due to adverse weather conditions, geological conditions, specification changes and other reasons. Additionally, our operations are subject to hazards inherent in providing fabrication and construction services, such as risk of equipment failure, work accidents, fire or explosion, including hazards that may cause injury and loss of life, severe damage to

and destruction of property and equipment, and environmental damage. Also our input material glass being a fragile commodity is susceptible to breakages. Our policy of covering these risks through contractual limitations of liability, indemnities and insurance may not always be effective and this may have a material adverse effect on our reputation, business, financial condition and results of operations.

***43. If we are unable to manage our growth or execute our strategies effectively, our business and prospects may be materially and adversely affected.***

Our revenue and our business operations have grown in recent years. We may not be able to sustain these rates of growth in future periods due to a number of factors, including, among others, our execution capability, our ability to maintain customer satisfaction, macroeconomic factors out of our control, the greater difficulty of growing at sustained rates from a larger revenue base, our inability to control our expenses and the availability of resources for our growth. In addition, our anticipated expansion will place a significant strain on our management, systems and resources. Our development and expansion strategies will require substantial managerial efforts and skills and the incurrence of additional expenditures and may subject us to new or increased risks. Further, pursuing these strategies may require us to expand our operations through internal development efforts as well as partnerships, joint ventures, investments and acquisitions. We may not be able to efficiently or effectively implement our growth strategies or manage the growth of our operations, and any failure to do so may limit future growth and hamper our business strategies.

***44. Our Company has no formal supply agreement or contract with our vendors/suppliers for the uninterrupted supply of major materials. Our business may be adversely affected if there is any disruption in the material supply.***

We do not have any formal agreements with our vendors/suppliers as we operate on a purchase order system. Due to the absence of any formal contract with our vendors/suppliers, we are exposed to the risks of irregular supplies or no supplies at all and delayed supplies which would materially affect our results of operations. In the event of any disruption in the materials supply or the non availability of materials, the assembling, fabrication and dispatch schedule may be adversely affected impacting the sales and profitability of the Company. In the event the prices of such materials were to rise substantially, we may find it difficult to make alternative arrangements for supplies of our materials, on the terms acceptable to us, which could materially affect our business, results of operations and financial condition. Our management believes that we maintain good relations with our suppliers and we shall also not face any challenge in finding new suppliers if required.

***45. Our Company is dependent on third party transportation providers for the delivery of our input materials and products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.***

Our Company uses third party transportation providers for delivery of our input materials and final products. Though, our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. In addition, goods may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our input materials or finished goods may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure, or other events could impair ability to procure input materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

***46. We have taken guarantees from Promoters in relation to debt facilities provided to us.***

We have taken guarantees from Promoters in relation to our secured debt facilities availed from our Bankers. In an event any of these persons withdraw or terminate its/their guarantees, the lender for such facilities may ask for alternate guarantees, repayment of amounts outstanding under such facilities, or

even terminate such facilities. We may not be successful in procuring guarantees satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled “*Financial Indebtedness*” beginning on page 224 of this Red Herring Prospectus.

**47. *Our lenders have imposed certain restrictive conditions on us under our financing arrangements.***

Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “*Financial Indebtedness*” on page 224 of the Red Herring Prospectus. Though these covenants are restrictive to some extent for us, however it ensures financial discipline, which would help us in the long run to improve our financial performance.

**48. *Our Company has unsecured loans which are repayable on demand. Any demand loan from lenders for repayment of such unsecured loans, may adversely affect our cash flows.***

As on December 31, 2017, our Company has unsecured loans amounting to Rs. 2,948.14 lakhs as per our Restated Standalone Financial Statements from related and other parties that are repayable on demand to the relevant lender. Further, some of these loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows. For further details of unsecured loans of our Company, please refer the chapter titled Financial Statements as Restated beginning on page 205 of this Red Herring Prospectus. However as on February 24, 2018 unsecured loans of certain related parties amounting to Rs. 1,000.08 lakhs has been converted into Equity Share Capital.

**49. *Our lenders have charge over our movable and immovable properties in respect of finance availed by us.***

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs. 3,454.28 lakhs as on December 31, 2017 as per our Restated Standalone Financial Statements. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse effect on business, financial condition or results of operations. For further information on the “*Financial Indebtedness*” please refer to page 224 of this Red Herring Prospectus.

**50. *We have not made any alternate arrangements for meeting our capital requirements for the Objects of the issue. Further we have not identified any alternate source of financing the ‘Objects of the Issue’. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our bank finance, owned funds, unsecured loans and internal accruals. Any shortfall in our net owned funds, internal accruals and our

inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled “Objects of the Issue” beginning on page 105 of this Red Herring Prospectus.

**51. *Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see “Dividend Policy” on page 204 of this Red Herring Prospectus.

**52. *Within the parameters as mentioned in the chapter titled ‘Objects of this Issue’ beginning on page 105 of this Red Herring Prospectus, our Company’s management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.***

We intend to use entire Issue Proceeds towards meeting the capital expenditure, working capital requirement and general corporate purposes. We intend to deploy the Net Issue Proceeds in financial year 2018-19 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled “Objects of the Issue” beginning on page 105 of this Red Herring Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company’s Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled ‘Objects of the Issue’ beginning on page 105 of this Red Herring Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the proceeds of this Issue.

**53. *The deployment of funds raised through this Issue shall not be subject to any Monitoring Agency and shall be purely dependent on the discretion of the management of our Company.***

Since the Issue size is less than Rs.10,000 lakhs, there is no mandatory requirement of appointing an Independent Monitoring Agency for overseeing the deployment of utilization of funds raised through this Issue. The deployment of these funds raised through this Issue, is hence, at the discretion of the management and the Board of Directors of our Company and will not be subject to monitoring by any independent agency. Any inability on our part to effectively utilize the Issue proceeds could adversely affect our financials.

**54. *Our future funds requirements, in the form of issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.***

We may require additional capital from time to time depending on our business needs. Any issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

**55. *Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

**56. *In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding, as lenders and dividend entitlement in our Company.***

Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding, unsecured loan given by them or entities in which they are interested and dividend entitlement in our Company. For further information, see “Capital Structure” and “Our Management” on pages 85 and 180, respectively, of this Red Herring Prospectus.

**57. *Our Promoters and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.***

After completion of the Issue, our Promoters and Promoter Group will collectively own [●]% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

**58. *We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.***

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

**59. *The average cost of acquisition of Equity Shares by our Promoters could be lower than the floor price.***

Our Promoters average cost of acquisition of Equity Shares in our Company may be lower than the Floor Price of the Price Band as may be decided by the Company in consultation with the BRLM. For further details regarding average cost of acquisition of Equity Shares by our Promoters in our Company and build-up of Equity Shares by our Promoters in our Company, please refer to the section titled “Risk Factors – Prominent Notes” on page 21 of this Red Herring Prospectus.

**60. *We have issued Equity Shares in the last twelve months, the price of which may be lower than the Issue Price.***

Our Company has issued certain Equity Shares at a price which may be lower than the issue price in the last twelve months. For further details of Equity Shares issued, please refer to chapter titled, ‘Capital Structure’ beginning on page 85 of this Red Herring Prospectus.

• **Issue Specific Risks**

**61. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.***

The Issue Price of our Equity Shares will be determined by book built method. This price is based on numerous factors (For further information, please refer chapter titled “Basis for Issue Price” beginning on page 119 of this Red Herring Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

**62. *Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us may dilute your shareholding and any sale of Equity Shares by our Promoters or members of our Promoter Group may adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options granted pursuant to the ESOP Schemes may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “Capital Structure” on page 85, we cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

**63. *Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the

relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by equity shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

**64. QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.**

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

#### **EXTERNAL RISK FACTORS**

**65. Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.**

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. For example, the Government of India implemented a comprehensive national goods and services tax ("GST") regime with effect from July 1, 2017 that combines multiple taxes and levies by the Central and State Governments into a unified tax structure. While the Government of India and certain state governments have announced that all committed incentives will be protected following the implementation of the GST, given that the various rules and regulations regarding the new regime are being evaluated in terms of various implications concerning the GST, we cannot provide you with any assurance as to this or any other aspect of the tax regime following implementation of the GST including antiprofitereing regulations of the new tax regime and availability of input tax credit.

Further, the Union Budget presented in the Indian Parliament on February 1, 2018, proposed a number of amendments to the existing direct and indirect tax regime which includes the withdrawal of long term capital gains exemptions on equity shares, long term capital gains applicability in the hands of Foreign Institutional Investors and applicability of dividend distribution tax for certain transactions with shareholders, among others. The Union Budget is required to be approved by both houses of the Indian Parliament followed by Presidential Assent in order for the Income Tax Act, 1961 and other statutes to be amended and for the above proposals to have the effect of law. Prospective investors should consult their own tax advisors in relation to the consequences of investing in the Equity Shares.

Unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law,



regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

**66. *Investors may not be able to enforce a judgment of a foreign court against our Company.***

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and all our Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

**67. *You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.***

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax ("STT") is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares, except in the case of such acquisitions where STT could not have been paid, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, Finance Bill, 2018, proposes to tax such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealized capital gains earned up to January 31, 2018 on such Equity Shares. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares.

**68. *Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Red Herring Prospectus.***

As stated in the reports of the Auditor included in this Red Herring Prospectus under chapter "Financial Statements as restated" beginning on page 205 the financial statements included in this Red Herring Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Red Herring Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Red Herring Prospectus. Accordingly, the degree to which the financial information included in this Red Herring Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

**69. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.***

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of materials and components;
- Goods and service tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

***70. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

***71. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.***

Global economic and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

***72. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.***

Under the foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

***73. Financial instability in other countries may cause increased volatility in Indian financial markets.***

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, particularly emerging market countries in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a

negative impact on the Indian economy. Financial disruptions may occur again and could harm our business, our future financial performance and the prices of the Equity Shares.

**74. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and Shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction/

**75. *The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.***

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

**76. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

**77. *Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.***

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

**78. *Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.***

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect our Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

## **PROMINENT NOTES**

1. Public Issue of upto 56,60,800 Equity Shares of face value of Rs. 10 each of our Company for cash at a price of Rs. [●] per Equity Share ("Issue Price") aggregating upto Rs. [●] Lakhs, of which upto 2,88,000 Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Issue ("Market Maker Reservation Portion"). The Issue less the Market Maker

Reservation Portion i.e. Net Issue of upto 53,72,800 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the “Net Issue”. The Issue and the Net Issue will constitute [●]% and [●]%, respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the Book Running Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Book Running Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled “*General Information*” beginning on page 74 of this Red Herring Prospectus.
3. The pre-issue net worth of our Company as of December 31, 2017 and as of March 31, 2017 was Rs 4,726.93 lakhs and Rs 4,151.44 lakhs respectively as per our Restated Standalone Financial Statements and Rs. 6,546.03 lakhs and Rs. 5,970.66 lakhs respectively as per our Restated Consolidated Financial Statements. The book value per Equity Share as of December 31, 2017 and as of March 31, 2017 was Rs. 45.96 and Rs. 40.36 respectively our Restated Standalone Financial Statements and Rs. 63.64 and Rs. 58.05 respectively as per our Restated Consolidated Financial Statements. For more information, please refer to section titled “Financial Statements” beginning on page 205 of this Red Herring Prospectus.
4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

<b>Name of the Promoter</b>	<b>No. of Equity Shares held</b>	<b>Average cost of Acquisition (in Rs.)</b>
Radheshyam Sharma	23,80,209	12.72
Jolly Multitrade Private Limited	45,41,022	37.08

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled “*Capital Structure*” beginning on page 85 of this Red Herring Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer “*Related Party Transaction*” under chapter titled “*Financial Statements as restated*” beginning on page 205 of this Red Herring Prospectus.
6. Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 274 of this Red Herring Prospectus.
7. Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*”, “*Our Management*” and “*Related Party Transaction*” beginning on pages 85, 194, 180 and 203 respectively, of this Red Herring Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
8. Except as stated in the chapter titled “*Our Group Companies*”, beginning on page 198 and chapter titled “*Related Party Transactions*” beginning on page 203 of this Red Herring Prospectus, our Group Companies have no business interest or other interest in our Company
9. Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 85 of this Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
10. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
11. Investors are advised to refer to the chapter titled “*Basis for Issue Price*” beginning on page 119 of the Red Herring Prospectus.
12. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Red Herring Prospectus with the Stock exchange
13. Our Company was originally incorporated as “Innovators Engineers & Contractors Private Limited” at Mumbai, Maharashtra, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 8, 1999 bearing Corporate Identification Number Registration No 11-120229 issued by Assistant Registrar of Companies,

Maharashtra, Mumbai. The name of our Company was changed from Innovator Engineers & Contractors Private Limited to Innovators Façade Systems Private Limited vide Fresh Certificate of Incorporation dated July 19, 2005 issued by Assistant Registrar of Companies, Belapur, Navi Mumbai. Our Company was converted to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on January 29, 2018 and the name of our Company was changed to Innovators Façade Systems Limited and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated February 15, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U45200MH1999PLC120229.

## **SECTION III- INTRODUCTION SUMMARY OF OUR INDUSTRY**

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### **ECONOMIC OUTLOOK**

#### **Global Economy**

As per International Monetary Fund (IMF) January 2018 World Economic Outlook (WEO), Global output is estimated to have grown by 3.7 percent in 2017, the global growth forecast for 2018 and 2019 is at 3.9 percent for both the years. The growth rate for emerging market and developing economies is estimated to rise up by 4.7 percent in 2017 while it is forecast to rise to 4.9 percent in 2018, 5.0 percent in 2019. This Growth forecast primarily reflects stronger projected activity in emerging Europe and Asia for 2017, 2018 and 2019.

The US economy is estimated to be expanded at 2.3 percent in 2017 and projected to expand at 2.3 percent in 2018 and 2.2 percent in 2019. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. Over a longer horizon, US growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging.

The euro area recovery is expected to gather strength this year, with growth estimated to rise to 2.4 percent in 2017, before moderating to 2.2 percent in 2018 and 2.0 percent in 2019. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is estimated at 1.7 percent in 2017 and to subside to 1.5 percent in 2018 and 2019. The slowdown is driven by softer growth in private consumption as the pound's depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the EU and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is estimated to notch up to 6.8 percent in 2017, while projected to slow to 6.6 percent in 2018 and 6.4 percent in 2019. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the year underpinned by previous policy easing and supply side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about 0.2 percentage point, on average, for 2014 and 2015. However, the growth estimated for 2017 to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the

unification of India's vast domestic market, is among several key structural reforms under implementation that are expected to help push growth above 8 percent in the medium term. In the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is estimated to strengthen in 2017 by 5.3 percent, partly because of stronger than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exports, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important Structural reforms; continued strong growth in other commodity imports; and a lower but still high trend growth rate in China.

#### Real GDP Growth (%):

Country & Groups	2016	2017	2018	2019
		Estimate	Projections	Projections
World Output	3.2	3.7	3.9	3.9
Advanced economies	1.7	2.3	2.3	2.2
Emerging Market and Developing Economies	4.4	4.7	4.9	5.0
Emerging and Developing Asia	6.4	6.5	6.5	6.6
China	6.7	6.8	6.6	6.4
India	7.1	6.7	7.4	7.8
ASEAN-5	4.9	5.3	5.3	5.3
Emerging and Developing Europe	3.2	5.2	4.0	3.8
Latin America & the Caribbean	(0.7)	1.3	1.9	2.6
Middle East, North Africa	4.9	2.5	3.6	3.6
Sub-Saharan Africa	1.4	2.7	3.3	3.5
Memorandum				
Low-Income Developing Countries	3.6	4.7	5.2	5.3

(Source: International Monetary Fund, January 2018)

## INDIAN ECONOMY

India has become the fastest growing major economy in the world according to the Central Statistics Organization (CSO) and the International Monetary Fund (IMF). According to the International Monetary Fund (IMF), post demonetization, India's growth is projected to rebound to 7.4 percent in FY 2019 and further to 7.8 percent in FY 2020. According to IMF January 2018 economy outlook India's economy expected to grow by 6.7 in fiscal year 2017-18. The improvement in India's economic fundamentals has accelerated in 2015 with the combined impact of strong government reforms, the inflation focus of the Reserve Bank of India (RBI) supported by global commodity prices.

Moody's Investors Service ("Moody's") has upgraded the Government of India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive in November 2017. India's rating has been upgraded after a period of 13 years. India's sovereign credit rating was last upgraded in January 2004 to Baa3.

India's gross domestic product (GDP) will grow by 6.7% in the current fiscal, sharply down from 7.1% growth clocked by it in 2016-17, the Central Statistical Office (CSO). The CSO's estimate on GDP growth for 2017-18 is even lower than the Reserve Bank's lowered projection of 6.7%. The central

bank had initially forecast GDP growth at 7.3% for this fiscal. The gross value added (GVA) is projected to grow by 6.1% in 2017-18, down from 6.6% in 2016-17. The manufacturing sector is expected to grow by 4.6% vs 7.9% the previous year, agriculture by 2.1% vs 4.9%, electricity and utility services by 7.5% vs 7.2% in the last fiscal. The construction sector, which has been in the doldrums so far, is seen picking up to 3.6% from 1.7% in 2016-17. Finance, insurance, real estate and profession services sector is expected to post 7.3% growth, up from 5.7% in 2016-17.

Direct tax collections during the first nine-and-a-half months of the current fiscal have risen by 18.7 percent to Rs.6.89 lakh crore. The collection amounts to 70 percent of the Rs.9.8 lakh crore revenue target from direct taxes.

The growth in corporate tax collections has risen from 4.8 per cent in first quarter of current fiscal to 10.1 per cent in Q3 and 11.4 per cent as on January 15, 2018. Similarly, the growth rate of net corporate tax collections increased from 10.8 per cent in Q2 to 17.4 per cent in Q3 and to 18.2 per cent as on January 15, 2018.

India has maintained its position as the third largest start up base in the world with more than 5,200 technology start-ups, with approximately 1,000 new start-ups to be founded in 2017, according to a NASSCOM report.

The Indian workforce is expected to hit 160-170 million by 2020, according to the population growth rate, the greater participation in the labor force and enrollment in higher education, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute

India's Foreign Exchange Reserves was measured at 377.5 USD bn in Nov 2017, compared with 374.8 USD bn in the previous month

## **OVERVIEW OF FAÇADE & FENESTRATION INDUSTRY IN INDIA & ITS TRENDS**

Global Facade market was estimated USD 180 billion in the year 2016. Rising real estate developments along with the introduction of advanced materials with higher strength and visually appealing texture are some of the major reason behind the huge development of the market. Facades are those parts of the buildings which comprises both appealing looks and performances. Facades help in temperature management of the buildings owing to which these are popular among the builders and contractors.

The global facades market is expected to reach USD 337.8 billion by 2025, according to a new report by Grand View Research, Inc. It is expected that the façade market will grow rapidly during the foreseen period due to the development of advanced materials with capacities they offer security as well as a visually attractive texture.

In recent years, the global façade market exhibits an accelerated rate of profit. Driven by the growing demand for alternative sources of electricity in commercial and residential buildings, the growth observed in the market has increased at an accelerated rate. This is attributable to the latest technological advances, which led to the appearance of energy saving facade materials. Hence, promising opportunities for the market are in the cards, as construction activities around the world grow at a robust pace.

The facades combine the attribute of appearance and superior performance in a different way to any other construction system, which is expected to significantly boost the demand for products in the coming years.

The key factor that is expected to boost the façade industry is the need to reduce heating and air conditioning costs and achieve energy efficiency. It is expected that this trend towards cost reduction will generate sustainable products during the forecast period.

The popularity of green buildings requires high transparency glass that allows the passage of light and maintains resistance to heat. It is expected that the forecast period will witness the application of high performance facades, energy saving and solar control that contribute to greater economic benefits and eco-sustainability. This has led to the demand for triple-glazed facades, which have a value of u less compared to double-glazed structures.



In 2016, Asia Pacific accounted for the largest market share of around 30% in terms of revenues. This large market share is attributed to the increase in the construction of new commercial and industrial buildings in their developing countries, such as China and India. Europe and North America contributed approximately 40% of the total share in 2016. In addition, due to the development of ecological and modern façades, the North American market is likely to experience the highest growth during the forecast period.

At present, the industry is dominated by classic designs with a rigid and elegant appearance and touch, however, it is expected that modern facades with advanced and light materials will show significant growth in the coming years. Advantages such as resistance to adverse weather conditions and detections of unwanted intruders are some of the main causes of the important growth of modern facades during the forecast period.

Indian façade and fenestration industry is directly linked to the construction and real-estate industry's performance. The Indian window and door (all material) market was around Rs.10,000 crore in the year 2012 and Rs.13,000 crore in year 2013-14. As per report by Ken Research, Indian doors and window market is expected to reach over Rs.15,000 crore by FY-2020.

The total size of the market of facades in India is estimated at around 80 million square meters per year with the majority share of Glass followed by Stone (granite and marble abundantly available locally and relatively cheaper as well), followed by aluminum composite panels (ACP) and then around 5 percent with new generation materials such as HPL, fibro-cement boards and natural woods such as IPE.

The façade cladding industry in India is undergoing many changes in terms of functionality and performance parameters. Adhering to the strictest parameters of energy and quality and the growth of technological innovations has allowed architects and designers to express their inclinations and ideologies in distinctive and individual ways, much more easily than ever. These norms and technological innovations have given rise to:

1. More robust, energy efficient, innovative and adaptable façade systems such as Back Ventilated Façade System, Double Skin Façade System, Louvers Façade Systems, Energy Efficient Façade Cladding Systems etc.
2. Innovative new cladding materials such as Exterior Grade HPL Compact Laminates (as per EN438-6 NT or EBC), Glass Fibre Reinforced Concrete, Metal Claddings (Zinc, Copper, Aluminum and Steel), Polycarbonate Panels, Fibreglass Reinforced Plastics, Clay Tiles etc.

Now a day architects must not only take into consideration technical aspects while designing a façade but also must look at the design aspects which would give a superior aesthetic appeal and exclusivity in the design and at the same time they must be efficient in the consumption of energy.

We have observed a change in the spending pattern of Indian consumers also when it comes to spending on their homes. Today, Indian consumers are pricing sensitive but equally aware of the values. And they are willing to pay higher prices for robust and aesthetic products, unique in design and durable.

The Indian fenestration industry is slowly maturing, along with a changing and more experimental generation of end users looking for revolutionary, non-traditional materials, new colors and designs, and elements of energy efficiency in their homes and offices. For them, doors and windows should improve the aesthetics of their buildings while letting in light and air and avoiding unwanted sounds.

Timber or the traditional wood is rapidly getting replaced by engineered products and thermoplastics such as PVC resin, while uPVC is taking off fast in the Indian market. Realizing that these materials could help reduce air conditioning costs by 30%, architects and interior designers are recommending these materials, which is leading to a slow but perceptible market expansion.

### **Real Estate Sector:**

The real estate sector is one of the most globally recognised sectors. A USD 15 trillion industry worldwide in 2015, construction and real estate market is growing fast, especially in emerging

countries, which will account for 55 per cent of the market—or USD 10.7 trillion by 2020, according to Ovum, a London-based market researcher.

Real estate and construction activity remains a fundamental economic indicator anywhere on earth. Construction companies are increasingly tapping venture capital funding all over the world. Most progress will be carried out in the developing countries like India, where increased urbanization and improved standards of sustainable living are calling for immediate solutions. 90 per cent of construction workers and most infrastructure projects are being implemented in the southern hemisphere.

The United Nations predicts that 70 per cent of the global population will be living in urban areas by 2050, up to 54 per cent in 2016. Vertical buildings will replace current homes in Asia and Africa. Countries with a “highly dense” population (over 200 inhabitants per square kilometer) will need to make room for a booming population. India is expected to emerge as the world’s third largest construction market by 2020 by adding 11.5 million homes every year.

### **Infrastructure Industry:**

Owing to the increase in the number of infrastructure projects in the country, the LED façade lighting market is growing significantly. Such lighting enhances the aesthetic appeal of buildings that range from heritage monuments and bridges to airports and railway stations

Professional facade lighting is a key component of the external appearance of many buildings. It is designed to highlight the special characteristics of a building's architecture, improving its overall appearance. There are several Indian companies that approach in the field of façade lighting. As lighting solutions, products and designs help convey an architectural message, façade lighting manufacturers often work to provide 'media facades', using video to dramatically improve walls.

Due to the increase in the number of infrastructure projects in the country, the LED façade lighting market is growing significantly. The professional lighting of facades improves the aesthetic appeal of outdoor projects by highlighting the subtle characteristics of architecture. The current focus on tourism is also contributing to an increase in the beautification of historical monuments and structures such as bridges. The shapes of the facades are determined by the light that falls on them, their direction and color. The appearance of a façade is altered during the course of the day due to the changing direction of sunlight and the various components of diffuse and direct light.

Nowadays, architectural designs require lighting solutions capable of integrating lighting fixtures to building materials, while providing the necessary supervision of the system. The products must have a good lighting performance and a good quality that can minimize the cost and time required for maintenance.

Today, the way in which the facades are designed has changed. Designers are not only innovating in the structure but they are also using materials that are sustainable, ecological and carbon free. The driving force behind innovation throughout the industry is the increase in green building practices. The integration of LEDs in the design of the façade can be highly efficient from an energy and environmentally friendly point of view, while adding glamor and highlighting the subtle characteristics of a building.

The participation of a professional lighting company in a project can guarantee long-term cost savings, whether in relation to equipment, operations or aesthetics. The major customers for LED facades are those maintaining public buildings, municipal corporations, heritage monuments, public infrastructure such as bridges, metros, airports, railway stations and also private office buildings and malls. In the recent past, the need for the restoration of monuments has become a trend, with awareness increasing about the need to preserve our heritage. In the process, the damage to old facades or ancient artworks is effectively controlled by reducing the overall light intensity of potentially harmful rays from bulbs. This is done by a good lighting design that uses the right light sources. LEDs are currently among the first choices for this sector. Not only do LEDs emit less heat, which helps maximise conservation efforts, but they are also IR and UV free. In the hotel industry, the appropriate lighting speaks about the brand and grabs attention.

The Indian facade lighting industry is in a stage of growth in terms of materials and technology used. Despite facing many challenges, which will take time to be addressed, there is a growing acceptance of quality products. The self-regulatory agencies that are coming will give the industry a boost by setting best practices and encouraging scientific research and aid. This is a positive sign for the future.

#### **GOVERNMENT INITIATIVE (IF ANY)**

Several government initiatives toward infrastructure development and the rise in PPP model enhance the construction of commercial properties across the globe, which has subsequently attributed to the growth of the facades market. As the façade industry is directly linked to real & infrastructure industry, thus whatever the government has taken initiative for real estate is applicable to façade industry. Government initiatives for real estate are:

- RERA Act
- The constitutional amendment bill for introduction of Goods and Services Tax (GST) has been passed. Further, Model GST Law has been released, which is likely to be implemented from 1st July 2017. This is viewed as a historic tax reform, and is likely to benefit the real estate sector, owing to expected reduction of the impact of prevailing multiple taxation.
- Infrastructure status accorded to affordable housing: Granting of infrastructure status to affordable housing is likely to provide impetus to the government's mission of 'Housing for All by 2022'. With the infrastructure status, the developers will have access to cheaper funding by way of debt which would result in reduction of overall cost of homes to the buyer. Further, this would see a likely increase in participation from domestic and foreign players in the affordable housing sector.
- As of November 2017, a total of 3.076 million houses have been sanctioned under then Pradhan Mantri Awas Yojana (PMAY) (U) since its launch, according to the Ministry of Housing and Urban Affairs, Government of India. The Ministry of Housing and Urban Poverty Alleviation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, namely West Bengal, Jharkhand, Punjab, Kerala and Manipur under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of Rs 3,073 crore (US\$ 460 million).

#### **OUTLOOK**

Besides this, the rising disposable income of consumers, especially across emerging nations such as China, India, Brazil, Japan, and GCC countries will help the market exhibit robust growth between 2017 and 2025. Furthermore, with organizations around the world working towards providing a more secure environment for employees, the use of advanced facade material is forecast to rise in the coming years.

As the construction industry in Asia Pacific demonstrates a high CAGR, besides rapid expansion of the industrial sector witnessed over the last few years, the region is expected to prove a major market for façade materials. Evidently, emerging nations such as India, China, and Southeast Asia will prove to be the most lucrative pockets in the coming years. Furthermore, governments in Asia Pacific are implementing stringent regulations to promote use of eco-friendly materials. Spurred by these factors, investors are likely to get lured to capitalize on opportunities prevalent in Asia Pacific.

In addition, North America and Europe will cumulatively hold a significant market share due to their rising affinity towards adopting advanced building materials. As these regions are highly adaptive to novel technologies, they will continue exhibiting attractive prospects for the façade market.

## SUMMARY OF OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 20 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*The financial information used in this chapter, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 21 and 205, respectively.*

### OVERVIEW

Incorporated in 1999, our Company, “Innovators Façade Systems Limited” is engaged in designing, engineering, fabrication and installation of façade systems. We believe in offering total solutions to our customers with respect to their requirement of façade installation in complex projects. We specialise in technically demanding facades. We offer various range of products to meet the demands of our customers. With an operating history of more than eighteen years, we have developed a brand image for ourselves in the façade industry.

Our Company is promoted by Radheshyam Sharma and Jolly Multitrade Private Limited. Our Promoter Radheshyam Sharma has an experience of more than two decades in the facade industry. He is the guiding force behind the strategic decisions of our Company and under his guidance we have been able to successfully execute our business strategies over the years. With his dedication and commitment alongwith support of the employees, our Company has been able to consistently grow over the years as evidenced by the growth in our total revenue from Rs. 7,833.22 lakhs in FY 2012-13 to Rs. 10,235.96 lakhs in FY 2016-17 as per our Restated Standalone Financial Statements. It is the vision of our Promoters to be a globally recognised and respected innovative structure enveloping solution providers.

Our manufacturing facility is situated at Wada, Maharashtra and is spread over 1,25,000 square feet. We execute end to end fabrication of our product i.e. from designing of facades to dispatching. Our product basket ranges from glazing /curtain walls , high end doors & windows , skylights , canopies, louver, stone cladding, metal cladding, roofing, & others. We believe in qualitative manufacturing and offer facades which are resistant against UV rays, acidic rain, dust, noise and others. The registered office of our Company is situated at Mumbai and we have 5 branch offices across India to aid our operations. We have a widespread presence and are executing projects in various states such as Goa, Haryana, Karnataka, Tamil Nadu and Uttar Pradesh. At present, our major contracts are being executed in the state of Maharashtra.

Customer satisfaction has been one of our key goals since inception. Over the year, we have executed around 200 projects and had long standing reputed clients across the construction industry. We have offered our services for varied type of construction projects including residential buildings, commercial complexes, IT Parks, airports, retail and pharma projects. Our recognised list of clients include M/s. Hiranandani Realtors Pvt. Ltd., M/s. Relcon Infraprojects Limited, M/s. Larsen & Toubro Limited, M/s. Grauer & Weil (I) Limited etc. among others. We have also developed relations with some of the recognised suppliers in our industry to fulfil our raw material supplies. Our Company has been ISO 9001: 2015 certified for design, marketing, fabrication and installation of our products. We believe in gaining customer satisfaction through process enhancements and constant innovation in our services.

For our innovative solutions and services we have been awarded with Certificate of Excellence by Construction Week India Awards 2012, certificate of appreciation by Construction Week India Awards

2015. We have also been acknowledged by our clients for our services at various occasions in the past, for example we have been conferred with Certificate of Achievement for achieving more than 9000 sq.mt. Aluminium structure and façade work without any loss time injury during the construction of a project executed between November 2014 to October 2015 by L&T Construction. As on the date of the RHP, we are member of IGBC Council – Green Building.

From FY 2012-13 to FY 2016-17, as per our Restated Standalone Financial Statements, i) our total revenue has shown growth from Rs. 7,833.22 lakhs to Rs. 10,235.96 lakhs, representing a CAGR of 6.91% ii) our EBITDA has shown growth from Rs. 795.79 lakhs to Rs. 1,150.14 lakhs, representing a CAGR of 9.64% iii) our profit after tax was Rs. 232.48 lakhs in FY 2013 and 186.01 lakhs in FY 2017. Our restated total revenue, EBITDA and profit after tax for the nine months ended December 31, 2017 was Rs. 12,630.01 lakhs, Rs. 1,721.63 lakhs and Rs. 575.49 lakhs respectively, with an EBITDA margin of 13.63% and PAT margin of 4.56%.

## **OUR COMPETITIVE STRENGTHS**

### ***1. Leveraging the experience of our Promoter and employees***

Our Individual Promoter Radheshyam Sharma have around two decades experience in the Façade industry. We believe his leadership and vision have been instrumental in driving our growth since inception and implementing our business strategies He is the guiding force behind all the corporate decisions and is responsible for the entire business operations of the Company along with the team of experienced and qualified professionals. His industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. We believe that we have achieved a measure of success in attracting an experienced team with operational and technical capabilities, management skills, business development experience and financial management skills. We believe that the combined strength of our Promoter, Directors and employees provides access to marquee clients and has enabled us to strengthen our presence. The expertise and experience of our Promoters, Directors and employees coupled with client relationships gives us a competitive edge in the over our competitors.

### ***2. Marquee client base and repeat orders***

Since our Company's incorporation in June 1999, we have undertaken projects across various segments in Residential, Commercial and Institutional buildings. We value our relationships with our clients. We believe that our motivated team of personnel and our work processes complement each other to enable us to deliver high levels of client satisfaction. Further, we believe that our quality of work and timely execution has allowed us to enhance our relationships with existing clients and to secure projects from new clients. We have been able to secure repeat orders from many of our clients. We believe that our client base, consisting of some of India's leading real estate developers, allows us to bid for and secure a broad range of projects. Our recognised list of clients include M/s. Hiranandani Realtors Pvt. Ltd., M/s. Relcon Infraprojects Limited, M/s. Larsen & Toubro Limited, M/s. Grauer & Weil (I) Limited etc. among others. We believe that ability to successfully bid and win new projects is the result of our sustained focus on client satisfaction.

### ***3. Diversified real estate portfolio***

We believe that our portfolio of projects is diversified across locations, and also across diverse industry sectors. We offer a wide spectrum of products such as glazing /curtain walls , high end doors & windows, skylights , canopies, louver, stone cladding, metal cladding, roofing, & others. We conduct comprehensive market research and analysis of our projects to analyze competitive factors, and market prices, which we believe helps us customize our product offerings, services and designs to cater to market demand in a particular location. We have a widespread presence and are executing projects in various states such as Goa, Haryana, Karnataka, Tamil Nadu and Uttar Pradesh. At present, our major contracts are being executed in the state of Maharashtra. Further we have executed projects for varied type of construction projects including residential buildings, commercial complexes, IT Parks, airports, retail and pharma projects. We believe that this diversity of projects, locations and product and service

offerings helps us cater to different market segments and mitigate the risk of dependence on a particular segment or region.

#### ***4. Quality certifications for Quality products & Services***

Our Company believes in qualitative manufacturing and adheres to various qualitative standards. We follow quality standards since inception and right through the end of a project. Our design, fabrication and installation of products meet the requirements of ISO 9001: 2015 by international organisation viz. Bureau Veritas Certification. We have also been appreciated by few of our clients for adhering to quality standards while executing some projects. For example we have been conferred with Certificate of Achievement for achieving more than 9000 sq.mt. Aluminium structure and façade work without any loss time injury during the construction of a project executed between November 2014 to October 2015 by L&T Construction. We have also been awarded Certificate of Appreciation by TATA Realty and Infrastructure Limited to achieve safe man hours during execution of one of the project. Our dedicated efforts towards the quality of material have helped us gain a competitive advantage over others. We believe in usage of qualitative raw materials from reputed vendors. We believe that our quality products and services has earned us goodwill from our customers and enabled us to maintain our brand image in the market.

#### ***5. Designing and execution capability***

We are recognised for our capability to translate innovative architectural concepts in practical solutions, feasible in both technical and economic terms. Our success in the field is the result of constant research for innovation and improvement of the end user experience. Our designing and execution capability has enabled us to handle complex projects. We believe that our designing and execution capability gives us a competitive edge over the peers.

### **BUSINESS STRATEGY**

#### ***1. Modernisation and upgradation of our manufacturing facility***

Our Company intends to meet and adapt to the latest technologies and install new plant and machinery at our manufacturing facility for automation, enhanced quality and precision in terms of manufacturing with increased efficiency. We aim to modernise and upgrade our existing facility so as to reduce manual intervention and improve product efficiency. For details on expansion of our manufacturing capacity, please refer the chapter titled “Objects of the Issue” beginning on page 105 of the Red Herring Prospectus.

#### ***2. Continue to improve operating efficiencies through technology enhancements***

We continue to further develop our technology systems to increase asset productivity, operating efficiencies and strengthen our competitive position. We believe that our in-house technology capabilities will continue to play a key role in effectively managing and expanding our operations, maintain strict operational and fiscal controls and continue to enhance customer service levels. We intend to continue to invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control. We continue to focus on further strengthening our operational and fiscal controls.

#### ***3. Expand our customer base***

We have an established clientele base and long standing relationship with many of our clients. We intend to continue to expand our customer base by expanding our client network, participating in government tenders, etc. We also aim to explore new locations to enhance our customer base. We believe quality service and products of global standards will be of much importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them and enabling us to understand their requirements, market perception and demand. We train our employees to consistently design and deliver client focused solutions. We will continue to focus on creating innovative designs through our R&D efforts.

#### ***4. Capitalise on growing demand in construction industry***

We believe that construction sector shall observe a rapid growth in the coming years on account of changing lifestyle and growth in housing finance facilities. Further we believe that the infrastructure sector in India should also undergo major changes due to government plans and consumer demand. We intend to capitalise on such growth opportunities by supplying products to large construction contractors and sufficing their requirement. We believe that we are well positioned to cater to demand of such sector with our product ranges and competitive pricing structure.

## SUMMARY OF FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Peer Reviewed Auditor's Report in the section titled "*Financial Statements*". You should read this financial data in conjunction with our financial statements for the period ended December 31, 2017 and for the financial Year 2017, 2016, 2015, 2014, 2013 and 2012 including the notes thereto and the reports thereon, which appears under the section titled "*Financial Statements*" and chapter titled "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 205 and 206 of this Red Herring Prospectus.

### STATEMENT OF ASSETS AND LIABILITIES AS PER STANDALONE RESTATED FINANCIALS (Rs in lakhs)

PARTICULARS		As at the Year end/Period ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A	EQUITY AND LIABILITIES						
1.	Shareholders' Funds						
(a)	Share Capital	1,028.58	1,028.58	1,028.58	1,028.58	600.00	600.00
(b)	Reserves & Surplus	3,698.36	3,122.87	2,936.86	2,769.23	1,385.22	1,115.98
		<b>4,726.93</b>	<b>4,151.44</b>	<b>3,965.44</b>	<b>3,797.80</b>	<b>1,985.22</b>	<b>1,715.98</b>
2.	Non Current Liabilities						
(a)	Long Term Borrowings	3,130.17	3,146.51	3,080.77	3,348.17	4,278.22	4,307.78
(b)	Deferred Tax Liabilities (Net)	-	-	-	-	14.82	5.24
(c)	Long Term Provisions	63.09	58.44	46.80	37.83	26.78	17.88
		<b>3,193.26</b>	<b>3,204.95</b>	<b>3,127.57</b>	<b>3,386.00</b>	<b>4,319.82</b>	<b>4,330.90</b>
3.	Current Liabilities						
(a)	Short Term Borrowings	3,172.89	2,952.83	2,904.73	2,305.35	2,016.83	1,669.78
(b)	Trade Payables	2,452.36	2,078.91	1,873.25	2,486.00	2,197.95	1,863.69
(c)	Other Current Liabilities	2,313.04	1,483.80	944.90	630.44	1,151.80	303.95
(d)	Short Term Provisions	138.58	1.35	1.89	1.61	-	52.30
		<b>8,076.87</b>	<b>6,516.89</b>	<b>5,724.77</b>	<b>5,423.40</b>	<b>5,366.58</b>	<b>3,889.72</b>
	Total	<b>15,997.06</b>	<b>13,873.29</b>	<b>12,817.78</b>	<b>12,607.20</b>	<b>11,671.62</b>	<b>9,936.60</b>
B	ASSETS						
1.	Non Current Assets						
(a)	Fixed Assets						
i)	Tangible Assets						
	(i) Gross Block	2,798.43	2,757.87	2,529.20	2,492.48	2,450.00	1,799.81



PARTICULARS			As at the Year end/Period ended					
			31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
	(ii)	Depreciation	1,395.17	1,227.61	978.91	774.23	530.80	347.34
	(iii)	Net Block	1,403.26	1,530.26	1,550.29	1,718.26	1,919.20	1,452.48
	ii)	Capital Work in Progress	-	-	-	-	-	-
			<b>1,403.26</b>	<b>1,530.26</b>	<b>1,550.29</b>	<b>1,718.26</b>	<b>1,919.20</b>	<b>1,452.48</b>
(b)		Non-Current Investment	38.32	38.32	38.32	38.32	38.32	38.32
(c)		Deferred Tax Assets (Net)	33.70	20.14	9.10	0.50	-	-
(d)		Long Term Loans and Advances	143.27	163.33	451.39	425.42	397.40	157.13
(e)		Other Non Current Assets	1,119.88	1,316.13	1,227.54	1,191.24	780.54	568.72
			<b>1,335.17</b>	<b>1,537.92</b>	<b>1,726.34</b>	<b>1,655.48</b>	<b>1,216.26</b>	<b>764.17</b>
2.		Current Assets						
(a)		Inventories	3,311.75	3,425.25	1,101.59	1,281.64	995.52	837.04
(b)		Trade Receivables	4,540.78	3,758.26	4,128.95	3,447.16	1,558.23	3,042.60
(c)		Cash and Cash equivalents	937.17	848.18	608.36	969.77	901.26	581.51
(d)		Short-Term Loans and Advances	434.16	273.41	224.85	207.25	386.15	175.45
(e)		Other Current Assets	4,034.78	2,500.00	3,477.39	3,327.64	4,695.00	3,083.35
			<b>13,258.63</b>	<b>10,805.11</b>	<b>9,541.14</b>	<b>9,233.45</b>	<b>8,536.16</b>	<b>7,719.95</b>
		Total	<b>15,997.06</b>	<b>13,873.29</b>	<b>12,817.78</b>	<b>12,607.20</b>	<b>11,671.62</b>	<b>9,936.60</b>

**STATEMENT OF PROFIT AND LOSS PER STANDALONE RESTATED FINANCIALS**  
(Rs in lakhs)

PARTICULARS		For the Year/Period ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1	Revenue From Operation (Gross)	12,588.61	10,023.51	9,243.30	9,121.76	7,660.97	7,798.01
	Less: Excise Duty	-	-	-	-	-	-
	Revenue From Operation (Net)	12,588.61	10,023.51	9,243.30	9,121.76	7,660.97	7,798.01
2	Other Income	41.40	212.45	195.58	83.16	73.84	35.20
	Total Revenue (1+2)	12,630.01	10,235.96	9,438.88	9,204.92	7,734.81	7,833.22
3	Expenditure						
(a)	Cost of Works Contract	8,169.72	9,397.06	6,688.33	6,911.45	5,572.71	5,254.36
(a)	Purchase of Traded Goods	-	-	-	-	-	-
(c)	Changes in Inventories of finished goods, work in progress and stock -in-trade	1,453.15	(1,913.20)	603.64	(103.01)	(15.86)	53.01
(d)	Employee Benefit Expenses	901.17	1,004.85	811.10	787.12	831.66	634.65
(e)	Finance Cost	672.68	618.84	597.28	561.35	464.27	335.19
(f)	Depreciation and Amortisation Expenses	176.94	248.70	204.68	247.16	183.46	112.19
(g)	Other Expenses	384.34	597.09	277.97	327.17	300.46	1,095.40
4	Total Expenditure 3(a) to 3(b)	11,757.99	9,953.36	9,182.99	8,731.25	7,336.71	7,484.81
5	Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	872.02	282.60	255.89	473.67	398.10	348.41
6	Exceptional item (Prior Period Items)	-	-	-	-	-	-
7	Profit/(Loss) Before Tax (56)	872.02	282.60	255.89	473.67	398.10	348.41
8	Tax Expense:						
(a)	Tax Expense for Current Year	310.09	107.64	96.85	172.23	119.28	119.82
(b)	Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-

PARTICULARS		For the Year/Period ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
(							
c							
)	Deferred Tax	(13.56)	(11.05)	(8.60)	(15.32)	9.58	(3.89)
	Net Current Tax Expenses	296.53	96.59	88.25	156.92	128.86	115.93
<b>7</b>	<b>Profit/(Loss) for the Year (5-6)</b>	<b>575.49</b>	<b>186.01</b>	<b>167.64</b>	<b>316.76</b>	<b>269.24</b>	<b>232.48</b>

**STATEMENT OF CASH FLOW AS PER STANDALONE RESTATED FINANCIALS (Rs in lakhs)**

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A) Cash Flow From Operating Activities :						
Net Profit before tax	872.02	282.60	255.89	473.67	398.10	348.41
Adjustment for :						
Depreciation	176.94	248.70	204.68	247.16	183.46	112.19
Interest Paid	672.68	618.84	597.28	561.35	464.27	335.19
Interest Income	(40.04)	(58.78)	(65.57)	(76.60)	(70.96)	(33.94)
Dividend Income	-	-	-	-	-	-
Provision for Gratuity expenses	6.59	13.05	9.25	12.66	8.89	5.68
Profit on Sale of Assets	(1.17)	-	-	(0.68)	-	-
Prior Period Income tax Provision and Gratuity adjusted with Reserves	-	-	-	-	-	(171.85)
<b>Operating profit before working capital changes</b>	<b>1,687.01</b>	<b>1,104.42</b>	<b>1,001.52</b>	<b>1,217.57</b>	<b>983.76</b>	<b>595.68</b>
Changes in Working Capital						
(Increase)/Decrease in Inventories	113.50	(2,323.67)	180.05	(286.11)	(158.48)	(227.59)
(Increase)/Decrease in Trade Receivables	(782.52)	370.69	(681.79)	(1,888.93)	1,484.37	3,122.48
(Increase)/Decrease in Short Term Loans & Advances	(160.75)	(48.56)	(17.60)	178.90	(210.70)	(33.13)
(Increase)/Decrease in Other Current Assets	(1,534.78)	977.39	(149.75)	1,367.36	(1,611.65)	(3,083.35)
Increase/(Decrease) in Trade Payables	373.45	205.66	(612.75)	288.05	334.26	(621.14)
Increase/(Decrease) in Other Current Liabilities	829.24	538.90	314.47	(521.36)	847.85	151.06
Increase/(Decrease) in Short Term Provisions	137.22	(0.53)	0.27	1.61	(52.30)	22.97
Increase/(Decrease) in Long Term Provisions	(1.94)	(1.42)	(0.27)	(1.62)	0.01	12.20
Increase/(Decrease) in Other Non Current Assets	122.53	(88.58)	(61.69)	(394.58)	(215.79)	(569.66)
<b>Cash generated from operations</b>	<b>782.98</b>	<b>734.30</b>	<b>(27.55)</b>	<b>(39.11)</b>	<b>1,401.34</b>	<b>(630.48)</b>
Less:- Income Taxes paid	(116.00)	180.42	(110.12)	(208.32)	(357.57)	(107.56)

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Net cash flow from operating activities	666.99	914.71	(137.67)	(247.42)	1,043.77	(738.04)
B) Cash Flow From Investing Activities :						
Purchase of Fixed Assets	(52.27)	(228.67)	(36.72)	(51.56)	(650.19)	(695.43)
Sale of Fixed Assets	3.50	-	-	1.82	-	-
Investment made/Sold during the year	-	-	-	-	-	-
Dividend Income	-	-	-	-	-	-
Increase/(Decrease) in Long Term Loans and Advances	(100.30)	(0.00)	12.69	(8.06)	1.98	22.24
Interest Income	40.04	58.78	65.57	76.60	70.96	33.94
Net cash flow from investing activities	B (109.03)	(169.89)	41.55	18.80	(577.24)	(639.24)
C) Cash Flow From Financing Activities :						
Proceeds from Issue of Share Capital	-	-	-	1,500.01	-	-
Increase/(Decrease) in Short Term Borrowings	220.06	48.10	599.38	288.51	347.05	370.45
Increase/(Decrease) in Long Term Borrowings	(16.35)	65.74	(267.40)	(930.05)	(29.56)	1,365.89
Interest Paid	(672.68)	(618.84)	(597.28)	(561.35)	(464.27)	(335.19)
Net cash flow from financing activities	C (468.96)	(505.00)	(265.30)	297.13	(146.78)	1,401.15
Net Increase/(Decrease) In Cash & Cash Equivalentents	(A + B + C) 89.00	239.81	(361.41)	68.51	319.75	23.86
Cash equivalentents at the begining of the year	848.17	608.36	969.77	901.25	581.51	557.65
Cash equivalentents at the end of the year	937.17	848.17	608.36	969.77	901.25	581.51

**STATEMENT OF ASSETS AND LIABILITIES AS PER CONSOLIDATED RESTATED FINANCIALS**

(Rs in lakhs)

PARTICULARS		As at the Year end/Period ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A	EQUITY AND LIABILITIES						
1.	Shareholders' Funds						
(a)	Share Capital	1,028.58	1,028.58	1,028.58	1,028.58	600.00	600.00
(b)	Reserves & Surplus	5,517.45	4,942.08	4,760.09	4,594.22	3,213.25	2,944.41
		<b>6,546.03</b>	<b>5,970.66</b>	<b>5,788.66</b>	<b>5,622.79</b>	<b>3,813.25</b>	<b>3,544.41</b>
2.	Minority Interest	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>
		<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>
3	Non Current Liabilities						
(a)	Long Term Borrowings	2,989.64	3,156.51	3,090.77	1,792.17	2,726.22	2,755.71
(b)	Deferred Tax Liabilities (Net)	-	-	-	-	14.82	5.24
(c)	Long Term Provisions	63.09	58.44	46.80	<b>37.83</b>	26.78	17.88
		<b>3,052.73</b>	<b>3,214.95</b>	<b>3,137.57</b>	<b>1,830.00</b>	<b>2,767.82</b>	<b>2,778.83</b>
4	Current Liabilities						
(a)	Short Term Borrowings	3,323.42	2,952.83	2,904.73	2,305.35	2,016.83	1,669.78
(b)	Trade Payables	2,452.90	2,079.64	1,873.82	2,486.17	2,195.34	1,863.69
(c)	Other Current Liabilities	2,311.37	1,481.88	940.94	630.44	1,354.78	423.99
(d)	Short Term Provisions	138.58	1.35	1.89	1.61	108.65	52.35
		<b>8,226.27</b>	<b>6,515.70</b>	<b>5,721.38</b>	<b>5,423.57</b>	<b>5,675.61</b>	<b>4,009.82</b>
	Total	<b>17,825.12</b>	<b>15,701.40</b>	<b>14,647.71</b>	<b>12,876.46</b>	<b>12,256.77</b>	<b>10,333.15</b>
B	ASSETS						
1.	Non Current Assets						
(a)	Fixed Assets						
i)	Tangible Assets						
	(i) Gross Block	2,798.43	2,757.87	2,529.20	2,492.48	2,450.00	1,799.81
	(ii) Depreciation	1,395.17	1,227.61	978.91	774.23	530.80	347.34
	(iii) Net Block	1,403.26	1,530.26	1,550.29	1,718.26	1,919.20	1,452.48
ii)	Capital Work in Progress	-	-	-	-	-	-
		<b>1,403.26</b>	<b>1,530.26</b>	<b>1,550.29</b>	<b>1,718.26</b>	<b>1,919.20</b>	<b>1,452.48</b>
(b)	Non-Current Investment	1,560.41	1,560.41	1,560.41	-	-	-

PARTICULARS		As at the Year end/Period ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
(c)	Deferred Tax Assets (Net)	33.70	20.14	9.10	0.50	-	-
(d)	Long Term Loans and Advances	447.27	467.33	756.80	729.42	825.45	585.19
(e)	Other Non Current Assets	1,119.88	1,109.89	1,227.54	2,017.04	781.08	569.36
		<b>3,161.26</b>	<b>3,157.78</b>	<b>3,553.84</b>	<b>2,746.96</b>	<b>1,606.54</b>	<b>1,154.55</b>
2.	Current Assets						
(a)	Current Investments	-	-	-	-	-	-
(b)	Inventories	3,311.75	3,425.25	1,101.59	1,281.64	995.52	837.04
(c)	Trade Receivables	4,540.78	3,758.26	4,128.95	3,447.16	1,749.33	3,044.77
(d)	Cash and Cash equivalents	939.14	850.22	611.85	147.56	905.04	585.50
(e)	Short-Term Loans and Advances	434.16	273.40	223.80	207.25	386.15	175.45
(f)	Other Current Assets	4,034.78	2,706.24	3,477.39	3,327.64	4,695.00	3,083.35
		<b>13,260.60</b>	<b>11,013.37</b>	<b>9,543.57</b>	<b>8,411.24</b>	<b>8,731.04</b>	<b>7,726.12</b>
	Total	<b>17,825.12</b>	<b>15,701.41</b>	<b>14,647.71</b>	<b>12,876.46</b>	<b>12,256.77</b>	<b>10,333.14</b>

**STATEMENT OF PROFIT AND LOSS AS PER CONSOLIDATED RESTATED FINANCIALS**

(Rs in lakhs)

PARTICULARS		For the Year/Period ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1	Revenue From Operation (Gross)	12,588.61	10,023.51	9,243.30	9,121.76	8,301.37	7,798.01
	Less: Excise Duty	-	-	-	-	-	-
	Revenue From Operation (Net)	12,588.61	10,023.51	9,243.30	9,121.76	8,301.37	7,798.01
2	Other Income	41.40	212.45	195.58	83.16	73.84	35.20
	Total Revenue (1+2)	12,630.01	10,235.96	9,438.88	9,204.92	8,375.21	7,833.22
3	Expenditure						
(a)	Cost of Works Contract	8,169.72	9,397.06	6,688.33	6,911.45	5,572.71	5,257.18
(b)	Purchase of Traded Goods	-	-	-	-	-	-
(c)	Changes in Inventories of finished goods, work in progress and stock -in-trade	1,453.15	(1,913.20)	603.64	(103.01)	(15.86)	53.01
(d)	Employee Benefit Expenses	901.17	1,004.85	811.10	787.12	831.66	634.65
(e)	Finance Cost	672.68	618.98	597.36	561.36	464.27	335.19
(f)	Depreciation and Amortisation Expenses	176.94	248.70	204.68	247.16	183.46	112.19
(g)	Other Expenses	384.46	599.55	281.06	330.18	941.26	1,093.00
4	Total Expenditure 3(a) to 3(b)	11,758.11	9,955.96	9,186.17	8,734.28	7,977.50	7,485.23
5	Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	871.90	280.00	252.71	470.64	397.71	347.99
6	Exceptional item (Prior Period Items)	-	-	-	-	-	-
7	Profit/(Loss) Before Tax (5-6)	871.90	280.00	252.71	470.64	397.71	347.99
8	Tax Expense:						
(a)	Tax Expense for Current Year	310.09	109.05	95.44	172.23	119.28	119.82
(b)	Short/(Excess) Provision of Earlier Year						



PARTICULARS		For the Year/Period ended					
		31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
( c )	Deferred Tax	(13.56)	(11.05)	(8.60)	(15.32)	9.58	(3.89)
	Net Current Tax Expenses	296.53	98.00	86.84	156.92	128.86	115.93
<b>9</b>	<b>Profit/(Loss) for the Year (7-8) (before adjustment for Minority Interest)</b>	<b>575.37</b>	<b>182.00</b>	<b>165.87</b>	<b>313.73</b>	<b>268.84</b>	<b>232.06</b>
<b>10</b>	Less: Share of Profit/(Loss) transferred to Minority Interest	(0.00)	(0.00)	(0.00)	(0.00)	-	-
<b>11</b>	<b>Profit/(Loss) for the Year (9-10) (after adjustment for Minority Interest)</b>	<b>575.37</b>	<b>182.00</b>	<b>165.87</b>	<b>313.73</b>	<b>268.84</b>	<b>232.06</b>

**STATEMENT OF CASH FLOW AS PER CONSOLIDATED RESTATED FINANCIALS**

(Rs in lakhs)

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A) Cash Flow From Operating Activities :						
Net Profit before tax	871.90	280.00	252.71	470.64	397.71	347.99
Adjustment for :						
Depreciation	176.94	248.70	204.68	247.16	183.46	112.19
Interest Paid	672.68	618.98	597.36	561.36	464.27	335.19
Interest Income	(40.04)	(58.78)	(65.57)	(76.60)	(70.96)	(33.94)
Profit on Sale of Assets	(1.17)	-	-	(0.68)	-	-
Provision for Gratuity expenses	6.59	13.05	9.25	12.66	8.89	5.68
Prior Period Income tax Provision and Gratuity adjusted with Reserves	-	-	-	-	-	(171.85)
<b>Operating profit before working capital changes</b>	<b>1,686.89</b>	<b>1,101.96</b>	<b>998.43</b>	<b>1,214.55</b>	<b>983.37</b>	<b>595.26</b>
Changes in Working Capital						
(Increase)/Decrease in Inventories	113.50	(2,323.67)	180.05	(286.11)	(158.48)	(227.59)
(Increase)/Decrease in Trade Receivables	(782.52)	370.69	(681.79)	(1,697.83)	1,295.44	3,120.31
(Increase)/Decrease in Short Term Loans & Advances	(160.76)	(49.60)	(16.55)	178.90	(210.70)	118.64
(Increase)/Decrease in Other Current Assets	(1,328.54)	771.15	(149.75)	1,415.58	(1,612.81)	(978.64)
Increase/(Decrease) in Trade Payables	373.26	205.82	(612.35)	290.83	331.65	(621.14)
Increase/(Decrease) in Other Current Liabilities	829.49	540.93	310.50	(772.55)	841.57	188.94
Increase/(Decrease) in Short Term Provisions	0.06	(0.53)	0.27	(107.03)	56.30	23.02
Increase/(Decrease) in Long Term Provisions	(1.94)	(1.42)	(0.27)	(1.62)	0.01	12.20
Increase/(Decrease) in Other Non Current Assets	(9.98)	117.65	789.50	(1,235.96)	(211.73)	(569.36)
<b>Cash generated from operations</b>	<b>719.48</b>	<b>732.98</b>	<b>818.02</b>	<b>(1,001.23)</b>	<b>1,314.62</b>	<b>1,661.65</b>
Less:- Income Taxes paid	(116.00)	180.42	(110.11)	(208.32)	(267.21)	(107.56)

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Net cash flow from operating activities	603.48	913.40	707.91	(1,209.55)	1,047.42	1,554.10
B) Cash Flow From Investing Activities :						
Purchase of Fixed Assets	(52.27)	(228.67)	(36.72)	(51.56)	(650.19)	(695.43)
Sale of Fixed Assets	3.50	-	-	1.82	-	-
Investment made/Sold during the year	-	-	(1,560.41)	-	-	38.32
Increase/(Decrease) in Long Term Loans and Advances	(36.87)	0.00	(12.69)	132.12	(1.98)	(752.14)
Interest Income	40.04	58.78	65.57	76.60	70.96	33.94
Net cash flow from investing activities	(45.60)	(169.89)	(1,544.25)	158.98	(581.21)	(1,375.31)
C) Cash Flow From Financing Activities :						
Proceeds from Issue of Share Capital	-	-	-	1,500.01	-	-
Increase/(Decrease) in Short Term Borrowings	370.59	48.10	599.38	288.51	347.05	370.45
Increase/(Decrease) in Long Term Borrowings	(166.87)	65.74	1,298.60	(934.05)	(29.49)	(186.18)
Interest Paid	(672.68)	(618.98)	(597.36)	(561.36)	(464.27)	(335.19)
Net cash flow from financing activities	(468.96)	(505.14)	1,300.62	293.12	(146.71)	(150.92)
Net Increase/(Decrease) In Cash & Cash Equivalents	88.92	238.37	464.28	(757.48)	319.55	27.85
Cash equivalents at the beginning of the year	850.22	611.85	147.56	905.04	585.50	557.65
Cash equivalents at the end of the year	939.14	850.22	611.85	147.56	905.04	585.50

## THE ISSUE

The following table summarizes the Issue details:

Particulars	Details of Equity Shares
Public Issue of Equity Shares by Our Company	Upto 56,60,800* Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs
<b>Consisting Of</b>	
Market Maker Reservation Portion	Upto 2,88,000 Equity Shares of face value of Rs. 10/- each fully paid up of the Company for cash at a price of Rs. [●]/- per Equity share aggregating to Rs. [●] Lakhs
Net Issue to Public	Upto 53,72,800 Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at a price of Rs. [●]/- per share aggregating Rs. [●] Lakhs
<b>Of which</b>	
QIB Portion	[●] Equity shares shall be available for allocation of face value of Rs. 10 each fully paid of the Company at a cash price of Rs. [●]/- per Equity Share aggregating Rs. [●] Lakhs for cash.
<b>Of which</b>	
Anchor Investor Portion	[●] Equity Shares of face value of Rs 10/- each
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor portion is fully subscribed)	[●] Equity Shares of face value of Rs 10/- each
<b>Of Which</b>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding Anchor Investor)	[●] Equity Shares of face value of Rs 10/- each
Balance of all QIBs including Mutual Funds	[●] Equity Shares of face value of Rs 10/- each
Retail Portion	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company at a cash price of Rs. [●]/- per Equity share aggregating Rs. [●] Lakhs will be available for allocation to Investors up to Rs. 2.00 Lakhs
Non-Institutional Portion	[●] Equity Shares of face value of Rs. 10/- each fully paid of the Company for cash at price of [●]/- per Equity Share aggregating Rs. [●] lakhs will be available for allocation to investors above Rs. 2.00 Lakhs
<b>Pre and Post Issue Equity Shares</b>	
Equity Shares outstanding prior to the Issue	1,32,07,008 Equity Shares of face value of Rs.10 each
Equity Shares outstanding after the Issue	[●] Equity Shares of face value of Rs.10 each

Particulars	Details of Equity Shares
Use of proceeds of this Issue	For further details please refer chapter titled “ <i>Objects of the Issue</i> ” beginning on page 105 of this Red Herring Prospectus for information on use of Issue Proceeds.

*\*Number of shares may need to be adjusted for lot size upon determination of issue price.*

**Notes:-**

The Issue has been authorized by the Board of Directors of our Company *vide* a resolution passed at its meeting held on February 16, 2018 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on February 17, 2018.

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time.

- 1) *In the event of over-subscription, Allotment shall be made on a proportionate basis, subject to valid Bids received at or above the Issue Price;*
- 2) *Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in the Non- Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*
- 3) *Such number of Equity Shares representing 5.00% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Issue Price. In the event that the demand from Mutual Funds is greater than [●] Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Issue Price.*
- 4) *Our Company in consultation with the BRLM may allocate up to 59.95% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI Regulation. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.*

For further details please refer to section titled '*Issue Information*' beginning on page 267 of this Red Herring Prospectus.

## GENERAL INFORMATION

Our Company was originally incorporated as “Innovators Engineers & Contractors Private Limited” at Mumbai, Maharashtra, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 8, 1999 bearing Registration No 11-120229 issued by Assistant Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed from Innovators Engineers & Contractors Private Limited to Innovators Façade Systems Private Limited vide Fresh Certificate of Incorporation dated July 19, 2005 issued by Assistant Registrar of Companies, Belapur, Navi Mumbai. Our Company was converted to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on January 29, 2018 and the name of our Company was changed to Innovators Façade Systems Limited and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated February 15, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U45200MH1999PLC120229.

For further details of change of name and registered office of our Company, please refer to chapter titled “Our History and Certain Other Corporate Matters” beginning on page 174 of this Red Herring Prospectus.

### REGISTERED OFFICE OF OUR COMPANY

#### **Innovators Façade Systems Limited**

204, B-65, Sector No 1  
Shanti Nagar, Mira Road (East)  
Thane- 401107, Maharashtra, India

**Tel:** 022- 28132151

**Fax:** 022- 28132151

**Email:** [investors@innovators.in](mailto:investors@innovators.in)

**Website:** [www.innovators.in](http://www.innovators.in)

**CIN:** U45200MH1999PLC120229

### REGISTRAR OF COMPANIES

#### **Registrar of Companies, Maharashtra**

Registrar of Companies  
100, Everest, Marine Drive  
Mumbai- 400002.

**Website:** [www.mca.gov.in](http://www.mca.gov.in)

### DESIGNATED STOCK EXCHANGE

#### **SME Platform of BSE**

P.J Towers, Dalal Street  
Mumbai, Maharashtra- 400001

### BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1.	Radheshyam Sharma	52	00340865	Flat No 2106, Tower C, Oberoi Woods, Off Western Express Highway, Goregaon East, Mumbai- 400063, Maharashtra, India	Chairman and Managing Director
2.	Shivchand Sharma	70	00298265	Flat No 2105, Tower C, Oberoi Woods, Off Western Express Highway, Goregaon East, Mumbai- 400063, Maharashtra, India	Non Executive Director

Sr. No.	Name	Age	DIN	Address	Designation
3.	Anjana Sharma	49	00360233	Flat No 2106, Tower C, Oberoi Woods, Off Western Express Highway, Goregaon East, Mumbai- 400063, Maharashtra, India	Whole Time Director
4.	Phoolshankar shrimali	51	03549729	C 706 Oberoi Woods Mohan Gokhale Road, Goregaon East, Mumbai 400063 Maharashtra	Additional Independent Director
5.	Sunil Deshpande	65	08065585	Gokul Nagari II AB/B-104 Opp Bhor Ind. Off W.E. Highway, Kandivali East, Mumbai 400101	Additional Independent Director
6.	Poonam Bhati	48	08081236	C/O Ratan Singh Bhati, Near Bohra Ganesh Ji Temple, 10 Gokul Nagar Girwa, Udaipur, Udaipur S Hastri Cir Udaipur 313001 Rj In	Additional Independent Director

For further details of our Directors, please refer to the chapter titled “*Our Management*” beginning on page 180 of this Red Herring Prospectus.

#### COMPANY SECRETARY & COMPLIANCE OFFICER

##### **Radhika Tibrewala**

204, B-65, Sector No 1  
Shanti Nagar, Mira Road (East)  
Thane- 401107, Maharashtra, India  
**Tel:** 022- 28132151  
**Fax:** 022- 28132151  
**Email:** [cs@innovators.in](mailto:cs@innovators.in)  
**Website:** [www.innovators.in](http://www.innovators.in)

#### CHIEF FINANCIAL OFFICER

##### **Priti Sharma**

204, B-65, Sector No 1  
Shanti Nagar, Mira Road (East)  
Thane- 401107, Maharashtra, India  
**Tel:** 022- 28132151  
**Fax:** 022- 28132151  
**Email:** [cfo@innovators.in](mailto:cfo@innovators.in)  
**Website:** [www.innovators.in](http://www.innovators.in)

**Bidders are advised to contact the Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of funds by electronic mode etc.**

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the Bidder, number of Equity Shares applied for, the Bid amount paid on submission of the Bid cum Application Form and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a



Registered Broker at any of the Brokers Centres, as the case maybe , quoting the full name of the sole or first Bidder, Bid cum Application Form number, address of the Bidder, Bidder's DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker or address of the RTA or address of the DP, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked. All grievances relating to Bids submitted through the Registered Broker and/or a Stock Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

#### **STATUTORY AUDITOR**

**M/s SGC0 & Co LLP**

4A, Kaledonia- HDIL  
2<sup>nd</sup> Floor, Sahar Road,  
Near Andheri Station, Andheri East,  
Mumbai- 400069, Maharashtra, India  
**Tel. No** 022- 66256363  
**Fax:** 022- 66256364  
**Email:** info@sgco.co.in  
**Contact person:** Suresh Muraka  
**Firm Registration No:** 112081W/ W100184  
**Membership No:** 44739

#### **PEER REVIEWED AUDITOR**

**M/s Mittal & Associates**

5<sup>th</sup> Floor, Empress Nucleus,  
Gaothra Road, Near Little Flower School,  
Gundavali, Andheri East,  
Mumbai- 400069  
**Tel No.** +91 22 26832311/2/3  
**Email:** [mm@mittal-associates.com](mailto:mm@mittal-associates.com)  
**Contact Person:** Vishal Heda  
**Firm Registration No.:** 106456W  
**Membership No.:** 172863

M/s Mittal & Associates, Chartered Accountant holds a peer reviewed certificate dated October 04, 2017 issued by the Institute of Chartered Accountants of India.

#### **BOOK RUNNING LEAD MANAGER**

**Pantomath Capital Advisors Private Limited**

406-408, Keshva Premises,  
Behind Family Court,  
Bandra Kurla Complex, Bandra (East),  
Mumbai 400 051, Maharashtra, India.  
**Tel:** +9122 61946700**Fax:** +9122 26598690  
**Email:** [ipo@pantomathgroup.com](mailto:ipo@pantomathgroup.com)  
**Website:** [www.pantomathgroup.com](http://www.pantomathgroup.com)  
**Contact Person:** Hardik Bhuta  
**SEBI Registration No:** INM000012110

#### **REGISTRAR TO THE ISSUE**

**Link Intime India Private Limited**

C-101,1st Floor, 247 Park,  
L.B.S. Marg, Vikhroli (West), Mumbai  
400083, Maharashtra, India  
**Tel:** +91 022 49186200

**Fax:** +91 022 49186195  
**Email:** [innovators.ipo@linkintime.co.in](mailto:innovators.ipo@linkintime.co.in)  
**Investor grievance mail:** [innovators.ipo@linkintime.co.in](mailto:innovators.ipo@linkintime.co.in)  
**Website:** [www.linkintime.co.in](http://www.linkintime.co.in)  
**Contact Person:** Shanti Gopalkrishnan  
**SEBI Registration Number:** INR000004058

#### LEGAL ADVISOR TO THE ISSUE

**M.V. Kini, Law Firm**  
Kini House,  
Near Citi Bank, D.N. Road, Fort  
Mumbai – 400001, Maharashtra, India  
**Tel:** +91 22 22612527/ 28/ 29  
**Fax:** +91 22 22612530  
**Email:** [vidisha@mvkini.com](mailto:vidisha@mvkini.com)  
**Website:** [www.mvkini.com](http://www.mvkini.com)  
**Contact Person:** Vidisha Krishan

#### BANKER TO THE COMPANY

**Oriental Bank of Commerce**  
Large Corporate Branch, 14<sup>th</sup> Floor,  
F Block, Make Towers,  
Cuff Parade, Mumbai- 400 005  
**Tel:** (91) 022 43023140/3148/3149  
**Fax:** (91) 022 22160623/ 22181739  
**Email:** [bm0902@obc.co.in](mailto:bm0902@obc.co.in)  
**Website:** [www.obcindia.com](http://www.obcindia.com)  
**Contact Person:** E Venkateswarlu

**INDIAN BANK**  
Indian Bank, Mid Corporate Branch, 386, Block  
No 1, Veer Savarkar Marg, Opp Siddivinayak  
Temple, Prabhadevi, Mumbai- 400025  
**Tel:** 022 24313443/ 3733  
**Fax:** 022 24313443/ 3733  
**Email:** [mcb.mumbai@indianbank.com](mailto:mcb.mumbai@indianbank.com)  
**Website:** [www.indianbank.com](http://www.indianbank.com)  
**Contact Person:** Rajeev Kumar

#### PUBLIC ISSUE BANK

**ICICI Bank Limited**  
Capital Market Division  
1<sup>st</sup> Floor, 122, Mistry Bhavan  
Dinshaw Vachha Road, Mumbai – 400020  
**Tel:** (91) 022 66818924/923/932  
**Fax:** (91) 022 2261 1138  
**Email:** [shweta.surana@icicibank.com](mailto:shweta.surana@icicibank.com)  
**Website:** [www.icicibank.com](http://www.icicibank.com)  
**Contact Person:** Ms Shweta Surana  
**SEBI Registration No.:** INBI00000004

**HDFC BANK LIMITED**  
FIG OPS Department , Lodha I, Think Techno  
Campus, Level O-3, Opp Crompton Creaves,  
Next to Kanjurmarg Railway Station,  
Kanjurmarg (E), Mumbai – 400 042  
**Tel:** 022 30752928  
**Fax:** 022 25799801  
**Email:** [Vincent.dsouza@hdfc.com](mailto:Vincent.dsouza@hdfc.com)  
**Website:** [www.hdfcbank.com](http://www.hdfcbank.com)  
**Contact Person:** Vincent D'souza  
**SEBI Registration No.:** INBI00000063

#### REFUND BANK

**ICICI Bank Limited**  
Capital Market Division  
1<sup>st</sup> Floor, 122, Mistry Bhavan  
Dinshaw Vachha Road, Mumbai – 400020  
**Tel:** (91) 022 66818924/923/932  
**Fax:** (91) 022 2261 1138  
**Email:** [shweta.surana@icicibank.com](mailto:shweta.surana@icicibank.com)  
**Website:** [www.icicibank.com](http://www.icicibank.com)  
**Contact Person:** Ms Shweta Surana  
**SEBI Registration No.:** INBI00000004

## **SYNDICATE MEMBER**

### **Pantomath Stock Brokers Private Limited**

406-408, Keshava Premises, Behind Family Court,  
Bandra Kurla Complex, Bandra East,  
Mumbai 400051

**Tel:** 022 61946774

**Fax:** 022 26598690

**Email:** broking@pantomathgroup.com

**Website:** [www.pantomathbroking.com](http://www.pantomathbroking.com)

**Contact Person:** Mahavir Toshnival

**SEBI Registration No.:** INZ000068338

## **DESIGNATED INTERMEDIARIES**

### **Self Certified Syndicate Banks**

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on <http://www.sebi.gov.in/sebiweb/home/detail/32931/yes/List-of-Self-Certified-Syndicate-Banks-SCSBs-for-Syndicate-ASBA>. For details on Designated Branches of SCSBs collecting the Bid cum Application Form, please refer to the above-mentioned SEBI link.

### **Registered Brokers**

Bidders can submit Bid cum Application Forms in the Issue using the stock broker network of the Stock Exchanges, i.e., through the Registered Brokers at the Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the BSE Ltd., as updated from time to time. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centres, the list of branches of the SCSBs at the Broker Centres named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

### **Registrar to Issue and Share Transfer Agents**

The list of the RTAs eligible to accept Bid cum Applications forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the website of Bombay Stock Exchange, as updated from time to time.

### **Collecting Depository Participants**

The list of the CDPs eligible to accept Bid cum Application Forms at the Designated CDP Locations, including details such as name and contact details, are provided on the website of Stock Exchange at Bombay Stock Exchange India Limited, as updated from time to time. The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Designated Intermediaries will be available on the website of the SEBI ([www.sebi.gov.in](http://www.sebi.gov.in)) and updated from time to time.

## **CREDIT RATING**

This being an issue of Equity Shares, credit rating is not required.

## **IPO GRADING**

Since the Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

## **APPRAISAL AND MONITORING AGENCY**

As per regulation 16(1) of the SEBI ICDR Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 10,000 Lakhs. Since the Issue size is only of Rs. [●] lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per Section 177 of the

Companies Act, 2013, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

#### **INTER-SE ALLOCATION OF RESPONSIBILITIES**

Since Pantomath Capital Advisors Private Limited is the sole Book Running Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Book Running Lead Manager is not applicable.

#### **EXPERT OPINION**

Except as stated below, our Company has not obtained any other expert opinion:

1. Report of the Peer Reviewed Auditor on statement of tax benefits
2. Report on Restated Financials for the period ended December 31, 2017 and for the year ended March 31, 2017, 2016, 2015, 2014 and 2013.

#### **DEBENTURE TRUSTEE**

Since this is not a debenture issue, appointment of debenture trustee is not required.

#### **UNDERWRITER**

Our Company and BRLM to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated March 20, 2018 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite following number of specified securities being offered through this Issue.

<b>Name and Address of the Underwriters</b>	<b>Indicative Number of Equity shares to be Underwritten</b>	<b>Amount Underwritten (Rupees In Lakhs)</b>	<b>% of the Total Issue Size Underwritten</b>
<b>Pantomath Capital Advisors Private Limited</b> 406-408, Keshava Premises, Behind Family Court, Bandra Kurla Complex, Bandra East, Mumbai 400051, Maharashtra, India <b>Tel:</b> 022 61946772 <b>Fax:</b> 022 26598690 <b>Email:</b> <a href="mailto:ipo@pantomathgroup.com">ipo@pantomathgroup.com</a> <b>Website:</b> <a href="http://www.pantomathgroup.com">www.pantomathgroup.com</a> <b>Contact Person:</b> Madhu Lunawat <b>SEBI Registration Number:</b> INM000012110	Upto 56,60,800	[●]	100%
<b>Total</b>	Upto 56,60,800	[●]	<b>100%</b>

*\*Includes upto 2,88,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.*

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

#### **DETAILS OF THE MARKET MAKING ARRANGEMENT**

Our Company and the Book Running Lead Manager have entered into a tripartite agreement dated March 20, 2018, with the following Market Maker, duly registered with BSE to fulfil the obligations of Market Making:

**Pantomath Stock Brokers Private Limited**  
 108, Madhava Premises, Behind Family Court,

Bandra Kurla Complex, Bandra East,  
Mumbai 400051  
**Tel:** 022 42577000  
**Fax:** 022 26598692  
**Email:** broking@pantomathgroup.com  
**Website:** [www.pantomathbroking.com](http://www.pantomathbroking.com)  
**Contact Person:** Mahavir Toshnival  
**SEBI Registration No.:** INZ000068338  
**Clearing No:** 6646

**Pantomath Stock Brokers Private Limited** registered with SME segment of BSE Limited will act as the Market Maker and has agreed to receive or deliver of the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, as amended from time to time and the circulars issued by Bombay Stock Exchange and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker(s). The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time and the same shall be updated in Prospectus. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s). The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of BSE SME and SEBI from time to time.
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to Issue their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of [●]/- the minimum lot size is [●] Equity Shares thus minimum depth of the quote shall be Rs. [●]/- until the same, would be revised by BSE Limited. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the BSE SME (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the BSE SME from time to time).
3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size (including the [●] Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Offer over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption / threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.

6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Pantomath Stock Brokers Private Limited is acting as the sole Market Maker. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
7. Price Band and Spreads: SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 crores, the applicable price bands for the first day shall be:
  - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
  - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.
  - iii. Additionally, the trading shall take place in TFT segment for first 10 days from commencement of trading. The following spread will be applicable on the SME Exchange/ Platform of National Stock Exchange of India.

No.	Market Price Slab (In Rs.)	Proposed spread (in % to sale price)
1.	Upto 50	9
2.	50 to 75	8
3.	75 to 100	6
4.	Above 100	5

8. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily / fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
9. The Market Maker shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Book Running Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Book Running Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Book Running Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

10. SME Platform of BSE Limited will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE Limited can impose any other margins as deemed necessary from time-to-time.
11. SME Platform of BSE Limited will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and / or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not

present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct / manipulation / other irregularities by the Market Maker from time to time.

12. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the issue size and as follows:

Issue size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Issue Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Issue Size)
Up to Rs. 20 Crore	25%	24%
Rs. 20 crore to Rs. 50 crore	20%	19%
Rs. 50 to Rs. 80 crore	15%	14%
Above Rs. 80 crore	12%	11%

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and / or norms issued by SEBI / BSE from time to time.

13. All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time

### **BOOK BUILDING PROCESS**

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus and the Bid cum Application Forms. The Price Band, the Bid lot size for the issue will be decided by our company and in consultation with the BRLM, which would be announced at least five working days before the opening of the Bid/Issue. The Issue Price shall be determined by our Company, in consultation with the BRLMs, in accordance with the Book Building Process, after the Bid/ Issue Closing Date.

The principal parties involved in the Book Building Process are:

1. Our Company;
2. The BRLM;
3. Syndicate Member(s) who are intermediaries registered with SEBI or registered as brokers with BSE and eligible to act as Underwriters. The Syndicate Member(s) are appointed by the BRLM;
4. Registrar to the Issue;
5. All Designated Intermediaries

The SEBI ICDR Regulations have permitted the Issue of securities to the public through the Book Building Process, wherein 49.97% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 59.95% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders

(other than Anchor Investors) in proportion to their Bids. Further not less than 15.01% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35.02% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for Retail Portion where allotment to each Retail Individual Bidders shall not be less than the minimum bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

All Bidders (excluding Anchor Investors) can participate in the Issue only through the ASBA process. Anchor Investors are not permitted to participate through the ASBA process. In accordance with the SEBI Regulations, QIBs and Non-Institutional Bidders are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise or withdraw their Bids prior to the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Except Allocation to Retail Individual Investors and the Anchor Investors, Allocation in the Issue will be on a proportionate basis We will comply with the SEBI ICDR Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Pantomath Capital Advisors Private Limited as the Book Running Lead Manager to manage the Issue and procure subscriptions to the Issue.

The process of Book Building under the SEBI ICDR Regulations is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

For further details on the method and procedure for Bidding, please see section entitled —Issue Procedure on page 279 of this Red Herring Prospectus

**Illustration of Book Building Process and Price Discovery Process** (Investors should note that this example is solely for illustrative purposes and is not specific to the Issue and also excludes bidding by Anchor Investors)

Bidders can bid at any price within the Price Band. For instance, assume a price band of Rs. 20 to Rs. 24 per equity share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The issuer, in consultation with the BRLMs will, finalize the issue price at or below such cut-off price, i.e., at or below Rs. 22. All bids at or above this issue price are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding

1. Check eligibility for making a Bid (see section titled “Issue Procedure” on page 279 of this Red Herring Prospectus);



2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
4. Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims

Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form;

### **Bid/Issue Programme**

<b>Activity</b>	<b>Indicative dates</b>
Bid Opening Date*	Monday, May 14, 2018
Bid Closing Date	Wednesday, May 16, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	Monday, May 21, 2018
Initiation of refunds	Tuesday, May 22, 2018
Credit of Equity Shares to Demat accounts of Allottees	Wednesday, May 23, 2018
Commencement of trading of Equity Shares	Thursday, May 24, 2018

*\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company, the Selling Shareholders or the Book Running Lead Manager. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Issue Closing Date, the timetable may change due to various factors, such as extension of the Issue Period by our Company, or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted only between 10.00 a.m. and 5.00 p.m. (IST) during the Issue Period. On the Issue Closing Date, the Bids and any revision to the same shall be accepted between 10.00 a.m. and 5.00 p.m. (IST) or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Non Retail Bidders shall not be allowed to either withdraw or lower the size of their Bid at any stage. Non Retail Bidders may revise their Bids upwards (in terms of quantity of Equity Shares) during the Issue Period. Such upward revision must be made using the Revision Form.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask the relevant SCSBs / RTAs / DPs / Stock Brokers, as the case may be, for rectified data

## CAPITAL STRUCTURE

*Certain forms and resolutions filed with Registrar of Companies (prior to 2006), bank statements of the Company are not traceable by our Company. With respect to changes in capital structure these include forms and resolutions for share capital allotment and annual returns. Hence, this chapter is prepared based on the ROC search reports, data provided by management and to the best of information available.*

The Equity Share capital of our Company, as on the date of this Red Herring Prospectus and after giving effect to the Issue is set forth below:

Amount (Rs.in Lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Issue Price
<b>A.</b>	<b>Authorised Share Capital</b>		
	2,10,00,000 Equity Shares of face value of Rs. 10/- each	2,100.00	
<b>B.</b>	<b>Issued, Subscribed and Paid-Up Share Capital before the Issue</b>		
	1,32,07,008 Equity Shares of face value of Rs. 10/- each	1,320.70	
<b>C.</b>	<b>Present Issue in terms of this Red Herring Prospectus</b>		
	Upto 56,60,800 Equity Shares of face value of Rs.10/- each	Upto 566.08	[●]
	<b>Consisting :</b>		
	<b>Reservation for Market Maker</b> – Upto 2,88,000 Equity Shares of face value of Rs. 10/- at price of Rs [●]/- per Equity Share reserved as Market Maker portion	Upto 28.80	[●]
	<b>Net Issue to the Public</b> – Upto 53,72,800 Equity Shares of face value of Rs. 10/- each at a price of Rs [●]/- per Equity Share	Upto 537.28	[●]
	<b>Of the Net Issue to the Public</b>		
	QIB Portion of [●] Equity Shares	[●]	[●]
	Non Institutional Portion of not less than [●] Equity Shares	[●]	[●]
	Retail Portion of not less than [●] Equity Shares	[●]	[●]
<b>D.</b>	<b>Issued, Subscribed and Paid-Up Share Capital after the Issue</b>		
	[●] Equity Shares of face value of Rs. 10/- each	[●]	
<b>E.</b>	<b>Securities Premium Account</b>		
	Before the Issue		3,058.39
	After the Issue		[●]

The Issue has been authorized by the Board of Directors of our Company *vide* a resolution passed at its meeting held on February 16, 2018 and by the shareholders of our Company *vide* a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting held on February 17, 2018.

The Company has one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

The Company has only one class of share capital i.e Equity shares of face value of Rs 10/- each only. All Equity Shares are fully paid up. Our Company has no outstanding convertible instruments as on the date of this Red Herring Prospectus.

### NOTES TO THE CAPITAL STRUCTURE

#### 1. Details of changes in authorized Share Capital:

Since the incorporation of our Company, the authorized share capital of our Company has been altered in the manner set forth below:

Sr. No.	Change in authorized share capital	Date of AGM/EGM Resolution	AGM/EGM
1	The authorized Share Capital of our Company on incorporation comprised of Rs. 5,00,000 divided into 50,000 Equity Shares of Rs. 10/- each	At the time of Incorporation	-
2	From Rs. 5,00,000 consisting of 50,000 Equity Shares of Rs. 10/- each to Rs. 20,00,000 consisting of 2,00,000 Equity shares of Rs. 10/- each	July 01, 2005	EGM
3	From Rs. 20,00,000 consisting of 2,00,000 Equity Shares of Rs. 10/- each to Rs. 1,00,00,000 consisting of 10,00,000 Equity shares of Rs. 10/- each	March 31, 2007	EGM
4	From Rs. 1,00,00,000 consisting of 10,00,000 Equity Shares of Rs. 10/- each to Rs. 5,00,00,000 consisting of 50,00,000 Equity shares of Rs. 10/- each	December 22, 2007	EGM
5	From Rs. 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs. 10/- each to Rs. 10,00,00,000 consisting of 1,00,00,000 Equity shares of Rs. 10/- each	April 30, 2008	EGM
6	From Rs. 10,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10/- each to Rs. 11,00,00,000 consisting of 1,10,00,000 Equity shares of Rs. 10/- each	November 06, 2014	EGM
7	From Rs. 11,00,00,000 consisting of 1,10,00,000 Equity shares of Rs. 10/- each to Rs 17,00,00,000 consisting of 1,70,00,000 Equity shares of Rs 10/- each	January 29, 2018	EGM
8	From Rs. 17,00,00,000 consisting of 1,70,00,000 Equity Shares of face value of Rs. 10 each to Rs 21,00,00,000 consisting of 2,10,00,000 Equity Shares of face value of Rs 10 each.	February 21, 2018	EGM

## 2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)
On Incorporation	100	10	10	Cash	Subscription to Memorandum of Association <sup>(1)</sup>	100	1,000
December 10, 2002	9,900	10	10	Cash	Further Issue of Shares <sup>(2)</sup>	10,000	1,00,000
July 01, 2005	60,000	10	10	Cash	Further Issue of Shares <sup>(3)</sup>	70,000	7,00,000
July 01, 2005	1,30,000	10	Nil	Other than cash	Bonus Issue of Shares <sup>(4)</sup>	2,00,000	20,00,000

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of consideration	Nature of Allotment	Cumulative number of Equity Shares	Cumulative Paid-up Capital (Rs.)
March 31, 2007	8,00,000	10	10	Cash	Further Issue of Shares <sup>(5)</sup>	10,00,000	100,00,000
December 31, 2007	17,10,000	10	10	Cash	Further Issue of Shares <sup>(6)</sup>	27,10,000	271,00,000
March 31, 2008	22,90,000	10	20	Cash	Further Issue of Shares <sup>(7)</sup>	50,00,000	500,00,000
December 18, 2008	10,00,000	10	20	Cash	Further Issue of Shares <sup>(8)</sup>	60,00,000	600,00,000
December 05, 2014	42,85,750	10	35	Other than Cash	Further Issue of Shares by way of conversion of unsecured loan <sup>(9)</sup>	102,85,750	1028,57,500
February 24, 2018	13,89,000	10	72	Other than Cash	Further Issue of Shares by way of conversion of unsecured loan <sup>(10)</sup>	116,74,750	1167,47,500
March 07, 2018	15,32,258	10	62	Cash	Further Issue of Shares by way of Private Placement <sup>(11)</sup>	132,07,008	1320,70,080

1. Initial Subscribers to Memorandum of Association subscribed 100 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

Sr. No.	Name of Allottee	No. of shares Allotted
1.	Radheshyam Sharma	50
2.	Shivchand Sharma	50
	<b>Total</b>	<b>100</b>

2. Further issue of 9,900 Equity Shares of face value of Rs. 10/- fully paid up at par on December 10, 2002 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Shivchand Sharma	950
2.	Draupadi Sharma	1,000
3.	Radheshyam Sharma	950
4.	Anjana Sharma	1,000

Sr. No	Name of Allottee	No. of Shares Allotted
5.	Raman Sharma	1,500
6.	Priti Sharma	1,500
7.	Narendra Sharma	1,000
8.	Rohit Sharma	1,000
9.	Vedika Sharma	1,000
	<b>Total</b>	<b>9,900</b>

3. Further issue of 60,000 Equity Shares of face value of Rs. 10/- fully paid up at par on July 01, 2005 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Radheshyam Sharma	6,000
2.	Shivchand Sharma	6,000
3.	Draupdi Sharma	6,000
4.	Anjana Sharma	6,000
5.	Raman Sharma	9,000
6.	Priti Sharma	9,000
7.	Narendra Sharma	6,000
8.	Rohit Sharma	6,000
9.	Vedika Sharma	6,000
	<b>Total</b>	<b>60,000</b>

4. Bonus issue of 1,30,000 Equity Shares of face value of Rs. 10/- each in the ratio of 1.86 equity shares for 1 equity share held on July 01, 2005 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Radheshyam Sharma	13,000
2.	Shivchand Sharma	13,000
3.	Draupdi Sharma	13,000
4.	Anjana Sharma	13,000
5.	Raman Sharma	19,500
6.	Priti Sharma	19,500
7.	Narendra Sharma	13,000
8.	Rohit Sharma	13,000
9.	Vedika Sharma	13,000
	<b>Total</b>	<b>1,30,000</b>

5. Further issue of 8,00,000 Equity Shares of face value of Rs. 10/- fully paid up at par on March 31, 2007 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Shivchand Sharma	1,50,000
2.	Radheshyam Sharma	2,00,000
3.	Anjana Sharma	1,50,000
4.	Raman Sharma	1,50,000
5.	Narendra Sharma	1,50,000
	<b>Total</b>	<b>8,00,000</b>

6. Further issue of 17,10,000 Equity Shares of face value of Rs. 10/- fully paid up at par on December 31, 2007 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Shivchand Sharma	5,000
2.	Dropadi Sharma	15,000
3.	Radheshyam Sharma	6,00,000
4.	Anjana Sharma	2,10,000
5.	Raman Sharma	4,90,000
6.	Priti Sharma	2,45,000
7.	Narendra Sharma	1,05,000
8.	Rohit Sharma	20,000
9.	Vedika Sharma	20,000
	<b>Total</b>	<b>17,10,000</b>

7. Further issue of 22,90,000 Equity Shares of face value of Rs. 10/- fully paid up at a price of Rs 20/- per equity share on March 31, 2008 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Alka Diamond Industries Private Limited	1,20,000
2.	New Planet Trading Co Private Limited	1,35,000
3.	Faststone Trading Co Private Limited	1,20,000
4.	Nova Corporate Services Private Limited	2,00,000
5.	I-Max Multimedia Private Limited	75,000
6.	Olympia Sales Agency Private Limited	1,00,000
7.	Nishi Advertising & Marketing Services Private Limited	2,50,000
8.	Inorbit Advertising & Marketing Services Private Limited	75,000
9.	Ultra Petrochem Private Limited	1,35,000
10.	Nupur Management Consultancy Private Limited	1,25,000
11.	Nischal Corporate Services Private Limited	1,25,000
12.	Vanguard Jewels Limited	1,00,000
13.	Hema Trading Co Private Limited	1,00,000
14.	Javda India Impex Private Limited	1,20,000
15.	Kush Hindustan Entertainment Limited	1,05,000
16.	Lexus Infotech Limited	1,80,000
17.	Realgold Trading Co Private Limited	1,25,000
18.	Yash V Jewels Limited	1,00,000
	<b>Total</b>	<b>22,90,000</b>

9. Further issue of 10,00,000 Equity Shares of face value of Rs. 10/- fully paid up at price of Rs 20/- per equity share on December 18, 2008 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Shivchand Sharma	55,000
2.	Dropadi Sharma	55,000
3.	Radheshyam Sharma	40,000
4.	Anjana Sharma	9,000
5.	Raman Sharma	1,90,000
6.	Priti Sharma	70,000
7.	Narendra Sharma	56,000
8.	Rohit Sharma	15,000
9.	Vedika Sharma	15,000
10.	Blazer Venture Private Limited	1,20,000
11.	Captown Mercantile Company Private Limited	50,000
12.	Fairmount Venture Private Limited	1,20,000

Sr. No	Name of Allottee	No. of Shares Allotted
13.	Kumaon Engineering Company Private Limited	1,00,000
14.	Moto Soft Tel Private Limited	55,000
15.	Vibhuti Multitrade Private Limited	50,000
	<b>Total</b>	<b>10,00,000</b>

10. Further issue of 42,85,750 Equity Shares by way of conversion unsecured loan to equity shares of face value of Rs. 10/- fully paid up at a issue price of Rs 35/- per equity share on December 05, 2014 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Jolly Multi Trade Private Limited	42,85,750
	<b>Total</b>	<b>42,85,750</b>

11. Further issue of 13,89,000 Equity Shares by way of conversion of unsecured loan to equity shares of face value of Rs. 10/- fully paid up at a issue price of Rs 72/- per equity share on February 24, 2018 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Radheshyam Sharma	2,80,209
2.	Anjana Sharma	2,34,315
3.	Jolly Multi Trade Private Limited	2,55,272
4.	Innovators Façade Solutions (Mumbai) Limited	6,19,204
	<b>Total</b>	<b>13,89,000</b>

12. Further issue of shares by way of Private Placement of 15,32,258 Equity Shares of face value of Rs. 10/- fully paid up at a issue price of Rs 62/- per equity share on March 07, 2018 as per the details given below:

Sr. No	Name of Allottee	No. of Shares Allotted
1.	Pantomath Fund Managers LLP*	2,41,936
2.	Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I	1,61,290
3.	Vijay Kedia	11,29,032
	<b>Total</b>	<b>15,32,258</b>

\*Pantomath Fund Managers LLP, SEBI registered Portfolio Managers have been allotted shares in Pre IPO placement on behalf of its clients under Discretionary Portfolio Management Service.

3. We have not issued any Equity Shares for consideration other than cash except as follows:

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
July 01, 2005	1,30,000	10	Nil	Bonus Issue	Capitalisation of reserves	Radheshyam Sharma	13,000
						Shivchand Sharma	13,000
						Draupdi Sharma	13,000
						Anjana Sharma	13,000

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for Allotment	Benefits Accrued to our Company	Allottees	No. of Shares Allotted
						Raman Sharma	19,500
						Priti Sharma	19,500
						Narendra Sharma	13,000
						Rohit Sharma	13,000
						Vedika Sharma	13,000
December 05, 2014	42,85,750	10	35	Conversion of loan to equity	Debt is converted to fixed assets	Jolly Multi Trade Private Limited	42,85,750
		10	72	Conversion of loan to equity	Debt is converted to fixed assets	Radheshyam Sharma	2,80,209
						Anjana Sharma	2,34,315
February 24, 2018	13,89,000					Jolly Multi Trade Private Limited	2,55,272
						Innovators Façade Solutions (Mumbai) Limited	6,19,204

4. No Equity Shares have been allotted pursuant to any scheme approved under Section 230-240 of the Companies Act, 2013.
5. We have not revalued our assets since incorporation and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
6. We have not issued any shares at price below Issue Price within last one year from the date of this Red Herring Prospectus.
7. **Build-up of Promoters' shareholding, Promoters' contribution and lock-in**
  - i. Build Up of Promoter's shareholdings

As on the date of this Red Herring Prospectus, our Promoters, Radheshyam Sharma holds 23,80,209 equity shares and Jolly Multi Trade Private Limited 45,41,022 equity shares, respectively of our Company. None of the shares held by our promoters are subject to any pledge.

#### Radheshyam Sharma

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares at face value	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post issue shareholding %
At the time of incorporation	50	10	10	Subscription to MOA	0.00	[●]



Date of Allotment and made fully paid up / Transfer	No. of Equity Shares at face value	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post issue shareholding %
December 10, 2002	950	10	10	Further Issue of Shares	0.01	[●]
July 01, 2005	6,000	10	10	Further Issue of Shares	0.05	[●]
July 01, 2005	13,000	10	Nil	Bonus Issue	0.10	[●]
March 31, 2007	2,00,000	10	10	Further Issue of Shares	1.51	[●]
December 31, 2007	6,00,000	10	10	Further Issue of Shares	4.54	[●]
December 18, 2008	40,000	10	20	Further Issue of Shares	0.30	[●]
September 15, 2009	1,20,000	10	1	Transfer	0.91	[●]
September 15, 2009	1,20,000	10	1	Transfer	0.91	[●]
September 15, 2009	1,35,000	10	1	Transfer	1.02	[●]
September 15, 2009	1,25,000	10	1	Transfer	0.95	[●]
September 15, 2009	1,25,000	10	1	Transfer	0.95	[●]
September 15, 2009	1,00,000	10	1	Transfer	0.76	[●]
September 15, 2009	1,25,000	10	1	Transfer	0.95	[●]
September 15, 2009	1,20,000	10	1	Transfer	0.91	[●]
September 15, 2009	50,000	10	1	Transfer	0.38	[●]
September 15, 2009	1,20,000	10	1	Transfer	0.91	[●]
September 15, 2009	1,00,000	10	1	Transfer	0.76	[●]
February 24, 2018	2,80,209	10	72	Further Issue by way of conversion of unsecured loan to equity	2.12	
<b>Total</b>	<b>23,80,209</b>				<b>18.02</b>	<b>[●]</b>

\*Cost of acquisition excludes stamp duty and the shares were made fully paid up on the date of allotment.

**Jolly Multi Trade Private Limited**

Date of Allotment and made fully paid up / Transfer	No. of Equity Shares at face value	Face value per Share (Rs.)	Issue / Acquisition / Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post issue shareholding %
December 05, 2014	42,85,750	10	35	Further Issue of Shares by way of conversion of unsecured loan to equity shares	32.45	[●]
February 24, 2018	2,55,272	10	72	Further Issue of Shares by way of conversion of unsecured loan to equity shares	1.93	[●]
<b>Total</b>	<b>45,41,022</b>				<b>34.38</b>	<b>[●]</b>

\*Cost of acquisition excludes stamp duty and the shares were made fully paid up on the date of allotment.

ii. **Details of Promoter Contribution locked in for three years:**

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations, an aggregate of 20.00% of the post-Issue capital held by our Promoter shall be considered as Promoters' Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoters have given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoters' Contribution constituting [●] % of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

Promoters	No. of Equity Shares Locked in	Face Value (in `)	Issue/ Acquisition Price	Date of Allotment/Acquisition and when made fully paid-up	Nature of Allotment/ Transfer	Consideration (Cash/other than cash)	Percentage of post-Issue paid-up capital	Source of Promoter's Contribution
Radhesyam Sharma	13,000	10	Nil	July 01, 2005	Bonus Issue	Other than Cash		NA
	2,00,000	10	10	March 31, 2007	Further Allotment	Cash	[•]	Borrowings(1)
Jolly Multi Trade Private Limited	36,54,901	10	35	December 05, 2014	Conversion of Unsecured loan to equity	Other than Cash	[•]	Own Funds and Borrowings (2)
<b>TOTAL</b>	<b>38,67,901</b>						[•]	

Details of borrowings is mentioned below;

(1)

Particulars	Amount	Address
Creative Motors Pvt. Ltd	20,00,000/-	4, Shirai Teli Park Rd, Andheri (E) Mumbai - 400069

(2)

Particulars	Amount	Address
Fairmont Venture Private Limited	1,48,70,000/-	Flat no.102, bldg no. A-9 vallabh shanti nagar chs ltd, sector - 5 mira road east thane mh 401107 India
Kapindra Multi Trade Private Limited	3,52,06,300/-	001-B-65,Sector No.1,Jay Deep Chs.Ltd Mira Road (East) Thane Mh 401107 India

The Equity Shares that are being locked-in are eligible for computation of Promoter's Contribution under Regulation 33 of the SEBI ICDR Regulations. In this connection, as per Regulation 33 of the SEBI ICDR Regulations, our Company confirms that the Equity Shares locked-in do not consist of:

- a. Equity Shares acquired during the preceding three years for consideration other than cash and revaluation of assets or capitalization of intangible assets or bonus shares out of revaluations reserves or unrealised profits or bonus shares of shares which are otherwise ineligible for computation of Promoters' Contribution;
- b. Equity Shares acquired during the preceding one year, at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- c. Equity Shares issued to the Promoters upon conversion of a partnership firm;
- d. Equity Shares held by the Promoters that are subject to any pledge; and
- e. Equity Shares for which specific written consent has not been obtained from the respective shareholders for inclusion of their subscription in the Promoters' Contribution subject to lock-in.
- f. The minimum Promoters' Contribution has been brought in to the extent of, not less than the specified minimum lot and from the persons defined as "Promoters" under the SEBI ICDR Regulations.
- g. All the Equity Shares of our Company held by the Promoters are dematerialized

**iii Details of share capital locked in for one year**

Other than the above Equity Shares that would be locked in for 3 (three) years, the entire Pre-Issue Share capital of our Company would be locked-in for a period of 1 (one) year from the date of Allotment in the Issue.

**iv. Other requirements in respect of lock-in**

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoters, as specified above, can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoters' Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the SEBI Takeover Regulations, as applicable.

**(v) Lock-in in of the Equity Shares to be allotted to the Anchor Investors**

Any Equity Shares Allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.

We further confirm that our Promoters' Contribution of [●] % of the post Issue Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Except as mentioned below, there were no shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months

<b>Date of Allotment/transfer</b>	<b>Name of Allottee/Transferee</b>	<b>Number of Shares Allotted/Transferred</b>	<b>Face Value</b>	<b>Issue Price/Transfer Price</b>	<b>Reason of Allotment/Transfer</b>
February 24, 2018	Radheshyam Sharma	2,80,209	10	72	Conversion of unsecured loan to equity
February 24, 2018	Anjana Sharma	2,34,315	10	72	Conversion of unsecured loan to equity
February 24, 2018	Jolly Multi Trade Private Limited	2,55,272	10	72	Conversion of unsecured loan to equity
February 24, 2018	Innovators Façade Solutions (Mumbai) Private Limited	6,19,204	10	72	Conversion of unsecured loan to equity

## 9. Our Shareholding Pattern

The table below presents the shareholding pattern of our Company as on the date of Red Herring Prospectus.

Summary of Shareholding Pattern as on date of this Red Herring Prospectus

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)  As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)  As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V + VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	9	1,16,74,750	-	-	1,16,74,750	88.40	1,16,74,750	88.40	-	88.40	-	-	-	-	1,16,74,750**
B	Public	3	15,32,258	-	-	15,32,258	11.60	15,32,258	11.60	-	11.60	-	-	-	-	15,32,258
C	Non Promoter															

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)  As a % of (A+B+C2)	Number of Voting Rights held in each class of securities*		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)  As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)		
	ter-Non Public																
1	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>12</b>	<b>132,07,008</b>	<b>-</b>	<b>-</b>	<b>132,07,008</b>	<b>100.00</b>	<b>132,07,008</b>	<b>100.00</b>	<b>-</b>	<b>100.00</b>			<b>-</b>	<b>-</b>	<b>132,07,008</b>	

\*As on the date of this Red Herring Prospectus 1 Equity Shares holds 1 vote.

\*\* All Pre IPO Equity shares of our Company will be locked in as mentioned above prior to listing of shares on SME Platform of BSE

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

\*\*\*In terms of SEBI Listing Regulations, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialized prior to listing of Equity Shares.



10. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category “Promoter and Promoter Group”

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	<b>Promoter</b>				
1	Jolly Multi Trade Private Limited	45,41,022	34.38	45,41,022	[●]
2	Radheshyam Sharma	23,80,209	18.02	23,80,209	[●]
	<b>Sub total (A)</b>	<b>69,21,231</b>	<b>52.41</b>	<b>69,21,231</b>	<b>[●]</b>
	<b>Promoter Group</b>				
1	Raman Sharma	18,00,000	13.63	18,00,000	[●]
2	Anjana Sharma	8,34,315	6.32	8,34,315	[●]
3	Shivchand Sharma	9,00,000	6.81	9,00,000	[●]
4	Rohit Sharma	3,00,000	2.27	3,00,000	[●]
5	Draupadi Sharma	1,80,000	1.36	1,80,000	[●]
6	Vedika Sharma	1,20,000	0.91	1,20,000	[●]
7	Innovators Façade Solutions Mumbai Private Limited	6,19,204	4.69	6,19,204	[●]
	<b>Sub total (B)</b>	<b>47,53,519</b>	<b>35.99</b>	<b>47,53,519</b>	<b>[●]</b>
	<b>Total (A+B)</b>	<b>1,16,74,750</b>	<b>88.40</b>	<b>1,16,74,750</b>	<b>[●]</b>

11. None of the directors of our Corporate Promoter hold any equity shares of our Company.

12. The average cost of acquisition of or subscription to Equity Shares by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)
Radheshyam Sharma	23,80,209	12.72
Jolly Multi Trade Private Limited	45,41,022	37.08

13. Except as mentioned below, no other persons belonging to the category “Public” holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
1	Vijay Kedia	11,29,032	8.55	[●]	[●]
2	Pantomath Fund Managers LLP	2,41,936	1.83	[●]	[●]
3	Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I	1,61,290	1.22	[●]	[●]
	<b>Total (A+B)</b>	<b>15,32,258</b>	<b>11.60</b>	<b>[●]</b>	<b>[●]</b>

**14. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Red Herring Prospectus are set forth below:**

a. Particulars of the top ten shareholders as on the date of filing this Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
1.	Jolly Multi Trade Private Limited	45,41,022	34.38
2.	Radheshyam Sharma	23,80,209	18.02
3.	Raman Sharma	18,00,000	13.63
4.	Vijay Kedia	11,29,032	8.55
5.	Shivchand Sharma	9,00,000	6.81
6.	Anjana Sharma	8,34,315	6.32
7.	Innovators Façade Solutions Mumbai Private Limited	6,19,204	4.69
8.	Rohit Sharma	3,00,000	2.27
9.	Pantomath Fund Managers LLP	2,41,936	1.83
10.	Draupadi Sharma	1,80,000	1.36
	<b>Total</b>	<b>1,29,25,718</b>	<b>97.87</b>

b. Particulars of top ten shareholders ten days prior to the date of filing this Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of Total Paid-Up Capital
1.	Jolly Multi Trade Private Limited	45,41,022	34.38
2.	Radheshyam Sharma	23,80,209	18.02
3.	Raman Sharma	18,00,000	13.63
4.	Vijay Kedia	11,29,032	8.55
5.	Shivchand Sharma	9,00,000	6.81
6.	Anjana Sharma	8,34,315	6.32
7.	Innovators Façade Solutions Mumbai Private Limited	6,19,204	4.69
8.	Rohit Sharma	3,00,000	2.27
9.	Pantomath Fund Managers LLP	2,41,936	1.83
10.	Draupadi Sharma	1,80,000	1.36
	<b>Total</b>	<b>1,29,25,718</b>	<b>97.87</b>

c. Particulars of the top ten shareholders two years prior to the date of filing of this Red Herring Prospectus:

Sr. No	Particulars	Number of Equity Shares	% of then Total Paid-Up Capital
1.	Jolly Multi Trade Private Limited	42,85,750	41.67
2.	Radheshyam Sharma	21,00,000	20.42
3.	Raman Sharma	14,40,000	14.00
4.	Anjana Sharma	6,00,000	5.83
5.	Narendra Sharma	6,00,000	5.83
6.	Priti Sharma	3,60,000	3.50
7.	Shivchand Sharma	3,00,000	2.92
8.	Rohit Sharma	3,00,000	2.92
9.	Draupadi Sharma	1,80,000	1.75
10.	Vedika Sharma	1,20,000	1.17
	<b>Total</b>	<b>1,02,85,750</b>	<b>100.00</b>

15. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
16. The Book Running Lead Manager viz. Pantomath Capital Advisors Private Limited does not hold any Equity Shares of our Company. However, as on the date of the Red Herring Prospectus associates of the Book Running Lead Manager holds 4,03,226 Equity Shares of our Company aggregating to 3.05% of the total pre issue paid up capital of our Company. Please note that the allotment of Equity Shares to above said associated of PCAPL is in compliance with Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations 1992, as amended, and the PCAPL confirms that (i) it has not become a promoter or associate (as defined therein) of the Company.
17. The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the Issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the Net QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.
18. Under-subscription in the net issue, if any, in any category, except in QIB portion would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Book Running Lead Manager and the SME Platform of BSE.
19. The unsubscribed portion in any reserved category, if any except in QIB portion (if any) may be added to any other reserved category.
20. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.
21. There are no Equity Shares against which depository receipts have been issued.
22. Other than the Equity Shares, there is no other class of securities issued by our Company.
23. The Issue is being made through the Book Building Process wherein 49.97% of the Net Issue shall be available for allocation to QIBs on a proportionate basis. Provided that our Company, in consultation with the BRLM may allocate upto 59.95% of the QIB Portion, to Anchor Investors, on a discretionary basis (Anchor Investor Portion). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. Further, 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further not less than 15.01% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35.02% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.
- 24.
25. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Red Herring Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares. However our Company may

further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company

26. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Red Herring Prospectus.
27. Our Company, our Promoters, our Directors and the Book Running Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Issue from any person.
28. There are no safety net arrangements for this public issue.
29. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalizing the Basis of Allotment. Consequently, the actual Allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-Issue paid up capital after the Issue would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares held by our Promoters and subject to lock-in shall be suitably increased; so as to ensure that a minimum of 20% of the post Issue paid-up capital is locked in.
30. As on date of this Red Herring Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
31. All the Equity Shares of our Company are fully paid up as on the date of this Red Herring Prospectus. Further, since the entire issue price in respect of the Issue is payable on application, all the successful applicants will be issued fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
32. As per RBI regulations, OCBs are not allowed to participate in this Issue.
33. Our Company has not raised any bridge loans against the proceeds of the Issue.
34. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
35. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
36. An Applicant cannot make an application for more than the number of Equity Shares being issued through this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
37. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.
38. We have 12 shareholders as on the date of filing of this Red Herring Prospectus.
39. Our Promoters and the members of our Promoter Group will not participate in this Issue.
40. Our Company has not made any public issue since its incorporation.
41. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Red Herring Prospectus and the Issue Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.

42. For the details of transactions by our Company with our Promoter Group, Group Companies for the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 and for the period ended December 31, 2017 please refer to paragraph titled “Details of Related Parties Transactions as Restated” in the chapter titled *‘Financial Statements as restated’* on page 205 of the Red Herring Prospectus.
43. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled *“Our Management”* beginning on page 180 of the Red Herring Prospectus.

## OBJECTS OF THE ISSUE

### Requirement of Funds

The proceeds of the Issue, after deducting Issue related expenses, are estimated to be `Rs [●] lakhs (the “Net Proceeds”).

We intend to utilize the Net Proceeds towards the following objects:

1. Upgradation and modernization of existing manufacturing facility
2. Funding the working capital requirements of the Company
3. General corporate purposes.

The main objects clause of our Memorandum of Association and the objects incidental and ancillary to the main objects enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

Also, we believe that the listing of Equity Shares will enhance our Company’s corporate image, brand name and create a public market for our Equity Shares in India.

### ISSUE PROCEEDS

The details of the proceeds of the Issue are set out in the following table:

Particulars	Amount ( Rs. in lakhs) <sup>(1)</sup>
Gross Proceeds from the Issue	[●]
(Less) Issue related expenses	[●]
<b>Net Proceeds</b>	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price.

### UTILISATION OF NET PROCEEDS

The Net Proceeds are proposed to be used in the manner set out in in the following table:

S r. N o.	Particulars	Amount ( Rs. in lakhs)	Percentag e of gross proceeds	Percentag e of net proceeds
1.	Upgradation and modernisation of existing manufacturing facility	1,072.00	[●]	[●]
2.	Funding the working capital requirements of the Company	2,000.00	[●]	[●]
3.	General corporate purposes <sup>(1)</sup>	[●]	[●]	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

### Schedule of Implementation and Deployment of Funds

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Red Herring Prospectus, our Company has deployed funds towards the objects of the Issue by way of advance payment against order placed for purchase of Plant and Machinery.

(Rs. in lakhs)

Sr. No	Particulars	Amount to be funded from the Net Proceeds	Estimated Utilisation of Net Proceeds (Financial Year 2018-19)
1.	Upgradation and modernisation of existing manufacturing facility	1,072.00	1,072.00
2.	Funding the working capital requirements of the Company	2,000.00	2,000.00
3.	General corporate purposes <sup>(1)</sup>	[●]	[●]

<sup>(1)</sup>To be finalized on determination of the Issue Price and updated in the Prospectus prior to filing with the RoC.

To the extent our Company is unable to utilise any portion of the Net Proceeds towards the Objects, as per the estimated schedule of deployment specified above, our Company shall deploy the Net Proceeds in the subsequent Financial Years towards the Objects

### Means of Finance

The upgradation and modernization of our existing manufacturing facility will be met through the Net proceeds of Rs 1,072.00 lakhs. The working capital requirements under our Objects will be met through the Net Proceeds to the extent of Rs 2,000.00 lakhs and internal accruals/ net worth and bank finance and as provided for below.

(` Rs in lakhs)

Object of the Issue	Amount Required	IPO Proceeds	Internal Accruals/ Networth	Bank Loan
Upgradation and modernization of existing manufacturing facility	1,072.00	1,072.00	Nil	Nil
Funding the working capital requirements of the Company	10,787.61	2,000.00	6,787.61	2,000.00*
General Corporate Purposes	[●]	[●]	[●]	[●]

\*Bank loan of Rs 2,000 lakhs has been sanctioned as Cash Credit Facility from Oriental Bank of Commerce as per sanction letter dated November 15, 2016, details of which has been mentioned in the chapter titled, "Financial Indebtedness" beginning on page 224 of the Red Herring Prospectus.

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI ICDR Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

### FUND REQUIREMENTS

The fund requirements mentioned above are based on the internal management estimates of our Company and have not been verified by the Book Running Lead Manager or appraised by any bank, financial institution or any other external agency. The fund requirements are based on current circumstances of our business and our Company may have to revise its estimates from time to time on account of various factors beyond its control, such as market conditions, competitive environment, costs of commodities and interest or exchange rate fluctuations. The actual costs would depend upon the

negotiated prices with the suppliers/contractors and may vary from the above estimates. Consequently, the fund requirements of our Company are subject to revisions in the future at the discretion of the management. In the event of any shortfall of funds for the activities proposed to be financed out of the Net Proceeds as stated above, our Company may re-allocate the Net Proceeds to the activities where such shortfall has arisen, subject to compliance with applicable laws. Further, in case of a shortfall in



the Net Proceeds or cost overruns, our management may explore a range of options including utilising our internal accruals or seeking debt financing.

### **Details of the Object**

The details of the objects of the Issue are set out below.

#### **1. Upgradation and modernization of existing manufacturing facility**

We currently have a manufacturing facility situated at Wada, Thane. We intend to further upgrade and modernise our existing manufacturing facility to improve our operational efficiency, reduce manual intervention in our processes and to equip ourselves in order to tap the growth opportunities. We propose to utilize an aggregate of Rs 1,072.00 lakhs, out of Net Proceeds towards upgradation and modernisation of our existing manufacturing facility.

#### **Estimated Costs**

The total estimated cost of towards upgradation and modernisation of our existing manufacturing facility is Rs 1,072.00 lakhs. The total cost towards upgradation and modernisation of existing manufacturing facility has been estimated by our management in accordance with our business plan approved by our Board of Directors pursuant to its meeting dated March 19, 2018 and based on quotations received from third party suppliers.

The detailed breakdown of such estimated cost is set forth below.

<b>Particulars</b>	<b>Amount in (Rs. lakhs)</b>
Factory Building	650.83
Plant & Machinery	338.41
Other fixed assets	32.63
Contingencies & other costs	50.13
<b>Total</b>	<b>1,072.00</b>

#### ***Means of finance***

The total estimated cost for upgradation and modernisation of existing manufacturing facility is proposed to be funded as follows

<b>Particulars</b>	<b>Amount (Rs in lakhs)</b>
Out of Issue Proceeds	1,072.00
Internal Accruals	Nil
<b>Total</b>	<b>1,072.00</b>

**Note: Any increase in the cost upgradation and modernisation of existing manufacturing facility or shortfall in the funding would be financed through internal accruals.**

#### **Factory Building**

We propose to carry and modify civil work at our existing structure only. Our existing manufacturing facility is situated at G No. 429, Chinchghar, Tal Wada, Dist. Thane and G. No. 404/B Part, Chinchghar, Tal Wada Dist. Thane in the name of Innovators Façade Systems Limited. We have received a quotation from M/s J.K Developers (Builder, Developer and Civil Contractor) dated January 29, 2018.

(Rs. In lakhs)

Sr No	Particulars	Quantity	Unit	Rate	Amt (in lakhs)
1.	Trimix Work (glazing area) with material as per the following	30000	Sqft	120	36.00
	Metal Spreading	30000	Sqft	50	15.00
	PCC 2'' thk 1:3:6 mix	30000	Sqft	55	16.50
2.	Laying Epoxy Coating at floor area	50000	Sqft	50	25.00
3.	Corrugated painted metal sheet roofing	85000	Sqft	100	85.00
4.	Supply, erection, testing and commissioning of ceiling mounted vane. Axial flow fans with adjustable pitch blade, MS casing, Cast aluminium alloy impeller complete	150	Nos	4500	6.75
5.	Same as above for cooling or fresh air supply	50	Nos	30000	15.00
6.	Making of workers canteen area with furniture	400	Sqft	1600	6.40
7.	Making of workers washroom	150	Sqft	1500	2.25
8.	Providing new rolling shutter with gear box & acc	112	Sqft	400	0.45
9.	Making railing compound wall and other site development work	75000	Sqft	150	112.50
10.	<b>Making floor level in one line as per the following</b>				
	Laying debris for making same floor level	50000	Sqft	50	25.00
	PCC 2'' thk 1:3:6 mix	50000	Sqft	55	27.50
11.	<b>Road work</b>				
	Metal Spreading	22000	Sqft	50	11.00
	Concrete work including channel section	22000	Sqft	250	55.00
12.	<b>Concrete work</b>				
	Vehicle Loading area	7300	Sqft	100	7.30
	Store area	10000	Sqft	150	15.00
	Clean room for glazing	6314	Sqft	288	18.18
	Mezanine floor for store & stock management	10000	Sqft	1100	110.00
	Consultanat & architect fees				20.00
13.	<b>Internal &amp; External Painting work</b>	80000	Sqft	30	24.00
14.	<b>Water line work</b>				
	Sever line	3000	Sqft	200	6.00
	Drainage Line	3000	Sqft	200	6.00
	Drinking water cooler	10	Nos	50000	5.00
<b>TOTAL</b>					<b>650.83</b>

## Plant & Machinery

The company proposes to acquire machineries at an estimated cost of about Rs. 338.41 lakhs. The detailed list of plant & machinery to be acquired by the company provided by various parties is as under:-

Sr No.	Particulars of Machinery	Name of the Supplier	No of Machines	Date of quotation	Value (Rs in lakhs) excluding taxes
1	<b>4 Axis Profile Machining Centre</b>	Elumatec	1	January 19, 2018	172.00
	Specification: SBZ 140 Prof. machining centre; 9,7m; 4-axis eluCam				
2	DALI 70 CNC Machining Centre	FOM Industries	1	January 19, 2018	55.64
3	5T EOT Crane for Curing Area	Shree Abhay Cranes Pvt Ltd	1	January 30, 2018	24.40
	Specification: LT Rail -88M Bay Length				
	LT DSL -88M Bay Length				
	Gantry Girder & Misc Structure- 27T Approx				
	Erection- 5T EOT Crane for Glazing Area				
	Erection- 5T EOT Crane - LT Rail- 88M Bay Length				
	Erection- 5T EOT Crane - LT DSL- 88M Bay Length				
	Erection- Gantry Girder & Misc Structure-27 Approx				
4	2T EOT Crane for Curing Area	Shree Abhay Cranes Pvt Ltd	1	January 30, 2018	20.21
	Specification: 2T EOT Crane- LT Rail- 88M Bay Length				
	2T EOT Crane- LT DSL- 88M Bay Length				
	Gantry Girder & Misc Structure- 23T Approx				
	Erection- 2T EOT Crane for Glazing Area				
	Erection- 2T EOT Crane- LT Rail- 88M Bay Length				
	Erection- 2T EOT Crane - LT DSL- 88M Bay Length				
	Erection- Gantry Girder & Misc Structure-23 Approx				

Sr No.	Particulars of Machinery	Name of the Supplier	No of Machines	Date of quotation	Value (Rs in lakhs) excluding taxes
5	Mechanical Appliances- Slat Chain Conveyor-1600 mm WIDE*45MTR	Dhanvanthri Engineers Pvt Ltd	1	February 01, 2018	20.38
	Specification: Two Strand 3" Pitch Chain Conveyor at 1450 mm center distances distances with intermediate 50mm Square Tubes 1600 mm Long at a pinch of 800 mm attached to the chain using attachments provided at alternate pitches having an extension piece of 40mm Square tube on either side to extend out 250 mm each, thus being able to carry Glass Panels of minimum size 1600 mm wide to maximum size 2000 mm wide for a total quantity of 8 nos with each panel weighing a maximum of 600 kg on the entire conveyor of 45 mtr length- 1 no				
6	Graco AGP	Allarch India Pvt Ltd	1	January 25, 2018	17.85
	Specification: machine without boom 24X098				
	Applicator Kit 24x100				
	Ratio check kit 24R777				
	Tower Light24R824				
Hose Assembly 24X094					
7	Automatic Corner Key Cutting Saw & Multiple Head Drilling Machine	Fens Tek	1 each	January 18, 2018	11.58
8	Chicago Pneumatic	Qualitech	2	January 21, 2018	16.35
	<b>Total</b>				<b>338.41</b>

Note: In case of imported machineries, exchange rate of conversion is taken as RBI reference rate as on the date of the quotation for the particular currency. RBI rate of conversion used for Euro is 1 Euro = Rs. 78.1441 as on 19.01.2018 and for Dollar is 1 USD = Rs. 63.8431 as on 18.01.2018.

\*As on the date of filing of this Red Herring Prospectus, our Company has placed orders for supply of below mentioned machinery.

Head	Description	Purchase Order No	Purchase Order Date	Name of Supplier	Amount (Rs in lakhs) for advance payment for order already placed

Plant & Machinery	DALI 70 CNC Machining Centre	1201/121	April 11, 2018	FOM Industries	14.28
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#### Other Fixed Assets

Sr. No.	Particulars of Machinery	Name of the Supplier	Date of quotation	Value (Rs in lakhs) excluding taxes
1.	<b>CCTV Camera</b>	SR Enterprises	January 24, 2018	32.63
	HIK Vision Turbo HD NVR 32 Channel 4 Slot			
	HIKVISION Turbo HD Dome Camera 6 Mega Pixel 3.6 mm lens Turu Day/Night			
	HIKVISION Turbo HD Bullet Camera 6 Mega Pixel 16 mm lens Turu Day/Night			
	Survillance HDD 4 TB (4000 TB)			
	16 Port POE Switch			
	8 Port POE Switch			
	4 Port POE Switch			
	RJ 45 Connector			
	Specification: Cat 6 Armed cableplycab approx.			
Cat 6 Cable Polycab approx.				
Camera installation and wiring and programming with accessories				

#### Contingencies & other costs

We have created a provision for contingency of Rs. 50.13 lakhs to cover legal fees, professional fees to various consultants, related taxes, levies and other duties, as applicable, and any increase in the estimated cost of upgrading the existing manufacturing facility

No second-hand machinery or material is proposed to be purchased out of the aforesaid objects. The abovementioned Plant & Machinery is proposed to be acquired in a ready-to use condition.

We have not entered into any definitive agreements with the suppliers and there can be no assurance that the same suppliers would be engaged to eventually supply the machinery and material at the same costs. The quantity of the machinery and material to be purchased is based on the estimates of our management. Our Company shall have the flexibility to deploy the machinery and material at our manufacturing facility, according to the business requirements of such facility, which are dynamic, which may evolve with the passage of time and based on the estimates of our management.

Our Promoters, Directors, Key Management Personnel or Group Entities have no interest in the

proposed procurements, as stated above.

**Proposed Schedule of Implementation:**

Sr No	Particulars	Commencement	Completion
1.	Building & Civil Construction	Started	June 2018
2.	Plant & Machinery – Placement of Order, delivery & Installation.	Started	Nov 2018
3.	Trial Run	Dec 2018	Dec 2018
4.	Commercial Production	January 2019	

**Funds deployed**

In accordance with the certificate of M/s SGCO & Co. LLP, Chartered Accountants, dated April 28, 2018, as of April 26, 2018 our Company has deployed Rs 14.28 lakhs towards upgradation and modernisation of existing manufacturing facility.

**Others**

**Power:** The company has an existing connected load of 107 KW. In view of the proposed CAPEX, additional connection of 35KW is required. The same is proposed to be purchased from State Government.

**Water:** To cater the water requirement, the company has installed two borewells at factory site. For any additional requirement, the company uses it through water tankers.

**Government and other approvals:** No additional government approvals shall be required by Company in this connection. However our Company has already received consent to operate for its existing manufacturing facility.

**2. Working Capital**

We fund the majority of our working capital requirements in the ordinary course of our business from our internal accruals, net worth, financing from various banks and financial institutions and unsecured loans. As on March 31, 2016 and March 31, 2017, the amount outstanding on our Company’s fund based working capital facility was Rs 2,904.73 lakhs and Rs. 2,952.83 lakhs respectively as per restated standalone financial statements. As on date of the RHP, our sanctioned working capital facilities comprised of fund based limit of Rs 3,200.00 lakhs. We also have Non fund based sanctioned letter of credit facilities of Rs. 1,600.00 lakhs with sub limit of Rs. 150 lakhs and Bank Gurantee of Rs. 3500.00 lakhs with sublimit of Rs. 225.00 lakhs. For further details, please refer to the chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 206 of this RHP.

Our Company’s existing working capital requirement and funding on the basis of Restated Standalone Financial Information as of March 31, 2016 and March 31, 2017:

*Amount (Rs. in lakhs)*

Particulars	March 31, 2017	March 31, 2016
<b>Current Assets</b>		
Inventories		
-Raw materials	1,440.38	1,029.91
-Work in progress	1,984.87	71.67
Trade Receivables	3,758.26	4,128.95
Cash and Bank Balance	848.18	608.36
Short term loans & advances	273.41	224.85
Other Current Assets	2,500.00	3,477.39
<b>Total (A)</b>	<b>10,805.11</b>	<b>9,541.14</b>
<b>Current Liabilities</b>		
Trade Payables	2,078.91	1,873.25
Other Current Liabilities & Short Term Provisions	1,485.15	946.79
<b>Total (B)</b>	<b>3,564.07</b>	<b>2,820.04</b>
<b>Total Working Capital (A)-(B)</b>	<b>7,241.04</b>	<b>6,721.09</b>
<b>Existing Funding Pattern</b>		
Working Capital funding from Banks	2,952.83	2,904.73
Internal accruals/Net Worth/ Unsecured loans	4,288.21	3,816.36
<b>Total Source</b>	<b>7,241.04</b>	<b>6,721.09</b>

**Basis of estimation of working capital requirement**

On the basis of our existing working capital requirements and the projected working capital requirements, our Board pursuant to its resolution dated March 19, 2018 has approved the business plan for the Fiscals 2018 and for the Fiscal 2019. The projected working capital requirements for Fiscal 2018 and Fiscal 2019 is stated below:

*Amount (Rs. in lakhs)*

Particulars	March 31, 2018 (Estimated)	March 31, 2019 (Estimated)
<b>Current Assets (A)</b>		
Inventories		
-Raw materials	1,612.91	2,462.67
-Work in progress	440.87	575.97
Trade Receivables	5,011.77	6,515.28
Cash and Bank Balance	950.17	952.09
Short term loans & advances	380.92	537.62
Other Current Assets	2,505.87	3,257.64
<b>Total (A)</b>	<b>10,902.51</b>	<b>14,301.27</b>
<b>Current Liabilities (B)</b>		
Trade Payables	2,052.07	2,604.30
Other Current Liabilities & Short term Provision	920.21	909.36
<b>Total (B)</b>	<b>2,972.28</b>	<b>3,513.66</b>
<b>Total Working Capital (A)-(B)</b>	<b>7,930.23</b>	<b>10,787.61</b>

Particulars	March 31, 2018 (Estimated)	March 31, 2019 (Estimated)
<b>Proposed Funding Pattern</b>		
IPO Proceeds	-	2,000.00
Working capital funding from bank	2,000.00	2,000.00
Internal Accruals/Net worth/ Unsecured loans	5,930.23	6,787.61
<b>Total Source</b>	<b>7,930.23</b>	<b>10,787.61</b>

#### Assumption for working capital requirements

(In months)

Particulars	Holding Level for March 31, 2016	Holding Level for March 31, 2017	Holding Level for March 31, 2018 (Estimated)	Holding Level for March 31, 2019 (Estimated)
<b>Current Assets</b>				
<b>Inventories</b>				
Raw material	1.85	1.84	2.00	2.00
Work in progress	0.10	2.27	0.40	0.40
Trade Receivables	5.36	4.50	4.00	4.00
Other Current Assets	4.51	2.99	2.00	2.00
<b>Current Liabilities</b>				
Trade Payables	2.91	2.54	2.50	2.00

Note: Other Current Assets comprises of receivables towards unbilled revenue and holding days has been calculated based on revenue from operations.

#### Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Assets- Current Assets	
Raw materials	Our raw material inventory based on restated standalone financial statements was 1.84 months for the Fiscal 2017. Going forward we have estimated slightly higher raw material inventory level of 2.00 months for the fiscal 2018-19 as we aim to complete more projects.
Work in progress	Our work in progress based on restated standalone financial statements was 2.27 months for the Fiscal 2017. Going forward we have estimated work in progress level of 0.40 month for the fiscal 2018-19, as aim to have a faster turnaround time due to upgradation and modernisation.
Trade receivables	Our trade receivables based on restated standalone financial statements was 4.50 months for the Fiscal 2017. Going forward we have estimated trade receivables level of 4.00 months for the fiscal 2018-19, as we expect to implement stringent debtor management policy.



Other Current Assets	Our other current assets includes receivables towards unbilled revenue based on restated standalone financial statements was 2.99 months for the Fiscal 2017. Going forward we have estimated trade receivables level of 2.00 months for the fiscal 2018-19, as we aim to get our work faster certified and approved from the clients.
<b>Liabilities–Current Liabilities</b>	
Trade Payables	Our creditors for goods based on restated standalone financial statements was 2.54 months for the Fiscal 2017. Going forward we have estimated trade payable level of 2.00 month for the fiscal 2018-19,as we expect to prune our creditors days by infusing funds towards working capital from the Net Proceeds.

Our Company proposes to utilize Rs. 2,000.00 lakhs of the Net Proceeds in Fiscal 2019 towards our working capital requirements. The balance portion of our working capital requirement for the Fiscal 2019 will be arranged from existing Bank loans and internal accruals/ network.

Pursuant to the certificate dated March 21, 2018, by M/s. SGCO & Co. LLP, Chartered Accountants, have compiled the working capital estimates from the Restated Standalone Financial Information for the Financial Years 2016 and 2017 and the working capital projections as approved by the Board pursuant to its resolution dated March 19, 2018.

#### General Corporate Purposes

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- i. strategic initiatives
- ii. brand building and strengthening of marketing activities; and
- iii. on-going general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

#### ISSUE RELATED EXPENSES

The total expenses of the Issue are estimated to be approximately Rs [●] lakhs. The expenses of this Issue, include among others, underwriting and management fees, printing and distribution expenses, advertisement expenses, legal fees and listing fees. The estimated Issue expenses are as follows:

Expenses	Expenses (Rs in lakhs)	Expenses (% of total issue expenses)	Expenses (% of Gross Issue Proceeds)
Fees payable to Book Running Lead Manager (including Underwriting commission)	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate**	[●]	[●]	[●]

Expenses	Expenses (Rs in lakhs)	Expenses (% of total issue expenses)	Expenses (% of Gross Issue Proceeds)
Brokerage and selling commission payable to Registered Brokers***	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs**	[●]	[●]	[●]
Others (listing fees, legal fees, advertising, marketing, stationery charges, bankers to the Issue, auditor's fees, etc)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

\*Will be incorporated at the time of filing of the Prospectus.

\*\*Selling commission payable to to the members of the Syndicate, CDPs, RTA and SCSBs, on the portion for RIIs and NIIs, would be as follows:

Portion for RIIs	0.20% ^ (exclusive of Goods and Service Tax)
Portion for NIIs	0.20% ^ (exclusive of Goods and Service Tax)

^Percentage of the amounts received against the Equity Shares Allotted (i.e. the product of the number of Equity Shares Allotted and the Issue Price)

Further, the Members of Syndicate, RTAs and CDPs will be entitled to bidding charges of Rs 10 (plus applicable Goods and Service Tax) per valid ASBA Form. The terminal from which the Bid has been uploaded will be taken into account in order to determine the total bidding charges payable to the relevant RTA/CDP.

\*\*\*Registered Brokers, will be entitled to a commission of Rs. 10 (plus applicable Goods and Service Tax) per Bid cum Application Form, on valid Bids, which are eligible for allotment, procured from RIIs and NIIs and submitted to the SCSB for processing. The terminal from which the bid has been uploaded will be taken into account in order to determine the total processing fees payable to the relevant Registered Broker, on valid bids, which are eligible for allotment, procured from Retail Individual Bidders and Non-Institutional Bidders and submitted to the SCSB for processing.

\*\*\*\* SCSBs would be entitled to a processing fee of Rs. 10 (plus Goods and Service Tax) for processing the Bid cum Application Forms procured by the members of the Syndicate, Registered Brokers, RTAs or the CDPs and submitted to SCSBs on valid bids for processing the Bid cum Application Form procured by the members of the Syndicate or the Registered Brokers or the CDPs or RTAs and submitted to them.

### Deployment of Funds

The amount spent by our Company as on April 28, 2018 towards issue expenses are Rs. 52.70 lakhs as per the certificate dated April 26, 2018, by M/s. SGCO & Co. LLP, Chartered Accountants.

### BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Net Issue Proceeds. However, we may draw down such amounts, as may be required, from an overdraft arrangement / cash credit facility with our lenders, to finance our fund requirements until the completion of the Issue. Any amount that is drawn down from the overdraft arrangement / cash credit facility during this period to finance project requirements will be repaid from the Net Proceeds of the Issue.

### APPRAISAL BY APPRAISING AGENCY

The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

#### **INTERIM USE OF FUNDS**

Pending utilization of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilization of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

#### **MONITORING UTILIZATION OF FUNDS**

As the size of the Issue does not exceed Rs 10,000 lakhs in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Red Herring Prospectus.

#### **VARIATION IN OBJECTS**

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorized to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

#### **OTHER CONFIRMATIONS**

No part of the Net Proceeds will be paid by us to the Promoters and Promoter Group, the Directors, associates or Key Management Personnel or Group Companies, except in the normal course of business and in compliance with applicable law.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by the Company in consultation with the BRLM on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is Rs.10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also refer to the sections, “Our Business”, “Risk Factors” and “Financial Statements” on pages 149, 21 and 205, respectively of this Red Herring Prospectus, to have an informed view before making an investment decision.

### QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price are:

- Leveraging the experience of our Promoter and employees.
- Marquee client base and repeat orders.
- Diversified real estate portfolio
- Quality certifications for Quality products & Services
- Designing and execution capability

For further details, refer to heading “*Our Competitive Strengths*” under chapter titled “*Our Business*” beginning on page 149 of this Red Herring Prospectus.

### QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2015, 2016, 2017 and for the period ended December 31, 2017 prepared in accordance with Indian GAAP, Companies Act and SEBI ICDR Regulations. Some of the quantitative factors, which form the basis for computing the price, are as follows:

#### 1. *Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20*

##### As per our Company’s Restated Standalone Financial Statements

Year ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2015	4.30	1
March 31, 2016	1.63	2
March 31, 2017	1.81	3
<b>Weighted average</b>		<b>2.16</b>
December 31, 2017		5.60*

\*Not Annualised

##### As per our Company’s Restated Consolidated Financial Statements

Year ended	Basic & Diluted EPS (Rs.)	Weight
March 31, 2015	4.25	1
March 31, 2016	1.61	2
March 31, 2017	1.77	3
<b>Weighted average</b>		<b>2.13</b>
December 31, 2017		<b>5.59*</b>

\*Not Annualised

#### Notes:

The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period / year. Restated weighted average number of equity shares have been computed as per AS20. The face value of each Equity Share is Rs. 10/-. Basic EPS is Net profit attributable to equity shareholders divided by weighted average number of Equity Shares outstanding during the year / period.

**2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. [●] per Equity Share of face value Rs. 10 each fully paid up.**

Particulars	P/E Ratio on floor price (no. of times)	P/E Ratio on cap price (no. of times)
P/E ratio based on Basic EPS for FY 2016-17 (Standalone)	[●]	[●]
P/E ratio based on Weighted Average EPS (Standalone)	[●]	[●]
P/E ratio based on Basic EPS for FY 2016-17 (Consolidated)	[●]	[●]
P/E ratio based on Weighted Average EPS (Consolidated)	[●]	[●]

*Note: We believe that there are no listed peers engaged exclusively in the segment in which we operate i.e. manufacturing and installation of façade systems. Thus Industry P/E Ratio cannot be ascertained.*

**3. Return on Net worth (RoNW)**

Return on Net Worth (“RoNW”) as per restated standalone financial statements

Year ended	RoNW (%)	Weight
March 31, 2015	8.34%	1
March 31, 2016	4.23%	2
March 31, 2017	4.48%	3
<b>Weighted Average</b>		<b>5.04%</b>
December 31, 2017		12.17%*

*\*Not Annualised*

Return on Net Worth (“RoNW”) as per restated consolidated financial statements

Year ended	RoNW (%)	Weight
March 31, 2015	5.58%	1
March 31, 2016	2.87%	2
March 31, 2017	3.05%	3
<b>Weighted Average</b>		<b>3.41%</b>
December 31, 2017		8.79%

*\*Not Annualised*

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year. Net worth has been calculated as sum of Equity Share Capital and Reserves & Surplus.

**4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue Standalone EPS for the year ended March 31, 2017:**

Particulars	%
At Floor price	[●]
At Cap price	[●]

**Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue Consolidated EPS for the year ended March 31, 2017:**

Particulars	%
At Floor price	[●]
At Cap price	[●]

**5. Net Asset Value (NAV)**

Net Asset Value as per restated standalone financial statements:

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2017	40.36
Net Asset Value per Equity Share as of December 31, 2017	45.96
Net Asset Value per Equity Share after the Issue- At Floor Price	[●]
Net Asset Value per Equity Share after the Issue- At Cap Price	[●]
Issue Price per equity share	[●]

Net Asset Value as per restated consolidated financial statements:

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2017	58.05
Net Asset Value per Equity Share as of December 31, 2017	63.64
Net Asset Value per Equity Share after the Issue- At Floor Price	[●]
Net Asset Value per Equity Share after the Issue- At Cap Price	[●]
Issue Price per equity share	[●]

**Notes:**

- Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares. Net worth has been calculated as sum of Equity Share Capital and Reserves & Surplus.
- Issue Price per equity share will be determined on conclusion of Book Building Process.

**6. Comparison with other listed companies**

*We believe that there are no listed peers engaged exclusively in the segment in which we operate i.e. manufacturing and installation of façade systems.*

**Notes:**

- The Issue Price of Innovators Façade Systems Limited is Rs. [●] per Equity Share. Innovators Façade Systems Limited is a Book Built issue and price band for the same shall be published 5 working days before opening of the Issue in English and Hindi national newspapers and one regional newspaper with wide circulation.
- The Issue Price of Rs. [●]/- per equity share shall be determined by the company in consultation with the BRLM on the basis of assessment of market demand from investors for the Equity shares by way of Book Building and is justified based on the above accounting ratios.
- The trading price of Equity Shares could decline due to factors mentioned in “Risk Factors” beginning on page 21 and you may lose all or part of your investments.

For further details see section titled “*Risk Factors*” beginning on page 21 and the financials of the Company including profitability and return ratios, as set out in the section titled “*Financial Statements*” beginning on page 205 of this Red Herring Prospectus for a more informed view.

## STATEMENT OF POSSIBLE TAX BENEFITS

To,

**The Board of Directors,  
INNOVATORS FACADE SYSTEMS LIMITED**  
204, B-65, SECTOR NO. 1, SHANTI NAGAR,  
MIRA ROAD (EAST),  
THANE MH 401107 India.

Dear Sirs,

**Sub: Statement of possible Special tax benefit ('the Statement') available to INNOVATORS FACADE SYSTEMS LIMITED and its shareholders prepared in accordance with the requirements under Schedule VIII Part A Clause (VII) (L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended (the 'Regulations')**

We hereby confirm that the enclosed annexure, prepared by **INNOVATORS FACADE SYSTEMS LIMITED** ('the Company') provides the possible tax benefits available to the Company and to the shareholders of the Company under the Income Tax Act, 1961 (the "Act") as amended time to time, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company and / or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions which based on business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed Annexure cover only special tax benefits available to the Company and do not cover any general tax benefits available to the Company. Further, these benefits are not exhaustive and the preparation of the contents stated is the responsibility of the Company's management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences, the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue.

Our views are based on the existing provisions of the Act and its interpretations, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. Any such change, which could also be retroactive, could have an effect on the validity of our views stated herein. We assume no obligation to update this statement on any events subsequent to its issue, which may have a material effect on the discussions herein.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable have been/would be met.

The enclosed annexure is intended solely for your information and for inclusion in the Draft Red Herring Prospectus/ Red Herring Prospectus and Prospectus or any other issue related material in connection with the proposed issue of equity shares and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

(Vishal Heda)

Partner  
Membership No. 172863

Date: 12th March, 2018  
Place: Mumbai

Encl: Annexure



### **Annexure to the statement of possible Tax Benefits**

Outlined below are the possible special tax benefits available to the Company and its shareholders under the Income Tax Act, 1961 ('the Act')

- Special Tax Benefits available to the Company under the Act:  
There are no special Tax Benefits available to the Company.
- Special Tax Benefits available to the shareholders of the Company under the Act:  
There are no special Tax Benefits available to the shareholders of the Company.

#### Notes:

1. The above Statement sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
2. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
3. The above statement of possible tax benefits are as per the current direct tax laws relevant for the assessment year 2018-19.
4. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
5. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non resident has fiscal domicile.
6. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.

## SECTION IV – ABOUT THE COMPANY

### OUR INDUSTRY

*This report is prepared by CARE Advisory Research & Training Limited, (CART). CART has taken utmost care to ensure accuracy and objectivity while developing this report based on information available in public domain. However, neither the accuracy nor completeness of information contained in this report is guaranteed. CART operates independently of ratings division and this report does not contain any confidential information obtained by ratings division, which they may have obtained in the regular course of operations. The opinion expressed in this report cannot be compared to the rating assigned to the company within this industry by the ratings division. The opinion expressed is also not a recommendation to buy, sell or hold an instrument.*

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### ECONOMIC OUTLOOK

#### Global Economy

As per International Monetary Fund (IMF) January 2018 World Economic Outlook (WEO), Global output is estimated to have grown by 3.7 percent in 2017, the global growth forecast for 2018 and 2019 is at 3.9 percent for both the years. The growth rate for emerging market and developing economies is estimated to rise up by 4.7 percent in 2017 while it is forecast to rise to 4.9 percent in 2018, 5.0 percent in 2019. This Growth forecast primarily reflects stronger projected activity in emerging Europe and Asia for 2017, 2018 and 2019.

The US economy is estimated to be expanded at 2.3 percent in 2017 and projected to expand at 2.3 percent in 2018 and 2.2 percent in 2019. The projection of a continuation of near-term growth that is moderately above potential reflects very supportive financial conditions and strong business and consumer confidence. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. Over a longer horizon, US growth is expected to moderate. Potential growth is estimated at 1.8 percent, reflecting the assumption of continued sluggish growth in total factor productivity and diminished growth of the workforce due to population aging.

The euro area recovery is expected to gather strength this year, with growth estimated to rise to 2.4 percent in 2017, before moderating to 2.2 percent in 2018 and 2.0 percent in 2019. The growth in 2017 mostly reflects acceleration in exports in the context of the broader pickup in global trade and continued strength in domestic demand growth supported by accommodative financial conditions amid diminished political risk and policy uncertainty. Growth in the United Kingdom is estimated at 1.7 percent in 2017 and to subside to 1.5 percent in 2018 and 2019. The slowdown is driven by softer growth in private consumption as the pound's depreciation weighed on household real income. The medium-term growth outlook is highly uncertain and will depend in part on the new economic relationship with the EU and the extent of the increase in barriers to trade, migration, and cross-border financial activity.

In China, growth is estimated to notch up to 6.8 percent in 2017, while projected to slow to 6.6 percent in 2018 and 6.4 percent in 2019. The upward revision to the 2017 forecast reflects the stronger-than-expected outturn in the year underpinned by previous policy easing and supply side reforms.

In the rest of emerging market and developing Asia, growth is expected to be vigorous. Strong government spending and data revisions in India led to an upward revision of 2016 growth to 7.1 percent with upward revisions of about 0.2 percentage point, on average, for 2014 and 2015. However, the growth estimated for 2017 to 6.7 percent reflecting still lingering disruptions associated with the currency exchange initiative introduced in November 2016, as well as transition costs related to the launch of the national Goods and Services Tax in July 2017. The latter move, which promises the

unification of India's vast domestic market, is among several key structural reforms under implementation that are expected to help push growth above 8 percent in the medium term. In the ASEAN-5 economies (Indonesia, Malaysia, Philippines, Thailand, Vietnam), growth is estimated to strengthen in 2017 by 5.3 percent, partly because of stronger-than-expected external demand from China and Europe.

Global growth is forecast to increase marginally beyond 2018, reaching 3.8 percent by 2021. With growth in advanced economies projected to gradually decline toward potential growth rates of about 1.7 percent once economic slack is eliminated, this further pickup in global activity is entirely driven by emerging market and developing economies. In these countries, growth is projected to increase to 5 percent by the end of the forecast period, with their impact on global activity boosted by their rising world economic weight. This forecast assumes some strengthening of growth in commodity exports, though to rates much more modest than in 2000–15; a gradual increase in India's growth rate resulting from implementation of important Structural reforms; continued strong growth in other commodity imports; and a lower but still high trend growth rate in China.

#### Real GDP Growth (%):

Country & Groups	2016	2017	2018	2019
		Estimate	Projections	Projections
<b>World Output</b>	3.2	3.7	3.9	3.9
<b>Advanced economies</b>	1.7	2.3	2.3	2.2
<b>Emerging Market and Developing Economies</b>	4.4	4.7	4.9	5.0
<b>Emerging and Developing Asia</b>	6.4	6.5	6.5	6.6
China	6.7	6.8	6.6	6.4
India	7.1	6.7	7.4	7.8
ASEAN-5	4.9	5.3	5.3	5.3
<b>Emerging and Developing Europe</b>	3.2	5.2	4.0	3.8
<b>Latin America &amp; the Caribbean</b>	(0.7)	1.3	1.9	2.6
<b>Middle East, North Africa</b>	4.9	2.5	3.6	3.6
<b>Sub-Sahara Africa</b>	1.4	2.7	3.3	3.5
<b>Memorandum</b>				
<b>Low-Income Developing Countries</b>	3.6	4.7	5.2	5.3

(Source: International Monetary Fund, January 2018)

## INDIAN ECONOMY

India has become the fastest growing major economy in the world according to the Central Statistics Organization (CSO) and the International Monetary Fund (IMF). According to the International Monetary Fund (IMF), post demonetization, India's growth is projected to rebound to 7.4 percent in FY 2019 and further to 7.8 percent in FY 2020. According to IMF January 2018 economy outlook India's economy expected to grow by 6.7 in fiscal year 2017-18. The improvement in India's economic fundamentals has accelerated in 2015 with the combined impact of strong government reforms, the inflation focus of the Reserve Bank of India (RBI) supported by global commodity prices.

Moody's Investors Service ("Moody's") has upgraded the Government of India's local and foreign currency issuer ratings to Baa2 from Baa3 and changed the outlook on the rating to stable from positive in November 2017. India's rating has been upgraded after a period of 13 years. India's sovereign credit rating was last upgraded in January 2004 to Baa3.

India's gross domestic product (GDP) will grow by 6.7% in the current fiscal, sharply down from 7.1% growth clocked by it in 2016-17, the Central Statistical Office (CSO). The CSO's estimate on GDP growth for 2017-18 is even lower than the Reserve Bank's lowered projection of 6.7%. The central bank had initially forecast GDP growth at 7.3% for this fiscal. The gross value added (GVA) is projected

to grow by 6.1% in 2017-18, down from 6.6% in 2016-17. The manufacturing sector is expected to grow by 4.6% vs 7.9% the previous year, agriculture by 2.1% vs 4.9%, electricity and utility services by 7.5% vs 7.2% in the last fiscal. The construction sector, which has been in the doldrums so far, is seen picking up to 3.6% from 1.7% in 2016-17. Finance, insurance, real estate and profession services sector is expected to post 7.3% growth, up from 5.7% in 2016-17.

Direct tax collections during the first nine-and-a-half months of the current fiscal have risen by 18.7 percent to Rs.6.89 lakh crore. The collection amounts to 70 percent of the Rs.9.8 lakh crore revenue target from direct taxes.

The growth in corporate tax collections has risen from 4.8 per cent in first quarter of current fiscal to 10.1 per cent in Q3 and 11.4 per cent as on January 15, 2018. Similarly, the growth rate of net corporate tax collections increased from 10.8 per cent in Q2 to 17.4 per cent in Q3 and to 18.2 per cent as on January 15, 2018.

India has maintained its position as the third largest start up base in the world with more than 5,200 technology start-ups, with approximately 1,000 new start-ups to be founded in 2017, according to a NASSCOM report.

The Indian workforce is expected to hit 160-170 million by 2020, according to the population growth rate, the greater participation in the labor force and enrollment in higher education, among other factors, according to a study by ASSOCHAM and Thought Arbitrage Research Institute

India's Foreign Exchange Reserves was measured at 377.5 USD bn in Nov 2017, compared with 374.8 USD bn in the previous month

## **RECENT DEVELOPMENTS ACROSS VARIOUS SECTORS:**

### **India Industrial Production:**

India's industrial output reversed the moderation of the previous month and surged to a 2 year high in November'17, surpassing expectations. The industrial output as measured by the Index of Industrial output (IIP) grew by 8.4% (y-o-y) in November'17, the highest monthly growth recorded since October'15. The growth in IIP last month was significantly higher than the 5.1% growth of November'16 and 2.2% growth of October'17.

The manufacturing sector recorded a y-o-y of 10.2% in November'17 (4.1% in November'16), the highest growth in over 4.5 years. Consumer non-durables too grew by a record high 23.1% during the month (3.3% in November'16). Growth (y-o-y) during the month was the highest in case of the pharmaceuticals (40%), computers & optical products (29%), transport equipment (23%), food products (18%), motor vehicles (18%), basic metal (13%), non-metallic mineral products (10%), fabricated metal products (9%) and wood products (9%). The growth in pharmaceuticals and food products can be largely attributed to restocking.



(Source: Trading Economics)

### India's Gross Capital Formation:

Gross Fixed Capital Formation in India decreased to 9152.11 INR Billion in the third quarter of 2017 from 9275.06 INR Billion in the second quarter of 2017. Gross Fixed Capital Formation in India averaged 5238.42 INR Billion from 2001 until 2017, reaching an all-time high of 9384.88 INR Billion in the first quarter of 2016 and a record low of 2021.90 INR Billion in the first quarter of 2002.



(Source: Trading Economics)

### Government Initiative:

The Government of India announced the demonetization of high denomination notes of Rs.1,000 and Rs.500, with effect on November 8, 2016, in order to eliminate black money and the growing threat of false banknotes in Indian currency, thus creating opportunities of improvement in economic growth.

In the Union Budget 2017-18, the Finance Minister, stated that the biggest boost of the budget proposals is the stimulation of growth, provide relief to the middle class, provide affordable housing, reduce black money, digitize the economy, increase transparency in political financing and simplify the tax administration in the country.

India's Unemployment Rate increased to 3.60 % in Dec 2017, from the previously reported number of 3.50 % in Dec 2016. India's Unemployment Rate is updated yearly, available from Dec 1991 to Dec 2017, with an average rate of 3.90 %. The data reached an all-time high of 4.40 % in Dec 2005 and a record low of 3.50 % in Dec 2016.

Numerous foreign companies are establishing their facilities in India because of several government initiatives such as Make in India and Digital India with the aim of boosting the manufacturing sector of the Indian economy to increase the purchasing power of an average

Indian consumer, which would boost demand and stimulate development in addition to benefiting investors. The Government of India, under the Make in India initiative, seeks to boost the contribution of the manufacturing sector and aims to raise it to 25 percent of the current 17 percent GDP. In addition, the Government has also presented the Digital India initiative, which focuses on three basic components: the creation of digital infrastructure, the provision of services in digital form and the increase of digital literacy.

The Government of India along with its investment promotion agency, Invest India, are in discussion with around 300 Indian and foreign companies to channelize investments worth US\$ 62 billion, which will help create over 1.7 million job opportunities in India.

#### **Road Ahead:**

India is expected to be the third largest consumer economy since its consumption could triple to 4 trillion dollars by 2025, due to the change in consumer behaviour and the pattern of spending, according to a report by the Boston Consulting Group (BCG); and it is estimated that it will surpass USA to become the second largest economy in terms of purchasing power parity (PPA) for the year 2040. In addition, the Prime Minister has declared that India has become the world's fastest growing economy, and is expected to multiply by five in 2040, due to a series of policy measures.

*(Source: Trading Economics, IBEF, Industry Source)*

### **OVERVIEW OF FAÇADE & FENESTRATION INDUSTRY IN INDIA & ITS TRENDS**

Global Façade market was estimated USD 180 billion in the year 2016. Rising real estate developments along with the introduction of advanced materials with higher strength and visually appealing texture are some of the major reason behind the huge development of the market. Facades are those parts of the buildings which comprises both appealing looks and performances. Facades help in temperature management of the buildings owing to which these are popular among the builders and contractors.

The global facades market is expected to reach USD 337.8 billion by 2025, according to a new report by Grand View Research, Inc. It is expected that the façade market will grow rapidly during the foreseen period due to the development of advanced materials with capacities they offer security as well as a visually attractive texture.

In recent years, the global façade market exhibits an accelerated rate of profit. Driven by then growing demand for alternative sources of electricity in commercial and residential buildings, the growth observed in the market has increased at an accelerated rate. This is attributable to the latest technological advances, which led to the appearance of energy saving facade materials. Hence, promising opportunities for the market are in the cards, as construction activities around the world grow at a robust pace

The facades combine the attribute of appearance and superior performance in a different way to any other construction system, which is expected to significantly boost the demand for products in the coming years.

The key factor that is expected to boost the façade industry is the need to reduce heating and air conditioning costs and achieve energy efficiency. It is expected that this trend towards cost reduction will generate sustainable products during the forecast period.

The popularity of green buildings requires high transparency glass that allows the passage of light and maintains resistance to heat. It is expected that the forecast period will witness the application of high performance facades, energy saving and solar control that contribute to greater economic benefits and

eco-sustainability. This has led to the demand for triple-glazed facades, which have a value of u less compared to double-glazed structures

In 2016, Asia Pacific accounted for the largest market share of around 30% in terms of revenues. This large market share is attributed to the increase in the construction of new commercial and industrial buildings in their developing countries, such as China and India. Europe and North America contributed approximately 40% of the total share in 2016. In addition, due to the development of ecological and modern façades, the North American market is likely to experience the highest growth during the forecast period.

At present, the industry is dominated by classic designs with a rigid and elegant appearance and touch, however, it is expected that modern facades with advanced and light materials will show significant growth in the coming years. Advantages such as resistance to adverse weather conditions and detections of unwanted intruders are some of the main causes of the important growth of modern facades during the forecast period.

Indian façade and fenestration industry is directly linked to the construction and real-estate industry's performance. The Indian window and door (all material) market was around Rs.10,000 crore in the year 2012 and Rs.13,000 crore in year 2013-14. As per report by Ken Research, Indian doors and window market is expected to reach over Rs.15,000 crore by FY-2020.

The total size of the market of facades in India is estimated at around 80 million square meters per year with the majority share of Glass followed by Stone (granite and marble abundantly available locally and relatively cheaper as well), followed by aluminum composite panels (ACP) and then around 5 percent with new generation materials such as HPL, fibro-cement boards and natural woods such as IPE.

The façade cladding industry in India is undergoing many changes in terms of functionality and performance parameters. Adhering to the strictest parameters of energy and quality and the growth of technological innovations has allowed architects and designers to express their inclinations and ideologies in distinctive and individual ways, much more easily than ever. These norms and technological innovations have given rise to:

1. More robust, energy efficient, innovative and adaptable façade systems such as Back Ventilated Façade System, Double Skin Façade System, Louvers Façade Systems, Energy Efficient Façade Cladding Systems etc.
2. Innovative new cladding materials such as Exterior Grade HPL Compact Laminates (as per EN438-6 NT or EBC), Glass Fibre Reinforced Concrete, Metal Claddings (Zinc, Copper, Aluminum and Steel), Polycarbonate Panels, Fibreglass Reinforced Plastics, Clay Tiles etc.

Now a day architects must not only take into consideration technical aspects while designing a façade but also must look at the design aspects which would give a superior aesthetic appeal and exclusivity in the design and at the same time they must be efficient in the consumption of energy.

We have observed a change in the spending pattern of Indian consumers also when it comes to spending on their homes. Today, Indian consumers are pricing sensitive but equally aware of the values. And they are willing to pay higher prices for robust and aesthetic products, unique in design and durable.

The Indian fenestration industry is slowly maturing, along with a changing and more experimental generation of end users looking for revolutionary, non-traditional materials, new colors and designs, and elements of energy efficiency in their homes and offices. For them, doors and windows should improve the aesthetics of their buildings while letting in light and air and avoiding unwanted sounds.

Timber or the traditional wood is rapidly getting replaced by engineered products and thermoplastics such as PVC resin, while uPVC is taking off fast in the Indian market. Realizing that these materials could help reduce air conditioning costs by 30%, architects and interior designers are recommending these materials, which is leading to a slow but perceptible market expansion.

## DIFFERENT TYPES OF BUILDING FACADE SYSTEMS

### 1. Steel Façade System:

Lightweight steel fill walls have largely replaced the inner block work sheet in both steel frame and concrete buildings. A variety of facade systems can be attached to the filler walls.

### 2. Light Steel Infill Walls:

Light steel walls in a steel framed building may be of two types:

- Light steel infill walls that span between the floors or between the floor and edge beam
- Panelised systems that are placed outside the slab edge and are attached at discrete locations.

Lightweight steel fill walls are more widely used due to the simplicity of the installation process and the ability to deliver C sections cut to size for the particular dimensions of the project. The development of light steel fill walls has been one of the main innovations in the last 10 years. The lightweight steel fill walls consist of C sections that span between 2.4 and 5m between floors, and are designed to withstand the wind pressures applied to the facade of the building and also to withstand the weight of the specific type of system of coating that is attributed to them.

### 3. Aluminum Composite Panel

The composite aluminum panel cladding (ACP) is a widely used term that describes flat panels consisting of thermoplastic cores bonded between two sheets of aluminum. ACPs are often used for exterior cladding of buildings (building facades). The main advantage of ACP is that it is very rigid and strong, despite its light weight. Due to the ability to paint aluminum in any color, ACPs are produced in a wide range of metallic and non-metallic colors, as well as in patterns that mimic other materials, such as wood or marble. The applications of the ACP are not limited to the external cladding of the building; can be used in any coating application, partitions, false ceilings, etc. The aluminum composite panel is available in various thicknesses and several brands. The ACP sheet has an excellent finish and is covered with PVDF, which measures up to 35 microns. It can bend, cut, drill, drill and shape easily into complex shapes. Easy installation and manufacturing save costs and construction deadlines.

### 4. Double-skin Facade System

The double skin facades originated in northern Europe and are formed by two glass walls separated by a cavity in elevations facing south and are used to reduce the energy consumption of a building. Shading devices are generally mounted in the cavity and, depending on their width, the access and cleaning footbridges. This type of facade has many variations in the layout. The two skins form a thermal buffer zone and passive solar gains in the cavity reduce heat losses in winter. If the cavity ventilation is integrated with the building services, air heated by the sun can be introduced into the building, providing good natural ventilation and reducing the heating load. In summer, the heated air in the cavity is ventilated to the outside, conducting heat away from the building and reducing the cooling load.

### 5. Brick Slip System

Modern bricks can be manufactured in the form of brick planks that are attached to a supporting steel sheet or composite panel. The advantage of this system is that it is lightweight and can be installed quickly since mortar is not necessarily necessary. Brick sheets can also be stacked vertically, and ribbons or windows with unusual shapes can be created to achieve an architectural effect. In this system, the brick sheets are not considered to be weather-resistant, so the resistance to wind and weathering is provided by the backing material. Composite panels (or sandwich) provide excellent structural and thermal characteristics to use as backup system

### 6. Precast Concrete Panels

Masonry facades are also formed by the support of natural stone panels or "by hand" prefabricated floor height concrete panels. Stainless steel support brackets and restriction pins are used. The thicknesses of the manually placed stone vary from 20 mm to 70 mm, depending on the wind load, the tensile strength



of the stone and the spacing of the fixings. The continuous areas of masonry siding have a naturally low air permeability, so, in general, the air permeability is controlled with good details in the interfaces with windows and doors and other penetrations through the wall for construction services. . Solar gain, light levels and views are balanced by choosing the right type of window, size and layout with proper shading.

## **7. Steel and Glass Facades**

Steel and glass are synergistic materials and are often used on the facades and roofs of multi-storey buildings. Glass panels are generally supported by vertical steel elements separated from the main structural frame of the building that can be internal or external to the building. Stainless steel and hollow steel sections are often used in combination with glass.

## **8. Insulated Wall Panels**

Insulating wall panels are sandwich panels with composite metal cladding or concrete panels with insulation between internal and external concrete elements. Steel-faced insulated panels are often used in low-rise, single-storey industrial and commercial buildings.

The panels are generally designed to encompass only one direction (either vertically or horizontally) and are made to fit the spacings of commonly used frames without intermediate supports. Various insulation materials are available such as expanded polyurethane (PUR), polyisocyanurate (PIR) and mineral fiber with a range of insulating, fire resistant and other physical properties. Insulating materials should be selected with care, taking into account all functional and performance requirements. Various surface profiles and colors are available. Insulated wall panel systems have interlocking joints that include overlaps and compression joints to prevent water ingress. For panels placed horizontally, the vertical joints in the supports are butt joints with compression joints and cover bands sealed or sealed

## **9. Curtain Walling**

Curtain wall is the generic name given to light metallic coatings or glazed cladding systems that are supported directly by a structural framework. In some cases, you can join a stone plate or a large tiled fascia to give the appearance of a more monolithic coating system. Curtain wall systems are a set of factory-manufactured components that are manufactured in panels at the factory and the interlocking units are brought to the site and stagnate (unified curtain walls) or brought to the site as components and mounted on the building (stick walls curtain). Curtain walls emerged as one of the advanced types of modern facade system which have been used in commercial buildings. Curtain walls are largely made of glass and metal frames, this combination offer strength and eco-friendly environment inside the buildings. Curtain walls also reduce the energy consumption of the building; thus, these are likely to exhibit huge potential and growth rates over the forecast period.

Classic designs are currently high in demand, however, the trend is likely to be replaced by eco-friendly and contemporary designs in the coming years. The ease of procuring raw materials required for such buildings and the increasing demand from commercial and industrial sector on account of economic rebound will create lucrative opportunities for the façade market in the near future.

Owing to elegant looks and appealing visual features facades are largely deployed in commercial and industrial buildings, particularly in high rise buildings and skyscrapers. Further rising number of hotels, shopping malls, supermarkets, hospitals and pleasure centers are likely to fuel the demand for facades over the coming years.

Façade construction is expensive, often accounting for up to 35% of total construction costs. But it is reasoned that this cost is worthwhile since it contributes considerably to reduce energy costs and increase the life expectancy of the building. In the current construction industry, "Sustainability" is a prominent issue, and promising sustainable structures are only through making the right decision when it comes to choosing the right products (such as clay, argemax and wood) that reduce the environmental impact in the future.

### Evolution of Fenestration Industry in India:

The Indian fenestration industry has undergone many changes in terms of engineering and material use over the years. The wooden windows have been in use since the birth of the construction of the building. Other construction elements, such as steel and aluminum, emerged much later, that is, at the end of the 20th century, and only recently was uPVC introduced in India. Let's take a look at the evolution of the fenestration industry in India.

The active growth of the Indian construction industry occurred in the late 1990s and early 2000s, when IT complexes spread across the country, starting from Bangalore to Hyderabad and Mumbai, Delhi and then to Gurugram. Almost all the major real estate developers such as DLF, Unitech, Hiranandani, Rahejas, Prestige and Brigade began to pay attention to the construction of last generation buildings, made with the latest technologies and designs available in the market at that time. Due to the sudden growth, curtain wall manufacturers could be seen juggling projects related to structurally glaze commercial buildings. All major 15-20 manufacturers took large glazing jobs and changed the glass from the sheet to the float and then to the processed glass. The extruders of aluminum did not remain behind, with operations of  $24 \times 7$  and winning million producing tones of boxes for the industry of the glass. When analyzing the progress of the industry at the end of the 20th century and the beginning of the 21st century, it could be observed that the growth was very optimistic, since the developers focused on commercial buildings as opposed to residential or large-scale housing.

Types of Commercial Framing Materials					
Framing Type	Curtain Wall	Storefront	Site Fabricated Windows	Shop Fabricated Windows	Overall
Aluminum	100%	98%	100%	55%	89%
Wood	-	1%	-	20%	5%
Wood	-	1%	-	25%	6%

### Fenestration Market in 21st Century:

The first years of the 21st century were a period of general economic decline observed in world markets. For the first time, the real estate industry began to see that the windows were sold as a complete system instead of just square footage. As of 2002, due to the lack of efforts for a good window and windows, due attention was paid to the installation of windows. In addition, there was a need to update many housing regulations

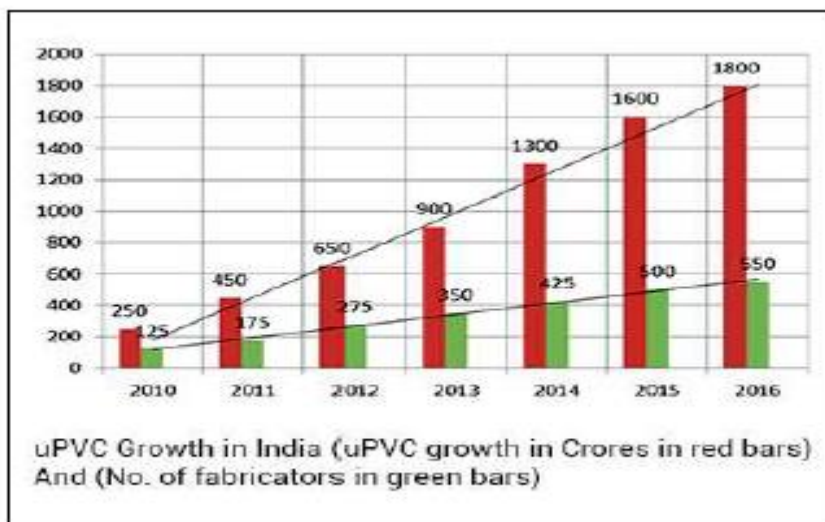
Fenesta, the largest window and door company in India, was launched in 2003 in technological collaboration with Spectus, based in the United Kingdom. Distributed in 120 cities and part of the DSCL group of 5.2 billion rupees, Fenesta is the pioneer of uPVC windows in India. It has adapted the best of European technologies to develop products, especially suitable for the Indian market. Therefore, the uPVC windows were introduced in the Indian fenestration market. It's fair to say that Fenesta makes Windows a Product Category and paved the way for the uPVC industry.

In 2004, South India, led by Bangalore, rushed to accept uPVC as the new-age window material followed by other regions. UPVC windows were posted on large orders with builders such as Brigade and Prestige in the first months of starting the business. The growth was extended to other regions and millions of uPVC windows and doors were installed throughout the country. The product emerged as one of the preferred materials for windows and doors between end users and large developers

The fenestration industry has been consolidated in the second decade of the 21st century onwards, marking its territory and establishing itself independent instead of only being related to the architecture

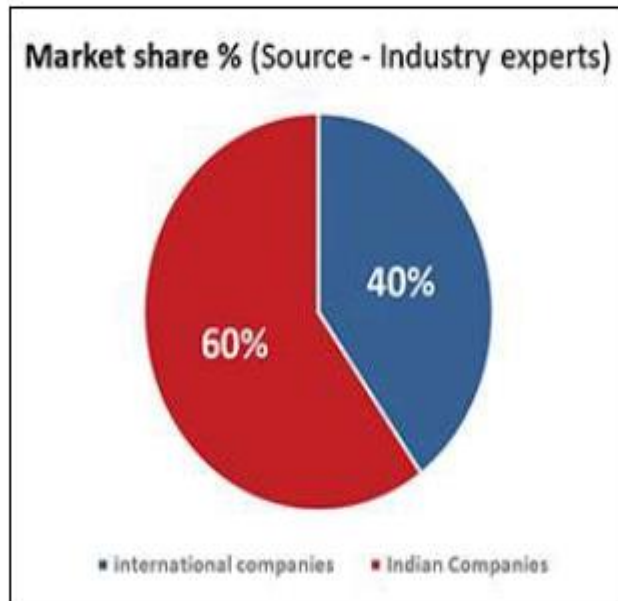
or the façade. At the end of the first decade, they saw more than 150 uPVC door and window manufacturers in India (highest in the south, then in the north, west and east of India), each of them making their uPVC windows popular for the developers in their respective regions. The developers understood the advantages of using uPVC window systems and chose it for several reasons. The prices of the windows had increased from Rs.150-180 per square foot for section aluminum to Rs.300 to 1,000 per square foot. UPVC window manufacturers sold Windows in stores for individual homes. The owner of a house could ask for a window and hope to receive the real quality window with the standard specifications that is perfectly sealed and packed.

In the first part of this century, windows framed with aluminum accounted for approximately 60% and the remaining 35% together equaled timber, steel and uPVC account by approximately 7%. However, the introduction of vinyl-framed windows is a game changer in this industry and the segment is growing at a tremendous rate of 5-7% per year. In addition, the number of manufacturers has increased from just two to three a decade ago to more than 500 in the country with a total turnover of approximately Rs.500 crores in 2011 to more than Rs.1500 crores in 2015.



### uPVC Product Market:

Currently, the uPVC product market in the window and façade industry is around 7 percent. But the popularity of UPVC products will reach new heights in the coming years. The reason is its price competitiveness at the expense of quality (Rs 350 / Sq. Ft. (Standard); Rs. 900 / Sq. Ft. (Special)). There are more than 150 manufacturers in the uPVC sector. The retail trade is Rs. 200 + / Sq. Ft. With more than 80 percent of it disorganized, the industry also faces difficulties due to the lack of standardization. Smart windows with many added values, such as double glazed windows with uPVC frames, will take the market due to energy efficiency. Using it could reduce a building's greenhouse gas emissions by half compared to the use of aluminum-framed windows. Industry experts are confident that the sector will be more organized by 2020.



The UWDMA internal research (uPVC Windows and Doors Manufacturers Association), the size of the uPVC market in India has reached almost Rs.1,500 crores. Considering that the overall market share of uPVC in fenestration is around 10 percent, the fenestration industry would have a size of Rs.15,000 crore. The Indian market for windows and doors (all material) was around Rs.13,000 crore in the year 2013-14 and the market share of windows and doors of PVCV profiles was around 6 to 7 percent. In terms of revenues, the uPVC segment is expected to contribute around 8 to 10 percent of the total. The uPVC Indian doors and windows market is expected to grow at a compound annual rate of 7.0% during 2015-2020. The main drivers of uPVC's door and window market in India are increasing the construction and replacement of new homes, which has contributed to the growth of this market. In addition, Ken Research also suggests that, over the next 10-15 years, uPVC's share is expected to grow more than 30 percent in new and replacement sales, driven mainly by large high-rise apartment projects in urban cities. . The key factors that define this market are the maturity of the market, fragmentation, competitions, cost management, construction legislation, "green" construction, harsh market conditions and diversification. It is expected that the growing awareness of the benefits of uPVC as low maintenance, energy efficiency, thermal insulation, acoustic insulation, etc. and demographic factors such as greater urbanization, regulatory changes and the replacement market in the country drive the growth of uPVC's windows and doors market.

**Allied Industry:**

Many of the leading window manufacturers were interested in making sure that the windows installed by them were perfectly waterproof, weather resistant and acoustically insulated thermally. To get the perfect finish, they worked together with the sealant manufacturers. Therefore, silicones were introduced into the uPVC fenestration industry. After silicones in 2003, acrylic sealants arrived in 2005, followed by PU foams in 2011. Today, all major PVCV window manufacturers use sealants and foams, as they are part of this market revolution. Penetration windows.

Sealant manufacturers trained their staff (applicators and employees) to ensure that the windows are installed perfectly, making them impervious, weatherproof, acoustically and thermally insulated for a perfect finish. Many workshops were organized to train the applicators in different places. These workshops had live demonstrations and videos to make the training more educational and interesting. Efforts were made to create an informal atmosphere and encourage interaction between techno-comers and participants during the live demonstration. These workshops were attended by hundreds of participants from leading UPVC window manufacturers in India. Thanks to hundreds of uPVC window manufacturers, their meetings and discussions with builders, developers and real estate owners about the effective use of silicone, sealant and PU foam have made products widespread and become more

popular in the industry as well. The sealants were also used in wood, aluminum or steel window joints to finish them perfectly and make them leak proof. It is now understood that silicones, acrylic sealers and PU foams should be used during the installation of the window to obtain better results.

Adhesives and sealants is a 20-million-tonne global industry with a sales value of over USD30 billion. Of this, the sealant industry contributes only USD5 billion. A study by Aplitco reveals that Silicone based sealants market is growing very fast as use of sheet glass in construction and partitions goes up. Sealants also have automobile and industrial uses.

In India and across the world, the industry is fragmented. There are many companies that manufacture various types of products. Indian construction chemicals industry currently stands at Rs.3,600 Crores and has shown a strong growth of 17% over the last 5 years. It increased from Rs.1,400 Crores in 2007 to Rs.3,600 Crores in 2013 (Fig. 9). Share of adhesives and sealants is high in Indian market as compared to developed world, which is about 18 per cent of the total construction chemical market. Increase in urbanization has further boosted the growth of construction chemicals industry.

#### **Present Scenario:**

According to the report published by Global Market Insights, Inc., the size of the global window and door market was valued at more than USD 82 billion in 2015 and is projected to grow to a CAGR of 5.6% from 2016 to 2024 This entry refers to window and door system sales or profile. Worldwide demand was over 28,000 kilotons in 2015. It will witness a steady 3.9% growth. Infrastructure activities on a global scale together with the growing demand for improvements and repairs in the residential and commercial sectors will boost the size of the global market for doors and windows. In similar lines, the Indian fenestration industry will also grow at a faster pace. Product preferences vary widely according to parameters, such as price, quality, respect for the environment, aesthetic appeal, etc. Regional housing and commercial construction markets, as well as the adoption of raw materials based on the required characteristics, will continue to boost demand.

#### **Adhesives and Sealants Market:**

Sealants are used to seal expansion joints, cracks, joints in concrete roads and to fill gaps between concrete. Major types of sealants include the following:

- Polysulphide sealants: These are most commonly used in the construction industry as expansion joints for concrete roads, structural joints and others.
- Polyurethane sealants: These are used for high-end applications where high flexibility and bonding strength are required.
- Silicone sealants: These are generally used where good bonding is required between two dissimilar surfaces such as fixing of glass on metal frame

#### **Sealant Industry:**

Global silicone sealants market size was estimated at over 550 kilo tons in 2015 and is likely to exceed 820 kilo tons by 2023 and is expected to grow at over 4.5% from 2016 to 2023. Globally Silicone sealants market size was dominant with valuation estimated at over USD 2 billion in 2015 (Rs.13000 crore). Construction sector represents the dominant segment for silicone sealants demand. Growth in end-use industries such as construction, automobiles and machinery is likely to drive demand. Polyurethane (PU) sealants occupied a share of close to 28% in 2015.

In India, sealant market size is Rs.250 crore with year on year growth of 20%. They are primarily used in construction applications such as weatherproofing of nonporous & porous substrates, sealing expansion joints, sanitary joints in bathroom & kitchen fixtures, electrical conduits, fire-rated joints on pipes, ducts and electrical wiring in ceilings & within buildings. These are also used to perform the function of an adhesive in the form of structural sealants. For instance, silicones are used in structural gazing in which the cured sealant forms the part of overall load bearing design. Structural gazing is the most important application carried out by silicone sealants owing to outstanding durability.

Global Market size	USD 2 billion(Rs.13000 crore)
Indian Market Size	Rs. 250 crore
Global YoY growth	5%
India – YoY growth	20%
India – Future growth perspective 2020	20 % YOY

The Indian fenestration industry is directly related to the performance of the construction industry. The overall growth is around 20 percent per year. The retailer is still on a steady growth trajectory, although the project business has shown a decline in recent years. But in the near future, with huge announcements of government projects such as 100 smart cities, and with the proposals of the Planning Commission to build more than 20 million new houses in the next 10 years, the real estate sector in India continues to look for pastures more green. Therefore, the related segments, including the window and door market, will work again, although in recent years there has been a decrease in sales.

The prospects for the façade and window industry in the short term are still relatively good, although a volatile economy casts some uncertainty on the short-term outlook. However, India is performing relatively well and a steady improvement is expected in the façade and fenestration market in the medium term. The market for residential windows is very competitive and probably will continue to be so, although in the coming years we expect capacity and demand to balance as the demand from the housing construction sector continues to expand, which will reduce the pressure on prices and profitability of suppliers. . Ultimately, the industry must be mature and, in the long term, depend to a large extent on the demand for replacement in the residential sector, backed by the new construction activity in key non-residential markets.

Based on the comments of all the industry leaders and the reports, we can infer that with huge announcements of government projects like 100 smart cities, and with the proposals of the Planning Commission to build more than 20 million new homes for build in In the next 10 years, the real estate sector in India will continue to look for greener pastures, so the related segments, including the window and door market will re-enter, although in the last 10 years there was a fall in sales. It is also evident that, with the large number of multi-storey apartments, even in tier 2 and 3 cities, the demand for traditional steel and wood doors and windows is decreasing, while aluminum and uPVC products are increasing. The popularity of UPVC products will reach new heights in the coming years

## OVERVIEW ON USER INDUSTRY

Among the various end users, the main users are commercial & residential buildings sector. Indian façade and fenestration industry is directly linked to the construction and real-estate industry's performance. The demand from the commercial and residential buildings sector will continue to remain high through the course of the forecast period. Hence the rise in number of commercial buildings across India, Brazil, China, and the Middle Eastern countries will create attractive opportunities for the façade market.

The Indian window and door (all material) market was around Rs.10,000 crore in the year 2012 and Rs.13, 000 crore in year 2013-14. As per report by Ken Research, Indian doors and window market is expected to reach over Rs.15,000 crore by FY-2020.

Like the hard surfaces of streets and sidewalks in an urban environment, the vertical and horizontal surface area on the outside of urban buildings contributes to the constant heating of large cities around the world. However, little is done to design this surface to benefit the public sphere. Instead, the facade of a building performs either as a component that focuses only on the quality of comfort for interior occupants, while ignoring effects on the exterior of the building, or as an identifiable aesthetic for the building's owners. If the huge total surface area of a city's buildings is thought of as part of the city's

infrastructure, then its public contribution may not only make outdoor areas comfortable, clean, and enjoyable, but also help to alleviate the bigger problem of rising temperatures in cities.

### **Real Estate Sector:**

The real estate sector is one of the most globally recognised sectors. A USD 15 trillion industry worldwide in 2015, construction and real estate market is growing fast, especially in emerging countries, which will account for 55 per cent of the market—or USD 10.7 trillion by 2020, according to Ovum, a London-based market researcher.

Real estate and construction activity remains a fundamental economic indicator anywhere on earth. Construction companies are increasingly tapping venture capital funding all over the world. Most progress will be carried out in the developing countries like India, where increased urbanization and improved standards of sustainable living are calling for immediate solutions. 90 per cent of construction workers and most infrastructure projects are being implemented in the southern hemisphere.

The United Nations predicts that 70 per cent of the global population will be living in urban areas by 2050, up to 54 per cent in 2016. Vertical buildings will replace current homes in Asia and Africa. Countries with a “highly dense” population (over 200 inhabitants per square kilometer) will need to make room for a booming population. India is expected to emerge as the world’s third largest construction market by 2020 by adding 11.5 million homes every year.

### **Real-estate Scene in India**

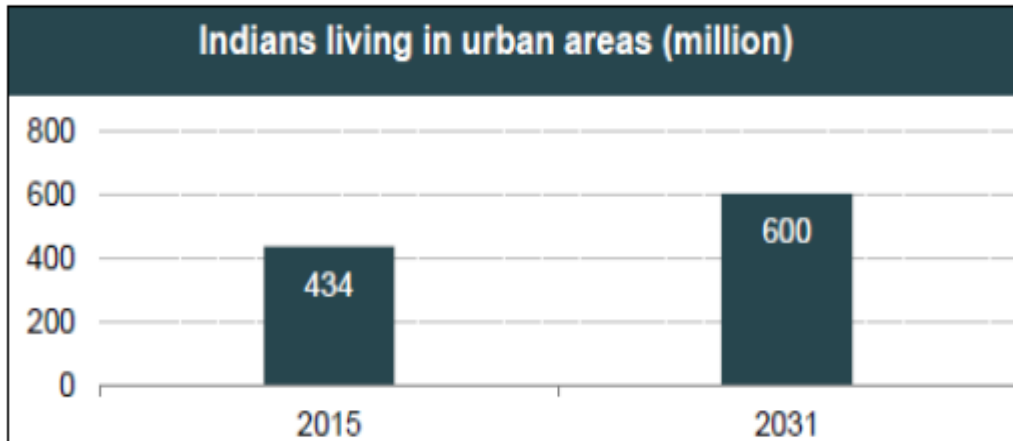
The Indian real estate market size is expected to reach USD180 billion by 2020. The housing sector alone contributes 5-6% to the country’s Gross Domestic Product (GDP). The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations.

In India, real estate is the second largest employer after agriculture and is slated to grow at 30% over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

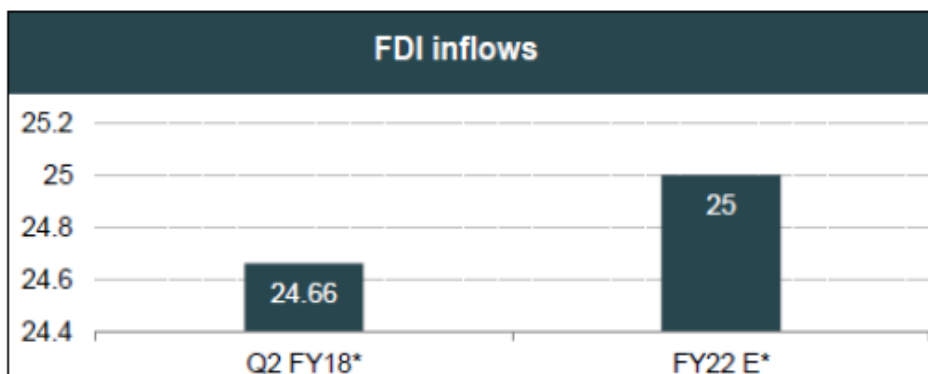
It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

India's rank in the Global House Price Index has jumped 13 spots to reach the ninth position among 55 international markets, on the back of increasing prices in mainstream residential sector.

Cities are engines of economic growth, and it is anticipated that 40% of India’s population will live in cities by 2031. The number of Indians living in urban areas will increase from 434 million in 2015 to about 600 million by 2031. With the rapid rise in the proportion of people living in urban areas, there is an increasing requirement for sustainable cities. The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies.

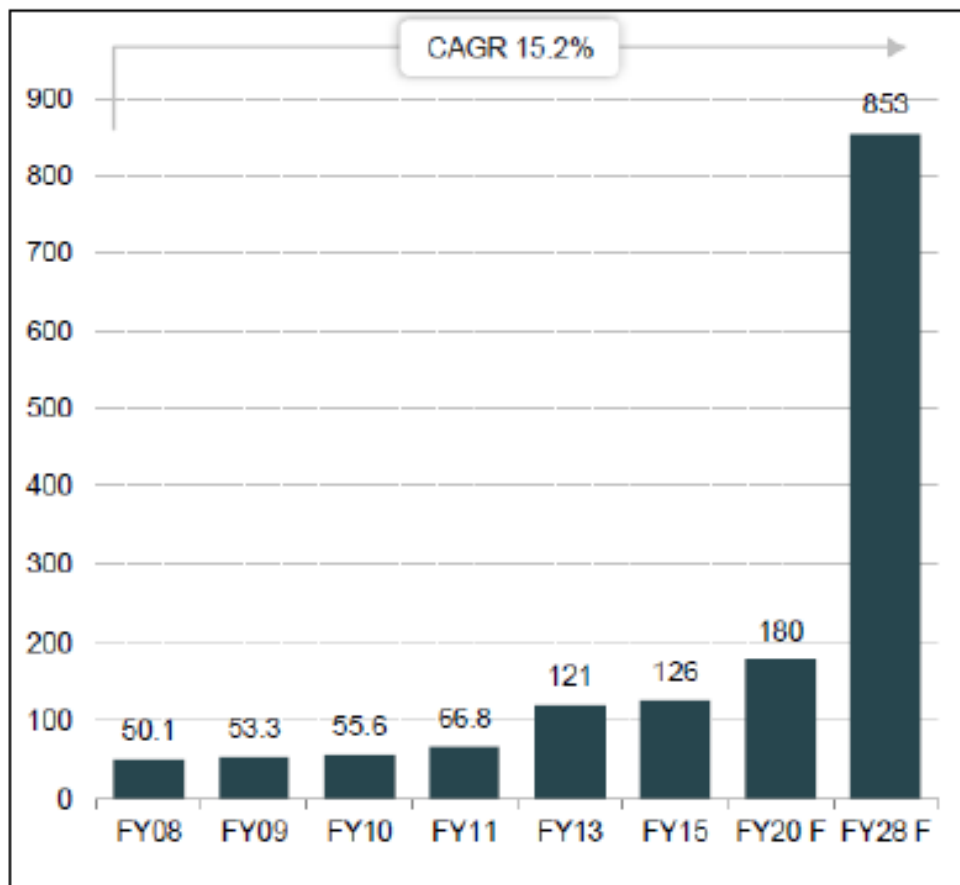


According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.66 billion in the period April 2000-September 2017. FDI in the sector is estimated to grow to US\$ 25 billion by FY22.



Real estate contribution to India's GDP is estimated to increase to about 13% by 2028. The market size of real estate in India is expected to increase at a CAGR of 15.2% during FY2008 – 2028E and is estimated to be worth US\$ 853 billion by 2028. Increasing share of real estate in the GDP would be supported by increasing industrial activity, improving income level and urbanisation. Mumbai and Bengaluru have been rated as the top real investment destinations in Asia.





**Industrial and warehousing sectors gaining investor interest; Residential sector regularized:**

The implementation of Goods and Services Tax (GST) has revitalized the manufacturing and related sectors, such as warehousing and logistics, by making them more price competitive and increasing supply chain efficiencies. GST abolished various central, state and local taxes, enabling easier transfer of goods between states, which would give way to larger, centralized and advanced warehouses that would serve as hubs to service various states. Besides these sectors, the residential sector will come under the scrutiny of a regulator, which will provide comprehensive guidelines for developers and buyers. The Real Estate Regulatory (and Development) Act, 2016 (RERA) will make developers accountable and bring transparency in the market. Several states have already adopted the RERA, which will lead to better business practices.

**Office space demand in 2018 to be robust; Bengaluru and Hyderabad in lead**

Demand pipeline during 2018 is expected to be strong with net absorption at approximately 29 msf across the eight cities, a 14% increase from 2017 levels. While the IT-BPM sector will be the dominant demand driver, Pharmaceuticals, Consulting, BFSI sectors will take greater strides in occupying office space. Similar to 2017, the current year too will see the highest demand for office space coming from Bengaluru, driven by corporate expansion, with Hyderabad emerging as a close competitor. We expect occupiers to continue to expand / consolidate in suburban locations across markets to improve efficiencies. Tight vacancies in prime locations will continue to push up rents, with Bengaluru again leading at 7-10% growth rate projected for 2018.

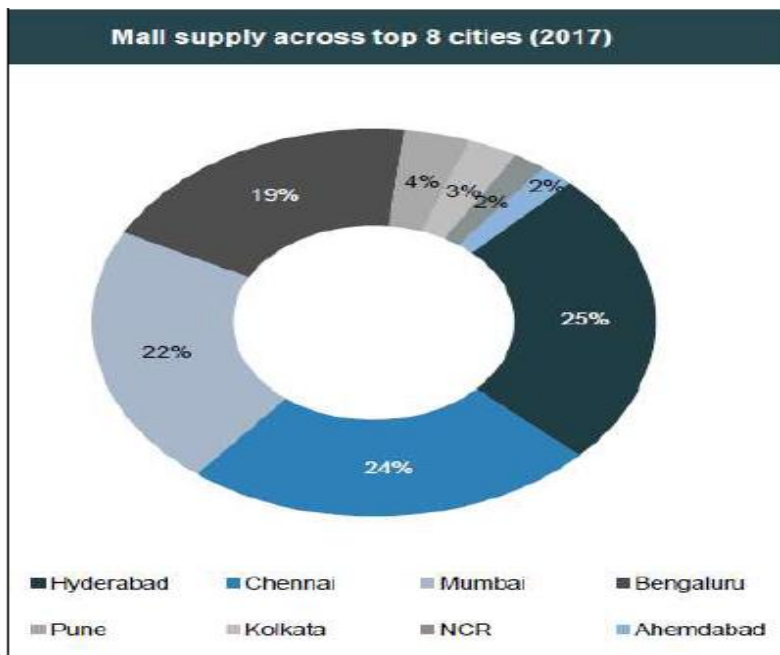
Mumbai, NCR and Bengaluru account for 60% of total office space demand in India as of 2017. The office space absorption in 2016 across the top eight cities amounted to 34 million square feet (msf) with Bengaluru recording the highest net absorption during the year. Investments in India’s office space sector are expected to hit peak in 2017. As of September 2017, India’s commercial real estate has

received more than US\$ 2 billion in foreign investment. The first real estate investment trust (REIT) in India is expected to be launched by 2017 end.

Office market has been driven mostly by growth in ITeS/IT,BFSI, consulting and manufacturing. Moreover, many new companies are planning a foray into Indian markets due to huge potential and recently relaxed FDI norms. Supply for prime office space was recorded at 11.9 million sq. ft. in 2016. Rental rates likely to see a gradual upward trend in Bengaluru. Supply will exceed demand and hence increase vacancies In Hyderabad. In 2015, with a share of more than 83 percent, majority of transactions in Mumbai was driven by commercial office sector. Moderate demand, high vacancy and an increased preference for suburban market with low rentals could pressure the core areas in Pune.

**Mall Supply:**

Currently, retail accounts for a small portion of the Indian real estate market. Organised retailers are few and the organised retail space is mostly developed by residential/office space developers. Organised retail sector is growing 25-30 per cent annually. India’s population below 30 years of age having exposure to global retail are expected to drive demand for organised retail. Demand for retail space on high streets is quite high, as well as increase in FDI limit for multi-brand retail will lead to significantly higher demand for retail space. Total 213 malls are operational in India and 34 new mall s are expected to become operational in top 8 cities by 2020.



In March 2017, the State Bank of India (SBI) and the Confederation of Real Estate Developers’ Association of India (CREDAI) signed an MoU for three years to work towards the development of real estate sector. A joint venture between Dutch asset manager APG Asset Management and real estate asset platform Virtuous Retail, has acquired a portfolio of three shopping malls for US\$ 300 million, and has committed an additional US\$ 150 million as equity capital to expand the portfolio. Emaar Properties, which entered India in 2005 with largest FDI in the realty sector, has invested about US\$ 126.96 billion in Indian real estate market, through its JV firm Emaar MGF.

**PE Investments on The Rise:**

RBI proposed to allow banks to invest in real estate investment trusts and infrastructure investment trusts, attracting more institutional investors to such assets. Indian Banks, which are allowed to invest about 20 per cent of their net-owned funds in equity-linked mutual funds, venture capital funds and stocks, could invest in these trusts within this limit.

In April 2017, HDFC Property Fund decided to launch a US\$ 500 million offshore fund. The fund will invest up to 40 per cent in office spaces and the rest in residential projects with a focus on affordable housing. KKR India Asset Finance invested over US\$ 500 million in residential projects in India in 2017.

Private equity investors showed high interest not only in the residential segment, which has been favored, but also in the office, retail and logistics sectors. Private equity inflows into real estate touched a new high in 2017, at USD 6.6 bn, registering a 17% increase from the previous year. While established markets of Mumbai, Bengaluru and Delhi-NCR have seen the larger share of investments, cities such as Chennai, Hyderabad and Pune also saw healthy investor interest due to their inherent strengths and multi-sector manufacturing activities for automobiles, engineering goods, white goods, pharmaceutical products. Besides attractive returns, investors are now enthused by India breaking into the top 100 in the 'Ease of Doing Business' Index in 2017.

In May 2017, Xander, a private equity group, signed two property deals worth US\$ 446.22 million in India. The company bought a functioning special economic zone in Chennai for US\$ 340.77 million from Sriram Properties

Investor	Investee	Investment (USD Million)
KKR and Co. L.P.	Sunteck Realty Ltd	22.4
Apollo Global Management	Logix Group	59.5
Piramal Fund Management Pvt. Ltd	Lodha Group	63.2
KKR and Co. L.P.	Mantri Developers Pvt Ltd	21.5
Goldman Sachs	Piramal Enterprises Ltd	150
Government of Singapore Investment Corporation (GIC)	Nirlon	328.3
The Blackstone Group	3C Company	104.2
Clearwater Capital Partners and SSG Capital Management	Lotus Greens Developers Pvt Ltd	75.0
KKR and Co. L.P.	Bhartiya City Developers Pvt Ltd; Signature Global; Prince Foundations Ltd	148.73
Cerestra Advisors Ltd	Alexandria Knowledge Park at Genome Valley in Hyderabad	61.1

### Infrastructure Industry:

Owing to the increase in the number of infrastructure projects in the country, the LED façade lighting market is growing significantly. Such lighting enhances the aesthetic appeal of buildings that range from heritage monuments and bridges to airports and railway stations

Professional facade lighting is a key component of the external appearance of many buildings. It is designed to highlight the special characteristics of a building's architecture, improving its overall appearance. There are several Indian companies that approach in the field of façade lighting. As lighting solutions, products and designs help convey an architectural message, façade lighting manufacturers often work to provide 'media facades', using video to dramatically improve walls.

Due to the increase in the number of infrastructure projects in the country, the LED façade lighting market is growing significantly. The professional lighting of facades improves the aesthetic appeal of outdoor projects by highlighting the subtle characteristics of architecture. The current focus on tourism is also contributing to an increase in the beautification of historical monuments and structures such as bridges. The shapes of the facades are determined by the light that falls on them, their direction and color. The appearance of a façade is altered during the course of the day due to the changing direction of sunlight and the various components of diffuse and direct light.

Nowadays, architectural designs require lighting solutions capable of integrating lighting fixtures to building materials, while providing the necessary supervision of the system. The products must have a

good lighting performance and a good quality that can minimize the cost and time required for maintenance.

Today, the way in which the facades are designed has changed. Designers are not only innovating in the structure but they are also using materials that are sustainable, ecological and carbon free. The driving force behind innovation throughout the industry is the increase in green building practices. The integration of LEDs in the design of the façade can be highly efficient from an energy and environmentally friendly point of view, while adding glamor and highlighting the subtle characteristics of a building.

The participation of a professional lighting company in a project can guarantee long-term cost savings, whether in relation to equipment, operations or aesthetics.

The major customers for LED facades are those maintaining public buildings, municipal corporations, heritage monuments, public infrastructure such as bridges, metros, airports, railway stations and also private office buildings and malls. In the recent past, the need for the restoration of monuments has become a trend, with awareness increasing about the need to preserve our heritage. In the process, the damage to old facades or ancient artworks is effectively controlled by reducing the overall light intensity of potentially harmful rays from bulbs. This is done by a good lighting design that uses the right light sources. LEDs are currently among the first choices for this sector. Not only do LEDs emit less heat, which helps maximise conservation efforts, but they are also IR and UV free. In the hotel industry, the appropriate lighting speaks about the brand and grabs attention.

The Indian facade lighting industry is in a stage of growth in terms of materials and technology used. Despite facing many challenges, which will take time to be addressed, there is a growing acceptance of quality products. The self-regulatory agencies that are coming will give the industry a boost by setting best practices and encouraging scientific research and aid. This is a positive sign for the future.

## KEY DEMAND DRIVERS OF THE INDUSTRY

As the construction industry in Asia Pacific demonstrates a high CAGR, besides rapid expansion of the industrial sector witnessed over the last few years, the region is expected to prove a major market for façade materials. Evidently, emerging nations such as India, China, and Southeast Asia will prove to be the most lucrative pockets in the coming years. Furthermore, governments in Asia Pacific are implementing stringent regulations to promote use of eco-friendly materials. Spurred by these factors, investors are likely to get lured to capitalize on opportunities prevalent in Asia Pacific

In addition, North America and Europe will cumulatively hold a significant market share due to their rising affinity towards adopting advanced building materials. As these regions are highly adaptive to novel technologies, they will continue exhibiting attractive prospects for the façade market.

The changing real estate landscape will have substantial implications for the real estate investment community, which we highlight below and describe in more detail in Part three: Implications for real estate strategies.

Real estate, trends that have come up in the market has the power to reshape the Indian real estate sector in 2018. The year 2018 is going to be a bumper year for the realty market. Few of the policy changes introduced were demonetization, RERA, and REITs in 2016, followed by GST in 2017.

**1. Global capital flow into Indian real estate:** The global investable real estate universe will expand substantially, leading to a huge expansion in opportunity, especially in emerging economies. World population growth and increasing GDP per capita will propel this expansion. By 2020, investable real estate will have grown by more than 55% compared to 2012, according to PwC forecasts, and then will expand by a similar proportion in the following decade. Global capital flow into Indian real estate will increase further, as per the World Investment Report 2016-17, India has been ranked fourth for FDI inflows, by the United Nations Conference for trade and development. Improvement in the regulatory framework, has built up an attractive destination for both global and Indian investors. The expectations from private equity are high. Indian real estate has attracted USD 32 billion in private equity so far. Due to transparency, NRIs find country's real estate market more reliable.

Fast-growing cities will present a wider range of risk and return opportunities. Cities will present opportunities ranging from low risk/ low yield in advanced economy core real estate, to high risk/high reward in emerging economies. The greatest social migration of all time chiefly in emerging economies will drive the biggest ever construction surge.

**2. Developers will revamp their business models:** Collaborating with governments will become more important. Real estate managers, the investment community and developers will need to partner with government to mitigate risks of schemes that might otherwise be uneconomic. In many emerging economies, governments will take the lead in developing urban real estate and infrastructure. Developers will revamp their business models, earlier in 2016, developers launched lots of projects and there was no guarantee of completion of the projects. Now, through the RERA act, a deadline has been given for the projects to be completed. It will force developers to improve their business model. The developers will require to bring more transparency as well as accountability in their system, and do a lot to increase consumer confidence. Also, the Goods and service tax (GST) as well as the Benami transactions (Prohibition) amendment act 2016, will have a major impact on, how developers run their business. Developers, should bring changes in their business models to sustain in the market.

**3. Transformation of Office Sector,** as the REIT will be listed, the builders would get funds easily to make buildings. The office sector would get funding from private equity funds. It will attract the small investors, with minimal risk appetite. They will know that, the money they are investing in, is into something that is concrete, and it would not lose its value. The investors would know that their money is in safe hands. The REITs will have an important and long-term impact on developers, with the choice of either ‘corporatizing’ or risking taking over, by their larger counterparts. Corporate developers like Tata, Godrej, Mahindra, will acquire more projects

**4. Competition for prime assets will intensify further.** New wealth from the emerging economies will intensify competition for prime assets; the investment community will need to think laterally to earn attractive returns. They might have to develop assets in fast-growing but higher risk emerging economies, or specialise in the fast-growing subsectors, such as agriculture, retirement, etc.

**5. Increase in Industry Consolidation,** due to increase in developers, projects and lack of customers, the merger of different developers is being implemented. Joint developments and joint ventures will give more meaning to the real estate sector. This will give rise to mergers between small and big developers, struggling developers with strong players, also landowners with new builders. This will attract the investors as, the price earnings ratio for this sector will improve

**6. Affordable Housing Segment, impacts on the housing sector, according to the plans, more than one crore houses are** to be built in rural India by 2019, with support to cheaper sources of finance. External commercial borrowings and Re-financing of housing loans by National housing banks, would help in the growth of the sector. Home buyers have been given the criteria for affordable housing, where the carpet area has been changed from 30 square meters to 60 square meters from the saleable area. The land prices would go down in the next few years, as there is limited availability of a high-value currency due to demonetization

In order to prepare for these implications, the real estate investment organisations will need to make sure they have the right capabilities and qualities.

With the growing trends in real estate sector, people are now moving for investment in small scale as well. “Real estate investing, even on a very small scale, remains a tried and tested means of building an individual’s cash flow and wealth.”

## **MAJOR CHALLENGES FACED BY THE INDUSTRY**

When it comes to implementing the vision that the architect has in mind for its construction, not only the lining material must be on par with the international standard, but it is equally important the correct and precise manufacturing procedure that finally creates the uniqueness and attractive that the architect had imagined. We have seen that the installation systems and the manufacture of facades still have a long way to go until they can match the standards that are followed worldwide.

What is discouraging to observe is that façade contractors in the Indian market today are trying to reduce the use of recommended tools and accessories to extract maximum margins. All this leads to an inadequate installation and a low lifespan of the façade and also ensures that frequent maintenance is required.

As the façade industry is directly linked to construction or real estate industry. The construction industry is the second largest contributor to India's GDP. Not only does it accompany huge economic potential but is also among the biggest employment providers. While all of this seems encouraging, there are innumerable challenges that have been limiting the growth prospects of the construction industry in India.

Some of the biggest challenges that the construction industry in India is facing and would face in 2018 and coming years include:

**Lack of skilled workforce:**

The construction industry offers many job opportunities, but most are limited to manual jobs. Due to the low wage expectation of workers, who come mainly from rural areas in search of work, contractors still follow traditional work practices. This not only reduces the efficiency of the process but also makes it much more risky. Up to 70% of contractors believe there is a lack of skilled labor and qualified / certified professionals.

**Non-availability of land within city limits:**

Although the demand for housing and commercial projects in cities has been increasing, the supply is very limited due to the lack of availability of land and the increase in costs. This makes most construction projects unfeasible and the implications lie with both contractors and buyers. The prices of materials have also increased in recent years and the construction of high quality properties with the right technology and materials has become a very expensive issue, something that does not attract the general buyer.

**Alleviated cost of materials:**

The cost of construction materials, especially after the implementation of GST (tax on goods and services) has undergone changes. Most of the materials used in the construction industry, especially those in the high-end category fall into the 28% GST slab. This has become a great challenge for all concerned.

**Technology Adoption:**

Technology has been a great differentiator in the construction industry today. This is especially pressing with international investors arriving in India. Technologically efficient builders are attracting collaborations on the higher end and companies that follow traditional media are lagging behind. Elements such as virtual reality, security of AI and BIM are transforming current trends, both in the commercial sector and in the housing sector. It is necessary that all competitors begin to be technologically efficient to be up to the challenge of technology.

**Project Complexity:**

Modern construction projects are increasingly demanding, both in terms of design and functionality. The challenge is alleviated by the lack of skilled labor and the latest technology with most investors. Therefore, companies are becoming selective in the projects they can accept. An Accenture report suggests that only 30% of companies have been able to deliver projects in the agreed budget and 15% in the agreed time.

**Power:**

The government also plays a key role in guiding the construction industry in India. Being the body of policy making, it depends on the current government in power as to whether current policies are in favor or against the general acceptance of the industry.

### **Environmental sustainability:**

The construction industry is responsible for 25-40% of global carbon emissions. In the Indian perspective, this is even more pressing since traditional means of manufacturing and construction are a large part of the process, even today. Climate change and the environment are a global agenda and governments around the world are pushing for the adoption of environmentally sustainable practices. The new rules and regulations require companies to become more advanced in technology and acquire skilled labor. Caring for the environment is no longer a social obligation, but a legal requirement.

### **Natural Hazards:**

Being a tropical nation, India is prone to many climatic disasters, especially the floods that occur every year. The big cities like Mumbai and Chennai have been under constant havoc in recent years and this has been a great challenge for the construction industry. However, this could be the only challenge with which the industry will continue to live while creating paths towards more sustainable and safer construction practices.

The coming years are crucial for the Indian construction industry, especially when it tries to advance global standards. Technology and training will become key responses to problems and to regain confidence in their growth.

## **KEY PLAYER IN THE INDUSTRY**

Some of the major companies involved in the manufacturing and installations of different types of the facade are; Walters & Wolf, Harmon Inc., SEPA, and Enclos Corp. among others. Further, the industry is experiencing technological developments pertaining to the advanced materials led by the key innovators such as Xiamen China-Nice Manufacturing and Enclos Corp., which is based in United Estate and has developed advanced materials including synthetic walls.

### **Façade Materials Market: Global Key Players**

- Enclos Corp
- Zigzagsolar
- Permasteelisa S.p.A.
- Harmon, Inc.
- Walters & Wolf
- Aedas
- FunderMax
- Innovators Façade Systems Limited

**Enclos Corp** is expert in the design, engineering, fabrication, assembly and erection of custom facade systems, providing complete design-build services to the construction marketplace. The company specializes in innovative architecture and challenging building projects. The company's work experience includes many projects with specialized materials, complex geometry, novel structural and mechanical system designs. Enclos curtainwall, facade and skylight systems combine innovative design with state-of-the-art materials and performance.

Key players such as Ametek Inc., Franklin Electric Co., Asmo Co. Ltd., and ABB Ltd. dominated the market in 2016 with their emphasis on expanding market presence through mergers and acquisitions.

**Harmon Inc.** is special into the curtain wall; the curtain wall is the building façade, the envelope surrounding the structure. It's critical to both the functionality and energy performance of the building.

**Walters & Wolf** is a West-Coast leader in premier cladding services. The company was founded by John Walters and Randy Wolf in 1977. They take direct responsibility for every phase of a project, from concept to completion. The company handle the design, engineering, fabrication, delivery, and installation ourselves, which enables the company to ensure work quality has not compromised and

every project meets its budget and deadlines. And also endeavor to develop new technology and methods that improve the processes and push the industry forward.

**Innovators Façade System Limited** is a leading fabrication company providing end-to-end solutions to the Client in bringing their imaginations to Reality. The company's services are based on well-accepted standards of Industry, yet it offers flexibility to suit customer requirements. The company offers a wide range of services that are focused on superior quality and timely completion of projects. Innovators have a dedicated team of qualified professionals, with specialization in the design/technology areas in which it operates. Thus IFSL delivers highest quality very efficiently and effectively. IFSL is a specialist-glazing contractor, with an enviable reputation for quality, service and commitment. Within a short span, IFSL has built a reputation with leading architects, construction managers, general building contractors, developers, builders, Consultants and building owners in India. They have come to rely on our professionalism and expertise in design consultation, fabrication, installation, and maintenance services. Innovators welcome all sizes of tenders. The Company will undertake both large and small contracts and assure the same level of service and commitment.

Experience that spans two decades, project spectrum that is diverse and results that have been well appreciated, has propelled 'Innovators' to be recognised as a leading Façade systems. This is backed by the industry acclaimed 'Innovators Support System (ISS)' that provides a unique handholding through the project, guiding it to smooth, timely and professional execution, well co-ordinated with the various stakeholders.

For a focused approach and to ensure sufficient value proposition, the business is structured into various Strategic Business Units (SBU):

- IT Parks
- Commercial Complexes
- Malls, Residential Buildings & More
- Infrastructure Projects

#### **GOVERNMENT INITIATIVE (IF ANY)**

Several government initiatives toward infrastructure development and the rise in PPP model enhance the construction of commercial properties across the globe, which has subsequently attributed to the growth of the facades market. As the façade industry is directly linked to real & infrastructure industry, thus whatever the government has taken initiative for real estate is applicable to façade industry. Government initiatives for real estate are:

- RERA Act
- The constitutional amendment bill for introduction of Goods and Services Tax (GST) has been passed. Further, Model GST Law has been released, which is likely to be implemented from 1st July 2017. This is viewed as a historic tax reform, and is likely to benefit the real estate sector, owing to expected reduction of the impact of prevailing multiple taxation.
- Infrastructure status accorded to affordable housing: Granting of infrastructure status to affordable housing is likely to provide impetus to the government's mission of 'Housing for All by 2022'. With the infrastructure status, the developers will have access to cheaper funding by way of debt which would result in reduction of overall cost of homes to the buyer. Further, this would see a likely increase in participation from domestic and foreign players in the affordable housing sector.
- As of November 2017, a total of 3.076 million houses have been sanctioned under then Pradhan Mantri Awas Yojana (PMAY) (U) since its launch, according to the Ministry of Housing and Urban Affairs, Government of India. The Ministry of Housing and Urban Poverty Alleviation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, namely West Bengal, Jharkhand, Punjab, Kerala and Manipur under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of Rs 3,073 crore (US\$ 460 million).



## OUTLOOK

Besides this, the rising disposable income of consumers, especially across emerging nations such as China, India, Brazil, Japan, and GCC countries will help the market exhibit robust growth between 2017 and 2025. Furthermore, with organizations around the world working towards providing a more secure environment for employees, the use of advanced facade material is forecast to rise in the coming years.

As the construction industry in Asia Pacific demonstrates a high CAGR, besides rapid expansion of the industrial sector witnessed over the last few years, the region is expected to prove a major market for facade materials. Evidently, emerging nations such as India, China, and Southeast Asia will prove to be the most lucrative pockets in the coming years. Furthermore, governments in Asia Pacific are implementing stringent regulations to promote use of eco-friendly materials. Spurred by these factors, investors are likely to get lured to capitalize on opportunities prevalent in Asia Pacific.

In addition, North America and Europe will cumulatively hold a significant market share due to their rising affinity towards adopting advanced building materials. As these regions are highly adaptive to novel technologies, they will continue exhibiting attractive prospects for the facade market.

## OUR BUSINESS

*Some of the information contained in the following discussion, including information with respect to our business plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should read the chapter titled “Forward-Looking Statements” beginning on page 20 of this Red Herring Prospectus, for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Our fiscal year ends on March 31 of each year, so all references to a particular fiscal are to the twelve-month period ended March 31 of that year.*

*The financial information used in this chapter, unless otherwise stated, is derived from our Financial Information, as restated prepared in accordance with Indian GAAP, Companies Act and SEBI Regulations. The following information is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Information” beginning on pages 21 and 205, respectively.*

### OVERVIEW

Incorporated in 1999, our Company, “Innovators Façade Systems Limited” is engaged in designing, engineering, fabrication and installation of façade systems. We believe in offering total solutions to our customers with respect to their requirement of façade installation in complex projects. We specialise in technically demanding facades. We offer various range of products to meet the demands of our customers. With an operating history of more than eighteen years, we have developed a brand image for ourselves in the façade industry.

Our Company is promoted by Radheshyam Sharma and Jolly Multitrade Private Limited. Our Promoter Radheshyam Sharma has an experience of more than two decades in the facade industry. He is the guiding force behind the strategic decisions of our Company and under his guidance we have been able to successfully execute our business strategies over the years. With his dedication and commitment alongwith support of the employees, our Company has been able to consistently grow over the years as evidenced by the growth in our total revenue from Rs. 7,833.22 lakhs in FY 2012-13 to Rs. 10,235.96 lakhs in FY 2016-17 as per our Restated Standalone Financial Statements. It is the vision of our Promoters to be a globally recognised and respected innovative structure enveloping solution providers.

Our manufacturing facility is situated at Wada, Maharashtra and is spread over 1,25,000 square feet. We execute end to end fabrication of our product i.e. from designing of facades to dispatching. Our product basket ranges from glazing /curtain walls , high end doors & windows , skylights , canopies, louver, stone cladding, metal cladding, roofing, & others. We believe in qualitative manufacturing and offer facades which are resistant against UV rays, acidic rain, dust, noise and others. The registered office of our Company is situated at Mumbai and we have 5 branch offices across India to aid our operations. We have a widespread presence and are executing projects in various states such as Goa, Haryana, Karnataka, Tamil Nadu and Uttar Pradesh. At present, our major contracts are being executed in the state of Maharashtra.

Customer satisfaction has been one of our key goals since inception. Over the year, we have executed around 200 projects and had long standing reputed clients across the construction industry. We have offered our services for varied type of construction projects including residential buildings, commercial complexes, IT Parks, airports, retail and pharma projects. Our recognised list of clients include M/s. Hiranandani Realtors Pvt. Ltd., M/s. Relcon Infraprojects Limited, M/s. Larsen & Toubro Limited, M/s. Grauer & Weil (I) Limited etc. among others. We have also developed relations with some of the recognised suppliers in our industry to fulfil our raw material supplies. Our Company has been ISO 9001: 2015 certified for design, marketing, fabrication and installation of our products. We believe in gaining customer satisfaction through process enhancements and constant innovation in our services.

For our innovative solutions and services we have been awarded with Certificate of Excellence by Construction Week India Awards 2012, certificate of appreciation by Construction Week India Awards

2015. We have also been acknowledged by our clients for our services at various occasions in the past, for example we have been conferred with Certificate of Achievement for achieving more than 9000 sq.mt. Aluminium structure and façade work without any loss time injury during the construction of a project executed between November 2014 to October 2015 by L&T Construction. As on the date of the RHP, we are member of IGBC Council – Green Building.

From FY 2012-13 to FY 2016-17, as per our Restated Standalone Financial Statements, i) our total revenue has shown growth from Rs. 7,833.22 lakhs to Rs. 10,235.96 lakhs, representing a CAGR of 6.91% ii) our EBITDA has shown growth from Rs. 795.79 lakhs to Rs. 1,150.14 lakhs, representing a CAGR of 9.64% iii) our profit after tax was Rs. 232.48 lakhs in FY 2013 and 186.01 lakhs in FY 2017. Our restated total revenue, EBITDA and profit after tax for the nine months ended December 31, 2017 was Rs. 12,630.01 lakhs, Rs. 1,721.63 lakhs and Rs. 575.49 lakhs respectively, with an EBITDA margin of 13.63% and PAT margin of 4.56%.

## **OUR COMPETITIVE STRENGTHS**

### ***1. Leveraging the experience of our Promoter and employees***

Our Individual Promoter Radheshyam Sharma have around two decades experience in the Façade industry. We believe his leadership and vision have been instrumental in driving our growth since inception and implementing our business strategies He is the guiding force behind all the corporate decisions and is responsible for the entire business operations of the Company along with the team of experienced and qualified professionals. His industry knowledge and understanding also gives us the key competitive advantage enabling us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. We believe that we have achieved a measure of success in attracting an experienced team with operational and technical capabilities, management skills, business development experience and financial management skills. We believe that the combined strength of our Promoter, Directors and employees provides access to marquee clients and has enabled us to strengthen our presence. The expertise and experience of our Promoters, Directors and employees coupled with client relationships gives us a competitive edge in the over our competitors.

### ***2. Marquee client base and repeat orders***

Since our Company's incorporation in June 1999, we have undertaken projects across various segments in Residential, Commercial and Institutional buildings. We value our relationships with our clients. We believe that our motivated team of personnel and our work processes complement each other to enable us to deliver high levels of client satisfaction. Further, we believe that our quality of work and timely execution has allowed us to enhance our relationships with existing clients and to secure projects from new clients. We have been able to secure repeat orders from many of our clients. We believe that our client base, consisting of some of India's leading real estate developers, allows us to bid for and secure a broad range of projects. Our recognised list of clients include M/s. Hiranandani Realtors Pvt. Ltd., M/s. Relcon Infraprojects Limited, M/s. Larsen & Toubro Limited, M/s. Grauer & Weil (I) Limited etc. among others. We believe that ability to successfully bid and win new projects is the result of our sustained focus on client satisfaction.

### ***3. Diversified real estate portfolio***

We believe that our portfolio of projects is diversified across locations, and also across diverse industry sectors. We offer a wide spectrum of products such as glazing /curtain walls , high end doors & windows, skylights , canopies, louver, stone cladding, metal cladding, roofing, & others. We conduct comprehensive market research and analysis of our projects to analyze competitive factors, and market prices, which we believe helps us customize our product offerings, services and designs to cater to market demand in a particular location. We have a widespread presence and are executing projects in various states such as Goa, Haryana, Karnataka, Tamil Nadu and Uttar Pradesh . At present, our major contracts are being executed in the state of Maharashtra. Further we have executed projects for varied type of construction projects including residential buildings, commercial complexes, IT Parks, airports, retail and pharma projects. We believe that this diversity of projects, locations and product and service

offerings helps us cater to different market segments and mitigate the risk of dependence on a particular segment or region.

#### ***4. Quality certifications for Quality products & Services***

Our Company believes in qualitative manufacturing and adheres to various qualitative standards. We follow quality standards since inception and right through the end of a project. Our design, fabrication and installation of products meet the requirements of ISO 9001: 2015 by international organisation viz. Bureau Veritas Certification. We have also been appreciated by few of our clients for adhering to quality standards while executing some projects. For example we have been conferred with Certificate of Achievement for achieving more than 9000 sq.mt. Aluminium structure and façade work without any loss time injury during the construction of a project executed between November 2014 to October 2015 by L&T Construction. We have also been awarded Certificate of Appreciation by TATA Realty and Infrastructure Limited to achieve safe man hours during execution of one of the project. Our dedicated efforts towards the quality of material have helped us gain a competitive advantage over others. We believe in usage of qualitative raw materials from reputed vendors. We believe that our quality products and services has earned us goodwill from our customers and enabled us to maintain our brand image in the market.

#### ***5. Designing and execution capability***

We are recognised for our capability to translate innovative architectural concepts in practical solutions, feasible in both technical and economic terms. Our success in the field is the result of constant research for innovation and improvement of the end user experience. Our designing and execution capability has enabled us to handle complex projects. We believe that our designing and execution capability gives us a competitive edge over the peers.

### **BUSINESS STRATEGY**

#### ***1. Modernisation and upgradation of our manufacturing facility***

Our Company intends to meet and adapt to the latest technologies and install new plant and machinery at our manufacturing facility for automation, enhanced quality and precision in terms of manufacturing with increased efficiency. We aim to modernise and upgrade our existing facility so as to reduce manual intervention and improve product efficiency. For details on expansion of our manufacturing capacity, please refer the chapter titled “Objects of the Issue” beginning on page 105 of the Red Herring Prospectus.

#### ***2. Continue to improve operating efficiencies through technology enhancements***

We continue to further develop our technology systems to increase asset productivity, operating efficiencies and strengthen our competitive position. We believe that our in-house technology capabilities will continue to play a key role in effectively managing and expanding our operations, maintain strict operational and fiscal controls and continue to enhance customer service levels. We intend to continue to invest in our in-house technology capabilities to develop customized systems and processes to ensure effective management control. We continue to focus on further strengthening our operational and fiscal controls.





#### ***3. Expand our customer base***





We have an established clientele base and long standing relationship with many of our clients. We intend to continue to expand our customer base by expanding our client network, participating in government tenders, etc. We also aim to explore new locations to enhance our customer base. We believe quality service and products of global standards will be of much importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them and enabling us to understand their requirements, market perception and demand. We train our employees to consistently design and deliver client focused solutions. We will continue to focus on creating innovative designs through our R&D efforts.



#### ***4. Capitalise on growing demand in construction industry***

We believe that construction sector shall observe a rapid growth in the coming years on account of changing lifestyle and growth in housing finance facilities. Further we believe that the infrastructure sector in India should also undergo major changes due to government plans and consumer demand. We intend to capitalise on such growth opportunities by supplying products to large construction contractors and sufficing their requirement. We believe that we are well positioned to cater to demand of such sector with our product ranges and competitive pricing structure.

### OUR KEY OFFERINGS

Product	Product image	Descriptions
<b>Structural Glazing System - Unitised</b>		<ul style="list-style-type: none"> <li>▪ Its an “off-site” construction as 90% of work carried out at factory - ready to install units suited to high-rise construction</li> <li>▪ High quality as products are machined, assembled, glazed in a factory controlled environment</li> <li>▪ Other benefits are speed of installation, minimal on site labour and lower installation costs, reduced scaffolding requirements</li> </ul>
<b>Structural Glazing System - Semi Unitised</b>		<ul style="list-style-type: none"> <li>▪ Its an “on-site” construction as more than 50% of work carried out at site - installed on site, component by component on scaffolding</li> <li>▪ Suited to angular and complex facades construction</li> <li>▪ Quicker production processes in factory &amp; short lead-in times</li> </ul>
<b>Cladding</b>		<ul style="list-style-type: none"> <li>▪ Cladding is the application of one material over another to provide a skin or layer.</li> <li>▪ Preferred with varieties of cladding material such as Granite , Porcelain tiles , aluminum composite panel , aluminum solid sheet and others with base structure of aluminum / MS structure</li> </ul>
<b>Point Glazing/ Spider Glazing</b>		<ul style="list-style-type: none"> <li>▪ A frameless glazing façade through a web of glass sheet sealed together from the building structure</li> <li>▪ Fixed directly on MS / SS and GLASS fins for maximum light and transparency</li> <li>▪ Suited to very large, monumental spaces, such as convention centres, airport lobbies, multiplexes, malls and shopping complexes</li> </ul>

<p><b>Sky Lights</b></p>		<ul style="list-style-type: none"> <li>▪ Sky light units are being made out of aluminium frames and multiwall laminated and insulated glasses or multi wall polycarbonate sheets in desired colours and specification</li> <li>▪ Allows diffused light to enter, adds to the aesthetic appeal of the viewer and any of the shapes can be fabricated – very popular in malls, airports, hotels and resorts</li> </ul>
<p><b>Roofing</b></p>		<ul style="list-style-type: none"> <li>▪ Modern roof structure that is made of steel, wood and concrete</li> <li>▪ Widely used with Zinal, aluminium coated sheet for quick process</li> <li>▪ Clean job compared to civil work with concrete at its lengthy process</li> </ul>
<p><b>Windows and Doors</b></p>		<ul style="list-style-type: none"> <li>▪ Performance windows now in demand used for high-rise and high end project with high performance glass</li> <li>▪ These high end windows and doors system insulates much better than the old single-pane windows and doors, significantly reducing heat loss in winter and heat gain in summer</li> </ul>
<p><b>Curtain Wall Systems</b></p>		<ul style="list-style-type: none"> <li>▪ Curtain wall systems are basically the stick type glazing systems wherein the mullions and transoms are installed on the building structure (RCC/MS/others) with the help of the brackets. Glass is fixed onto the grid and retained in position using pressure plates and decorative cappings. The glass is not glazed but held mechanically. For the installation of this system scaffolding is required from outside the building.</li> <li>▪ This is typically suited for projects involving more of onsite activity and for short height buildings.</li> </ul>

<p><b>Canopy Systems</b></p>		<ul style="list-style-type: none"> <li>▪ With increasing usage to suit today tastes, Canopy system come with a dual advance- helps in weather protection as well as adding flair to architectural extension. These are available in point &amp; cantilever fixing, including laminated glass mullion system, space frame&amp; custom structural steel or ornamental metal designs are available in range of finishers.</li> <li>▪ Canopy system include hoods that are typically curved glass canopies, coloured glass canopies, straight panel &amp; decorative glass inter layers with enormous design possibilities</li> </ul>
<p><b>Louver</b></p>		<ul style="list-style-type: none"> <li>▪ It is a window blind or shutter with horizontal slats that are angled to admit light and air, but to keep out rain and direct sunshine. The angle of the slats may be adjustable, usually in blinds and windows, or fixed.</li> </ul>

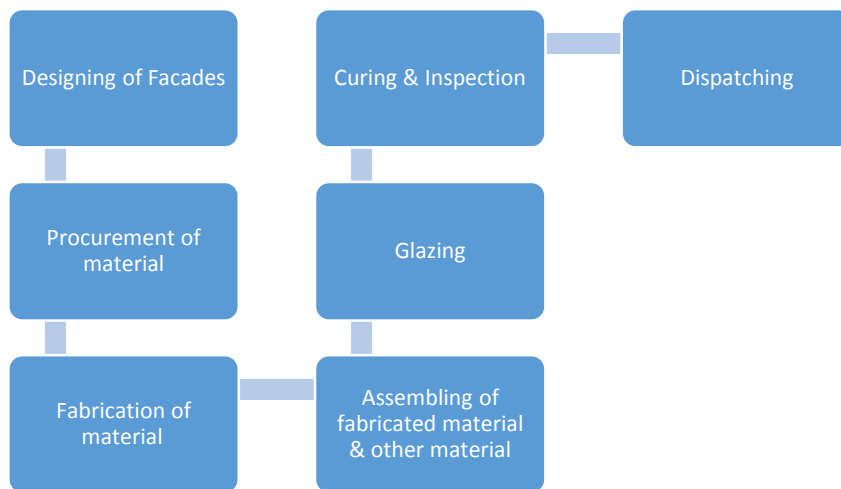
*Note: Images are used only for graphical representation.*



## OUR BUSINESS PROCESS



## OUR FABRICATION PROCESS



**Our fabrication process can be explained as follows:**

### **Designing of facades:**

After procuring a contract, our designer's team in consultation with the client and architect conceptualise the façade system to be developed for the project. Designing is an integral process as it lays out the foundation of the structure to be developed. Before procurement of material, we study and take approval of the shop drawings from the client so as to avoid any misunderstandings at later stage.

### **Procurement of material:**

Once the designs are approved by the client, we procure the material required for the development of facades. The major materials used in development of facades and other allied products are glass, aluminium composite panels, aluminum profiles, mild steel, GI sheet, sealant, gasket & hardwares, etc. We procure materials required in our installation of façade systems both from domestic and international markets. We store the inventory at our factory shed only. We have a temperature controlled room also for some type of inventories

### **Fabrication of material:**

Fabrication involves all processing needed to prepare the materials required for unit assembly, with the aluminum extrusions one of the key processes. We generally procure aluminium from our regular suppliers and get it anodised, coated from third parties. They are often painted prior to fabrication. Processing of the extrusions involves various combinations of notching, punching, drilling, and cutting to length. Gaskets are often installed on the extruded framing components as part of the fabrication process. Glass, as the predominant infill cladding material, is ordered to fit requiring no further processing, and the same is true of most other cladding components required for unit assembly.

### **Assembling:**



The assembly process is comprised of building up the unit frames by screwing together the fabricated framing components. Anchors and lifting lugs are attached to the frames as required to facilitate lifting the units in the field and attaching them to the building. Remaining gaskets, glazing tape, backer rod, and other materials are applied to the frames as appropriate.

### **Glazing:**

Structurally glazed systems create a greater transparency than traditional captured systems. There are less visual interruptions due to the lack of metal on the exterior (and potentially the interior), creating a seamless, continuous glass look. Glazing is one of the most important part of the process.

### **Curing & Inspection:**

Silicone sealant and structural silicone is then applied to adhere and/or seal the panel materials within the frame. The silicone is a two-part material with a cure time as short as only a couple of hours. We have a proper stake panel to provide 24 hrs minimum for curing which ensures good bonding & proper stability of silicon.

### **Dispatch:**

The units are then cleaned and carefully bunked (packed) for shipping to the building site.

At times, we also carry out a part of the activity at our facility and carry other part at the site itself depending upon the situation and the project requirements.

## **OUR RAW MATERIALS**

The major materials used in development of facades and other allied products are glass, aluminium composite panels, aluminum profiles, mild steel, GI sheet, sealant, gasket & hardwares, etc. We procure materials required in our installation of façade systems both from domestic and international markets.

## **UTILITIES & INFRASTRUCTURE FACILITIES**

### **Infrastructure Facilities**

Our registered office, one manufacturing unit and five branch offices are well equipped with computer systems, machineries, temperature control system, internet connectivity, other communication equipment, security and other facilities, as required for the smooth functioning of our business operations.

### **Water:**

To cater to the water requirement, the company has installed two bore wells at factory site. For any additional requirement, the company sources it through water tankers. At the registered office and branch offices water is required for human consumption and adequate water sources are available which is procured from external water supply agencies operating in the local area where our existing facilities toare situated.

### **Electricity:**

We primarily depend on state electricity supplies for power requirements at our facilities. At our registered office we have existing connected load of 34.94 MD (kVA). The Company also has an existing connected load of 107 KW at the manufacturing unit. In view of the proposed CAPEX, additional connection of 35KW is required which we propose to purchase from State Electricity Board.

## **EXPORT AND EXORT OBLIGATIONS**

As on the date of filing of this Red Herring Prospectus, our Company do not export and also do not have any export obligation.

## **COLLABORATIONS/ TIE-UPS/ JOINT VENTURES**

Our Company has not entered into any collaboration agreements as on the date of the Red Herring Prospectus.

## **HUMAN RESOURCE**

We believe that our employees are key contributors to our business success. We focus on attracting and retaining the best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset for its kind of business. One of the asset to company's production facilities and technical expertise is the team of experienced and qualified people. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to success. As on December 31, 2017, the present manpower strength is 198 employees out of which the company has 76 personnel including Executive directors, accountants, administrative executives, supervisors, Estimation and designer, 6 business development, marketing and sales personnel and 6 employees in the purchase department. The company has a separate team of Project Analysis which comprise a strength of 82 employees which work at different sites. In addition, the company has 28 employees at factory. We also employ casual or contract labour on need basis.

### PLANT AND MACHINERY

At present our manufacturing facility is not fully automated. With a view to enhance our fabrication processes at our manufacturing facility so as to minimize manual intervention and improve our processes, we propose to modernize and upgrade our existing manufacturing facility by purchasing new plant & machinery alongwith modifications in civil structure by utilising a portion of the Net proceeds. For further details, please refer to the chapter titled "Objects of the Issue" beginning on page 105 of the RHP. Following is the list of quotations received from suppliers for supply of plant and machinery at our manufacturing facility;

Sr No.	Particulars of Machinery	Name of the Supplier	No of Machines	Date of quotation	Value (Rs in lakhs) excluding taxes
1	<b>4 Axis Profile Machining Centre</b> Specification: SBZ 140 Prof. machining centre; 9,7m; 4-axis eluCam	Elumatec	1	January 19, 2018	172.00
2	DALI 70 CNC Machining Centre	FOM Industries	1	January 19, 2018	55.64
3	5T EOT Crane for Curing Area Specification: LT Rail -88M Bay Length LT DSL -88M Bay Length Gantry Girder & Misc Structure- 27T Approx Erection- 5T EOT Crane for Glazing Area Erection- 5T EOT Crane - LT Rail- 88M Bay Length	Shree Abhay Cranes Pvt Ltd	1	January 30, 2018	24.40

Sr No.	Particulars of Machinery	Name of the Supplier	No of Machines	Date of quotation	Value (Rs in lakhs) excluding taxes
	Erection- 5T EOT Crane - LT DSL- 88M Bay Length				
	Erection- Gantry Girder & Misc Structure-27 Approx				
4	2T EOT Crane for Curing Area	Shree Abhay Cranes Pvt Ltd	1	January 30, 2018	20.21
	Specification: 2T EOT Crane- LT Rail- 88M Bay Length				
	2T EOT Crane- LT DSL- 88M Bay Length				
	Gantry Girder & Misc Structure- 23T Approx				
	Erection- 2T EOT Crane for Glazing Area				
	Erection- 2T EOT Crane- LT Rail- 88M Bay Length				
	Erection- 2T EOT Crane - LT DSL- 88M Bay Length				
	Erection- Gantry Girder & Misc Structure-23 Approx				
5	Mechanical Appliances- Slat Chain Conveyor-1600 mm WIDE*45MTR	Dhanvanthri Engineers Pvt Ltd	1	February 01, 2018	20.38
	Specification: Two Strand 3" Pitch Chain Conveyor at 1450 mm center distances distances with intermediate 50mm Square Tubes 1600 mm Long at a pinch of 800 mm attached to the chain using attachments provided at alternate pitches having an extension piece of 40mm Square tube on either side to extend out 250 mm each, thus being able to carry Glass Panels of minimum size 1600 mm wide to maximum size 2000 mm wide for a total				

Sr No.	Particulars of Machinery	Name of the Supplier	No of Machines	Date of quotation	Value (Rs in lakhs) excluding taxes
	quantity of 8 nos with each panel weighing a maximum of 600 kg on the entire conveyor of 45 mtr length- 1 no				
6	Graco AGP	Allarch India Pvt Ltd	1	January 25, 2018	17.85
	Specification: machine without boom 24X098				
	Applicator Kit 24x100				
	Ratio check kit 24R777				
	Tower Light 24R824				
	Hose Assembly 24X094				
7	Automatic Corner Key Cutting Saw & Multiple Head Drilling Machine	Fens Tek	1 each	January 18, 2018	11.58
8	Chicago Pneumatic	Qualitech	2	January 21, 2018	16.35
	<b>Total</b>				<b>338.41</b>

Note: In case of imported machineries, exchange rate of conversion is taken as RBI reference rate as on the date of the quotation for the particular currency. RBI rate of conversion used for Euro is 1 Euro = Rs. 78.1441 as on 19.01.2018 and for Dollar is 1 USD = Rs. 63.8431 as on 18.01.2018.

\*As on the date of filing of this Red Herring Prospectus, our Company has placed orders for supply of below mentioned machinery.

Head	Description	Purchase Order No	Purchase Order Date	Name of Supplier	Amount (Rs in lakhs) for advance payment for order already placed
Plant & Machinery	DALI 70 CNC Machining Centre	1201/121	April 11, 2018	FOM Industries	14.28

#### CAPACITY AND CAPACITY UTILISATION

We are mainly engaged in design, execution, fabrication, supply and installation of façade systems on works contract basis. Hence there does not exist any specific data to installed and utilized capacity of machineries at our manufacturing facility.

#### COMPETITION

The Industry which we cater to is highly competitive and though fragmented with many small and medium sized companies it is dominated by some large sized companies and we face competition from various organized and domestic players. To stay ahead of our competition, we focus on responding to the rapidly changing market demands and consumer preferences, and offering our customers a comprehensive range of quality products and services catering to their diverse requirements and needs and providing them with integrated solutions. We aim to develop business, grow and continue to provide performance, innovative products and unique services and opportunities. We ensure that our safety and control measures enable us to compete effectively. We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

#### **END USERS**

Our products form part of the infrastructure industry and are mainly used in construction projects by builders such as in commercial complexes, residential projects, IT Parks, airports, hotels, etc.

#### **MARKETING & SALES**

The efficiency of the marketing and sales network is important for the success of our Company. Our marketing and research team of market representatives collaborate to design projects based on the demographics, socio-economic factors and market trends of the target group. We employ various marketing approaches like corporate presentations, direct and indirect marketing, site branding etc. We believe our relationship with the clients is strong and established. To retain our customers, our team regularly interacts with them and focuses on gaining an insight into the additional needs of customers. We intend to expand our existing customer base by reaching out to other geographical areas. Our marketing team is ready to take up challenges so as to scale new heights.

We intend to focus on following marketing strategies:

1. Focus on existing and target markets to increase our customer base.
2. Continuously holding markets trends.
3. Supply of quality and innovative products and services.
4. Timely completion of project.

#### **INSURANCE**

Our Company has insurance coverage which we consider reasonably sufficient to cover all normal risks associated with our operations and which we believe is in accordance with the industry standards. We have taken Standard Fire & Special Perils Policies for our assets against fire, earthquake and shock. We have also taken Employee Compensation Insurance policy for our employees. We also have vehicle insurance policies to insure our vehicles. Our insurance policies are subject to customary exclusions and deductibles. We will continue to review our policies to ensure adequate insurance coverage is maintained.

#### **LAND AND PROPERTY**

##### ***Owned Properties:-***

<b>Sr. No.</b>	<b>Property description</b>	<b>Activity carried on by the Company</b>	<b>Vendor</b>	<b>Consideration (in Lakhs)</b>
1	G No. 429, Chinchghar, Tal Wada, Dist. Thane	Factory	M/s. Abhitech Energycon Limited	Rs.32,00,000/-
2.	G. No. 404/B Part, Chinchghar, Tal Wada Dist. Thane	Factory	M/s. Nishu Cemblock Pvt. Ltd.	Rs. 65,00,000/-


##### ***Leasehold Properties:-***

Sr. No.	Name of the Lessor / Licensor	Name of the Lessee / Licensee	Address of the Property	Period of Agreement	Consideration	Usage
1.	Konidala Balaji	Innovators Façade Systems Private Limited	Survey No 208/2, Marasur Village, Kasaba Hobli, Anekal Taluk, Bengaluru-562106, Chandapura Anekal road.	January 2, 2017 to December 31, 2026	Ranging from Rs 3,27,292/- per month which shall be enhanced by 5% at the end of each year	Factory Shed
2.	Narendra Sharma Jointly with Shivchand sharma	Anjana Sharma	204/B-65, 2 <sup>nd</sup> floor, Jaydeep CHS, Station road, Shantinagar, Sector-1, Mira road, Maharashtra-401107	January 01, 2015 to December 31, 2020	Rs. 8,000 (Rent Per month)	Registered office

Further our company has 5 (five) branch offices situated at different location viz. Haryana, Uttar Pradesh, Goa, Karnataka and Tamil Nadu.

#### INTELLECTUAL PROPERTY RIGHTS

We have registration of the following Trademarks with the Trademarks Registry, Government of India. The details of trademark applications are as under:

Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration status
1.		INNOVATOR (DEVICE)	42	Innovators Engineers & Contractors Pvt. Ltd.	1249980	November 17, 2003	November 17, 2023	Rectification filed

Our Company has filed an application to get the above trademark transferred in the name of M/s. Innovators Façade Systems Private Limited.

## **KEY INDUSTRY REGULATIONS AND POLICIES**

*Except as otherwise specified in this Red Herring Prospectus, the Companies Act, 1956 / the Companies Act, 2013, We are subject to a number of central and state legislations which regulate substantive and procedural aspects of our business. Additionally, our operations require sanctions from the concerned authorities, under the relevant Central and State legislations and local bye-laws. The following is an overview of some of the important laws, policies and regulations which are pertinent to our business as a player in business of façade manufacturing industry. Taxation statutes such as the I.T. Act, and applicable Labour laws, environmental laws, contractual laws, intellectual property laws as the case may be, apply to us as they do to any other Indian company. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. The regulations set out below may not be exhaustive, and are only intended to provide general information to Applicants and is neither designed nor intended to be a substitute for professional legal advice.*

### **APPROVALS**

For the purpose of the business undertaken by our Company, our Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc. that may be applicable from time to time. The details of such approvals have more particularly been described for your reference in the chapter titled “Government and Other Statutory Approvals” beginning on page number 244 of this Red Herring Prospectus.

### **APPLICABLE LAWS AND REGULATIONS**

#### **BUSINESS/TRADE RELATED LAWS/REGULATIONS**

##### **The Micro, Small and Medium Enterprises Development Act, 2006**

In order to promote and enhance the competitiveness of Micro, Small and Medium Enterprise (MSME) the act is enacted. A National Board shall be appointed and established by the Central Government for MSME enterprise with its head office at Delhi in the case of the enterprises engaged in the manufacture or production of goods pertaining to any industry mentioned in first schedule to Industries (Development and regulation) Act, 1951 as “micro enterprise”, where the investment in plant and machinery does not exceed twenty-five lakh rupees; “Small enterprise”, where the investment in plant and machinery is more than twenty-five lakh rupees but does not exceed five crore rupees; or a medium enterprise , where the investment in plant and machinery is more than five crore but does not exceed ten crore rupees and in the case of the enterprise engaged in the services, “Micro – enterprise” , where the investment in equipment does not exceed ten lakh rupees, “Small Enterprise” where the investment in equipment is more than ten lakh rupees but does not exceed two crore rupees, or “ Medium Enterprise” where the investment in equipment is more than two crore rupees but does not exceed five crore rupees.

##### **Industrial Policy of Relevant State**

##### **The Maharashtra Industrial Policy 2013**

The Maharashtra Industrial Policy 2013 has given a special attention to encourage small scale industries. For financial stability of MSMEs (Micro Small and Medium Enterprises) , the state government will provide fiscal incentives and support to less developed areas, such as 75% reimbursement of cost of water and energy admissible. There is 100% stamp duty exemption within investment period for acquiring land and for term loan purposes. Exemption from payment of electricity duty to eligible new units is also available in certain cases. Power tariff of INR 1/- per unit consumed is available for eligible new units located in Gondia, Kinvat, Chandrapur, etc. Financial incentives are available in the form of Industrial Promotion Subsidy (IPS), Interest Subsidy, Electricity duty exemption, Waiver of Stamp Duty, Power Tariff Subsidy, etc. Up to 70 lacs can be utilized in the various ways. The Industrial Promotion Subsidy, which is receivable in cash as a specific percentage of net VAT and CST is also provided. Existing units can also be benefited under this scheme provided that they make 1) minimum

investment in capital assets of 25%; 2) same increase in production capacity; and 3) minimum 10% increase in employment.

### **Anti-Trust Laws**

#### **Competition Act, 2002**

An act to prevent practices having adverse effect on competition, to promote and sustain competition in markets, to protect interest of consumer and to ensure freedom of trade in India. The act deals with prohibition of agreements and Anti-competitive agreements. No enterprise or group shall abuse its dominant position in various circumstances as mentioned under the Act.

The prima facie duty of the commission is to eliminate practices having adverse effect on competition, promote and sustain competition, protect interest of consumer and ensure freedom of trade. The commission shall issue notice to show cause to the parties to combination calling upon them to respond within 30 days in case it is of the opinion that there has been an appreciable adverse effect on competition in India. In case a person fails to comply with the directions of the Commission and Director General he shall be punishable with a fine which may exceed to Rs. 1 lakh for each day during such failure subject to maximum of Rupees One Crore.

### **GENERAL CORPORATE COMPLIANCE**

#### **The Companies Act 1956 and The Companies Act, 2013**

The consolidation and amendment in law relating to Companies Act, 1956 made way to enactment of Companies Act, 2013. The Companies act 1956 is still applicable to the extent not repealed and the Companies Act, 2013 is applicable to the extent notified. The act deals with incorporation of companies and the procedure for incorporation and post incorporation. The conversion of private company into public company and vice versa is also laid down under the Companies Act, 2013. The procedure relating to winding up, voluntary winding up, appointment of liquidator also forms part of the act. The provision of this act shall apply to all the companies incorporated either under this act or under any other previous law. It shall also apply to banking companies, companies engaged in generation or supply of electricity and any other company governed by any special act for the time being in force. A company can be formed by seven or more persons in case of public company and by two or more persons in case of private company. A company can even be formed by one person i.e., a One Person Company. The provisions relating to forming and allied procedures of One Person Company are mentioned in the act.

Further, Schedule V (read with sections 196 and 197), Part I lay down conditions to be fulfilled for the appointment of a managing or whole time director or manager. It provides the list of acts under which if a person is prosecuted he cannot be appointed as the director or Managing Director or Manager of the firm. The provisions relating to remuneration of the directors payable by the companies is under Part II of the said schedule.

### **EMPLOYMENT AND LABOUR LAWS**

#### **Contract Labour (Regulation and Abolition) Act, 1970**

The Contract Labour (Regulation and Abolition) Act, 1970 ("CLRA") has been enacted to regulate the employment of contract labour in certain establishments, the regulation of their conditions and terms of service and to provide for its abolition in certain circumstances. The CLRA applies to every establishment in which 20 or more workmen are employed or were employed on any day of the preceding 12 months as contract labour. The CLRA vests the responsibility on the principal employer of an establishment to which the CLRA applies to make an application to the registered officer in the prescribed manner for registration of the establishment. In the absence of registration, a contract labour cannot be employed in the establishment. Likewise, every contractor to whom the CLRA applies is required to obtain a license and not to undertake or execute any work through contract labour except under and in accordance with the license issued. To ensure the welfare and health of the contract labour, the CLRA imposes certain obligations on the contractor in relation to establishment of canteens, rest rooms, drinking water, washing facilities, first aid, other facilities and payment of wages. However, in the event the contractor fails to provide these amenities, the principal employer is under an obligation



to provide these facilities within a prescribed time period. Penalties, including both fines and imprisonment, may be levied for contravention of the provisions of the CLRA.

**Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952**

The EPF Act is applicable to an establishment employing more than 20 employees and as notified by the government from time to time. All the establishments under the EPF Act are required to be registered with the appropriate Provident Fund Commissioner. Also, in accordance with the provisions of the EPF Act, the employers are required to contribute to the employees' provident fund the prescribed percentage of the basic wages, dearness allowances and remaining allowance (if any) payable to the employees. The employee shall also be required to make the equal contribution to the fund. The Central Government under section 5 of the EPF Act (as mentioned above) frames Employees Provident Scheme, 1952.

**Employees Deposit Linked Insurance Scheme, 1976**

The scheme shall be administered by the Central Board constituted under section 5A of the EPF Act. The provisions relating to recovery of damages for default in payment of contribution with the percentage of damages are laid down under 8A of the act. The employer falling under the scheme shall send to the Commissioner within fifteen days of the close of each month a return in the prescribed form. The register and other records shall be produced by every employer to Commissioner or other officer so authorized shall be produced for inspection from time to time. The amount received as the employer's contribution and also Central Government's contribution to the insurance fund shall be credited to an account called as "Deposit-Linked Insurance Fund Account."

**The Employees Pension Scheme, 1995**

Family pension in relation to this act means the regular monthly amount payable to a person belonging to the family of the member of the Family Pension Fund in the event of his death during the period of reckonable service. The scheme shall apply to all the employees who become a member of the EPF or PF of the factories provided that the age of the employee should not be more than 59 years in order to be eligible for membership under this act. Every employee who is member of EPF or PF has an option of the joining scheme. The employer shall prepare a Family Pension Fund contribution card in respect of the entire employee who is member of the fund.

**Employees' State Insurance Act, 1948 (the "ESI Act")**

It is an act to provide for certain benefits to employees in case of sickness, maternity and 'employment injury' and to make provision for certain other matters in relation thereto. It shall apply to all factories (including factories belonging to the Government other than seasonal factories. Provided that nothing contained in this sub-section shall apply to a factory or establishment belonging to or under the control of the Government whose employees are otherwise in receipt of benefits substantially similar or superior to the benefits provided under this Act. This Act requires all the employees of the establishments to which this Act applies to be insured in the manner provided there under. Employer and employees both are required to make contribution to the fund. The return of the contribution made is required to be filed with the Employee State Insurance department.

**Payment of Bonus Act, 1965**

The Payment of Bonus Act, 1965 imposes statutory liability upon the employers of every establishment in which 20 or more persons are employed on any day during an accounting year covered to pay bonus to their employees. It further provides for payment of minimum and maximum bonus and linking the payment of bonus with the production and productivity.

**Payment of Gratuity Act, 1972**

The Act shall apply to every factory, mine plantation, port and railway company; to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a State, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; such other establishments or class of establishments, in which ten or more

employees are employed, on any day of the preceding twelve months, as the Central Government, may by notification, specify in this behalf. A shop or establishment to which this act has become applicable shall be continued to be governed by this act irrespective of the number of persons falling below ten at any day. The gratuity shall be payable to an employee on termination of his employment after he has rendered continuous service of not less than five years on superannuation or his retirement or resignation or death or disablement due to accident or disease. The five year period shall be relaxed in case of termination of service due to death or disablement.

#### **Minimum Wages Act, 1948**

The Minimum Wages Act, 1948 (“MWA”) came into force with an objective to provide for the fixation of a minimum wage payable by the employer to the employee. Under the MWA, every employer is mandated to pay the minimum wages to all employees engaged to do any work skilled, unskilled, manual or clerical (including out-workers) in any employment listed in the schedule to the MWA, in respect of which minimum rates of wages have been fixed or revised under the MWA. Construction of Buildings, Roads, and Runways are scheduled employments. It prescribes penalties for non-compliance by employers for payment of the wages thus fixed.

#### **Maternity Benefit Act, 1961**

The Maternity Benefit Act, 1961 provides for leave and right to payment of maternity benefits to women employees in case of confinement or miscarriage etc. The act is applicable to every establishment which is a factory, mine or plantation including any such establishment belonging to government and to every establishment of equestrian, acrobatic and other performances, to every shop or establishment within the meaning of any law for the time being in force in relation to shops and establishments in a state, in which ten or more persons are employed, or were employed, on any day of the preceding twelve months; provided that the state government may, with the approval of the Central Government, after giving at least two months’ notice shall apply any of the provisions of this act to establishments or class of establishments, industrial, commercial, agricultural or otherwise.

#### **Equal Remuneration Act, 1979**

The Equal Remuneration Act 1979 provides for payment of equal remuneration to men and women workers and for prevention discrimination, on the ground of sex, against Female employees in the matters of employment and for matters connected therewith. The act was enacted with the aim of state to provide Equal Pay and Equal Work as envisaged under Article 39 of the Constitution.

#### **Child Labour Prohibition and Regulation Act, 1986**

The Child Labour Prohibition and Regulation Act 1986 prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Employment of Child Labour in our industry is prohibited as per Part B (Processes) of the Schedule.

#### **Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001**

Provisions of the Trade Union Act, 1926 provides that any dispute between employers and workmen or between workmen and workmen, or between employers and employers which is connected with the employment, or non-employment, or the terms of employment or the conditions of labour, of any person shall be treated as trade dispute. For every trade dispute a trade union has to be formed. For the purpose of Trade Union Act, 1926, Trade Union means combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen, or between employers and employers, or for imposing restrictive condition on the conduct of any trade or business etc.

#### **The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

In order to curb the rise in sexual harassment of women at workplace, this act was enacted for prevention and redressal of complaints and for matters connected therewith or incidental thereto. The terms sexual harassment and workplace are both defined in the act. Every employer should also constitute an “Internal Complaints Committee” and every officer and member of the company shall hold office for a

period of not exceeding three years from the date of nomination. Any aggrieved woman can make a complaint in writing to the Internal Committee in relation to sexual harassment of female at workplace. Every employer has a duty to provide a safe working environment at workplace which shall include safety from the persons coming into contact at the workplace, organising awareness programs and workshops, display of rules relating to the sexual harassment at any conspicuous part of the workplace, provide necessary facilities to the internal or local committee for dealing with the complaint, such other procedural requirements to assess the complaints.

**Inter-State Migrant Workmen (Regulation of Employment And Conditions of Service) Act, 1979** This Act has been enacted with an aim to regulate the employment of inter-state migrant workmen and to provide for their conditions of service. It is applicable to every establishment employing five or more inter-state migrant workmen or having employed in the past twelve months and to every contractor who employs or who employed five or more inter-state migrant workmen in the past twelve months. Every Principal Employer of the establishment employing inter-state migrant workmen has to make an application for the registration of the establishment in the prescribed manner and time. Also a contractor employing inter-state migrant workmen has to obtain a license for the same from the licensing officer appointed for the purpose by the Central or the state Government. The license is valid only for a specified period and requires to be renewed at its expiry. The Act levies some duties on the principal employer and the contractor. The contractor is to provide for adequate wages, medical facilities and other benefits while it is the responsibility of the principal employer to provide for the displacement allowance and journey allowance to the workmen.

**Industrial Disputes Act, 1947 (“ID Act”) and Industrial Dispute (Central) Rules, 1957**

The ID Act and the Rules made thereunder provide for the investigation and settlement of industrial disputes. The ID Act was enacted to make provision for investigation and settlement of industrial disputes and for other purposes specified therein. Workmen under the ID Act have been provided with several benefits and are protected under various labour legislations, whilst those persons who have been classified as managerial employees and earning salary beyond prescribed amount may not generally be afforded statutory benefits or protection, except in certain cases. Employees may also be subject to the terms of their employment contracts with their employer, which contracts are regulated by the provisions of the Indian Contract Act, 1872. The ID Act also sets out certain requirements in relation to the termination of the services of the workman. The ID Act includes detailed procedure prescribed for resolution of disputes with labour, removal and certain financial obligations up on retrenchment. The Industrial Dispute (Central) Rules, 1957 specify procedural guidelines for lock-outs, closures, lay-offs and retrenchment

**TAX RELATED LEGISLATIONS**

**Value Added Tax (“VAT”)**

VAT is a system of multi-point Levy on each of the purchases in the supply chain with the facility of set-off input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT Liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration number from Sales Tax Officer of the respective State.

**Haryana Value Added Tax Act, 2003**

A tax levied on collection of tax on sale or purchase of goods in the State of Haryana and matters incidental thereto. The term business includes (i) any trade, commerce or manufacture, or any adventure or concern in the nature of trade, commerce or manufacture, whether or not such trade, commerce, manufacture, adventure or concern is carried on with a motive to make gain or profit and whether or not any gain or profit accrues from such trade, commerce, manufacture, adventure or concern; and (ii) any transaction, casual or otherwise, in connection with, or incidental or ancillary to, such trade, commerce, manufacture or concern. “Trade” includes trade of goods and services. The term ‘goods’ in

context to this act means every kind of movable property, tangible or intangible, other than newspapers, actionable claims, money, stocks and shares or securities but includes growing crops, grass, trees and things attached to or forming part of the land which are agreed to be severed before sale or under the contract of sale.

#### **Goa Value Added Tax Act, 2005**

This Act provides for and consolidates the law relating to the levy of value added tax on sale of goods in the state of Goa. In this act, unless the context otherwise requires any occasional transaction in the nature of trade, commerce, manufacture, adventure or concern whether or not there is volume frequency, continuity or regularity of such transaction whether or not trade, commerce, or transaction is effected with a motive to make gain or profit accrues from such trade, commerce, manufactures, adventure, concern or transaction. The sale of any property which is under construction is liable to value added tax (VAT). The builders are expected to extract this VAT in addition to service tax. The amount of this VAT could be included in this agreement. Every dealer whose turnover of all sales made during:

- i) the year ending on the 31st day of March of the year preceding the year in which this Act is enforced; or
- ii) the year commencing on the 1st day of April of the year during which this Act is enforced; has exceeded or exceeds the relevant limit as specified shall until such liability ceases under sub-section (3), be liable to pay tax under this Act on his turnover of sales, made, on or after the appointed day. Provided that, a dealer to whom clause (i) above does not apply but clause (ii) applies and whose turnover of all sales first exceeds the relevant limit specified after the appointed day shall not be liable to pay tax in respect of sales which take place upto the time when his turnover of sales, as computed from the first day of the year during which this Act is enforced, does not exceed the relevant limit applicable to him under sub-section

#### **Maharashtra Value Added Tax Act, 2002**

As per the provisions of MVAT, a dealer is liable to pay tax on the basis of turnover of sales within the State. The term dealer has been defined u/s. 2(8) of the Act. It includes all person or persons who buys or sells goods in the State whether for commission, remuneration or otherwise in the course of their business or in connection with or incidental to or consequential to engagement in such business. The term includes a Broker, Commission Agent, Auctioneer, Public Charitable Trusts, Clubs, Association of Persons, Departments of Union Government and State Government, Customs, Port Trusts, Railways, Insurance & Financial Corporations, Transport Corporations, Local authorities, Shipping and Construction Companies, Airlines, Advertising Agencies and also any corporation, company, body or authority, which is owned, constituted or subject to administrative control of the Central Government, any State Government or any local authority.

#### **Karnataka Value Added Tax Act, 2003**

An Act to provide for further levy of tax on the purchase or sale of goods in the State of Karnataka. This tax shall be levied on the sale or purchase of goods made after such date as the Government may, by notification, appoint and different dates may be appointed for different class or classes of goods. The definition of “dealer” is contained in section 2 (12). Section 3 states that

- (1) The tax shall be levied on every sale of goods in the State by a registered dealer or a dealer liable to be registered, in accordance with the provisions of this Act.
- (2) The tax shall also be levied, and paid by every registered dealer or a dealer liable to be registered, on the sale of taxable goods to him, for use in the course of his business, by a person who is not registered under this Act. Chapter II deals with the incidence and levying of tax.

#### **Tamil Nadu Value Added Tax Act, 2006**

The Tamil Nadu Value Added Tax Act, 2006 is an Act to consolidate and amend the law relating to the levy of tax on the sale or purchase of goods in the State of Tamil Nadu. The Act has come into force from 1st January 2007. The definition of “dealer” is under section 2 (15) of the Act. Chapter 2 deals with the incidence and levying of tax. According to section 3 (1) (a) Every dealer, other than a casual

trader or agent of a non-resident dealer, whose total turnover for a year is not less than rupees five lakhs and every casual trader or agent of a non-resident dealer, whatever be his total turnover, for a year shall pay tax under this Act. 1 (b) Notwithstanding anything contained in clause (a), every dealer, other than a casual trader or agent of a non-resident dealer, whose total turnover in respect of purchase and sale within the State, for a year, is not less than rupees ten lakhs, shall pay tax under this Act.

#### **Uttar Pradesh Value Added Tax Act, 2008**

The Uttar Pradesh Value Added Tax Act, 2008 is an act to provide for introducing Value Added System of taxation for the levy and collection of tax on sale or purchase of goods in the State of Uttar Pradesh and for matters connected therewith and incidental thereto. The definition of dealer is under 2 (h) and “exempt goods” means any of the goods mentioned or described in column 2 of the Schedule-I. Chapter II deals with the levying of tax.

#### **West Bengal Value Added Tax Act, 2003**

West Bengal Value Added Tax, 2003 (WBVAT Act) was made effective in the state of West Bengal from 27th December, 2004. Goods which are governed by the WBVAT Act, shall not be governed by West Bengal Sales Tax Act, 1994. However, any liability or obligation acquired, any penalty imposed, any investigation initiated, any proceedings pending under the latter, in respect of any transaction effected before 27th December, 2004 or in respect of any action relating to such transaction, shall remain unaffected by the provisions of the WBVAT Act and shall survive. The basic requirement of charging tax under WBVAT Act is that where any sale or purchase in the course of business is affected, in the State of West Bengal, VAT is payable under WBVAT Act. Transactions made in the course of business only are covered under the WBVAT Act. The basis of levy of tax is the value added to such goods at each stage of sale of such goods and on purchases of certain goods in West Bengal in specified circumstances. In order to comply with the provisions of the WBVAT Act, the Company needs to follow the procedures laid down under the West Bengal Value Added Tax Rules, 2005.

#### **Service Tax**

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of ‘taxable services’, as specified in entry 39 defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 5<sup>th</sup> / 6<sup>th</sup> of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a half yearly return in Form ST 3 by the 25<sup>th</sup> of the month immediately following the half year to which the return relates.

#### **Central Sales Tax Act, 1956 (“CST”)**

The main object of this act is to formulate principles for determining (a) when a sale or purchase takes place in the course of trade or commerce (b) When a sale or purchase takes place outside a State (c) When a sale or purchase takes place in the course of imports into or export from India, to provide for Levy, collection and distribution of taxes on sales of goods in the course of trade or commerce, to declare certain goods to be of special importance trade or commerce and specify the restrictions and conditions to which State Laws imposing taxes on sale or purchase of such goods of special importance (called as declared goods) shall be subject. CST Act imposes the tax on interstate sales and states the principles and restrictions as per the powers conferred by Constitution.

#### **The Central Excise Act, 1944**

The Central Excise Act, 1944 (“Central Excise Act”) consolidates and amends the law relating to Central Duties of Excise on goods manufactured or produced in India. Excisable goods under the Act means goods specified in the Schedule to the Central Excise Tariff Act, 1985 as being subject to duty of excise. Factory means any premises, including the precincts thereof, wherein or in any part of which excisable goods are manufactured, or wherein or in any part of which any manufacturing process connected with the production of these goods being carried on or is ordinarily carried out. Under the

Act a duty of excise is levied on all excisable goods, which are produced or manufactured in India as and at the rates, set forth in the First Schedule to the Central Excise Tariff Act, 1985.

### **Goods and Service Tax (GST)**

Goods and Services Tax (GST) is levied on supply of goods or services or both jointly by the Central and State Governments. It was introduced as The Constitution (One Hundred and First Amendment) Act 2017 and is governed by the GST Council. GST provides for imposition of tax on the supply of goods or services and will be levied by centre on intra-state supply of goods or services and by the States including Union territories with legislature/ Union Territories without legislature respectively. A destination based consumption tax GST would be a dual GST with the centre and states simultaneously levying tax with a common base. The GST law is enforced by various acts viz. Central Goods and Services Act, 2017 (CGST), State Goods and Services Tax Act, 2017 (SGST), Union Territory Goods and Services Tax Act, 2017 (UTGST), Integrated Goods and Services Tax Act, 2017 (IGST) and Goods and Services Tax (Compensation to States) Act, 2017 and various rules made thereunder. It replaces following indirect taxes and duties at the central and state levels:

Central Excise Duty, Duties of Excise (Medicinal and Toilet Preparations), additional duties on excise – goods of special importance, textiles and textile products, commonly known as CVD – special additional duty of customs, service tax, central and state surcharges and cesses relating to supply of goods and services, state VAT, Central Sales Tax, Luxury Tax, Entry Tax (all forms), Entertainment and Amusement Tax (except when levied by local bodies), taxes on advertisements, purchase tax, taxes on lotteries, betting and gambling.

It is applicable on all goods except for alcohol for human consumption and five petroleum products.

Taxpayers with an aggregate turnover of Rs. 20 lakhs would be exempt from tax. The exemption threshold for special category of states like North-East shall be Rs. 10 lakhs. Small taxpayers with an aggregate turnover in preceding financial year upto Rs. 75 lakhs (50 lakhs in case of special category states) may opt for composition levy. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% and 18%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST applies on few items like aerated drinks, luxury cars and tobacco products. The rate of tax for CGST and SGST/UTGST shall not exceed –

- a. 2.5% in case of restaurants etc.
- b. 1% of the turnover in state/UT in case of manufacturer
- c. 0.5% of the turnover in state/ UT in case of other supplier

Export and supplies to SEZ shall be treated as zero-rated supplies. Import of goods and services would be treated as inter-state supplies. Every person liable to take registration under these Acts shall do so within a period of 30 days from the date on which he becomes liable to registration. The Central/State authority shall issue the registration certificate upon receipt of application. The Certificate shall contain fifteen digit registration number known as Goods and Service Tax Identification Number (GSTIN). In case a person has multiple business verticals in multiple location in a state, a separate application will be made for registration of each and every location. The registered assessee are then required to pay GST as per the rules applicable thereon and file the appropriate returns as applicable thereon.

### **OTHER LAWS**

#### **The Factories Act, 1948**

The Factories Act, 1948 (“Factories Act”) aims at regulating labour employed in factories. A “factory” is defined as “any premises...whereon ten or more workers are working or were working on any day of the preceding twelve months, and in any part of which a manufacturing process is being carried on with the aid of power, or is ordinarily so carried on, or whereon twenty or more workers are working, or were 81 working on any day of the preceding twelve months, and in any part of which a manufacturing process is carried on without the aid of power, or is ordinarily so carried on...”. The main aim of the said Act is to ensure adequate safety measures and to promote the health and welfare of the workers

employed in factories initiating various measures from time to time to ensure that adequate standards of safety, health and welfare are achieved at all the places.

Under the Factories Act, the State Government may make rules mandating approval for proposed factories and requiring licensing and registration of factories. The Factories Act makes detailed provision for ensuring sanitary conditions in the factory and safety of the workers and also lays down permissible working hours, leave etc. In addition, it makes provision for the adoption of worker welfare measures. The prime responsibility for compliance with the Factories Act and the rules thereunder rests on the “occupier”, being the person who has ultimate control over the affairs of the factory. The Factories Act states that save as otherwise provided in the Factories Act and subject to provisions of the Factories Act which impose certain liability on the owner of the factory, in the event there is any contravention of any of the provisions of the Factories Act or the rules made thereunder or of any order in writing given thereunder, the occupier and the manager of the factory shall each be guilty of the offence and punishable with imprisonment or with fine. The occupier is required to submit a written notice to the chief inspector of factories containing all the details of the factory, the owner, manager and himself, nature of activities and such other prescribed information prior to occupying or using any premises as a factory. The occupier is required to ensure, as far as it is reasonably practicable, the health, safety and welfare of all workers while they are at work in the factory.

#### **Shops and establishments laws in various states**

Under the provisions of local Shops and Establishments laws applicable in various states, establishments are required to be registered. Such laws regulate the working and employment conditions of the workers employed in shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees.

#### **ENVIRONMENTAL LEGISLATIONS**

##### **The Environment Protection Act, 1986 (“Environment Protection Act”)**

The purpose of the Environment Protection Act is to act as an "umbrella" legislation designed to provide a frame work for Central government co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorizes the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

##### **Air (Prevention and Control of Pollution) Act, 1981**

Air (Prevention and Control of Pollution) Act 1981 (“the Act”) was enacted with an objective to protect the environment from smoke and other toxic effluents released in the atmosphere by industries. With a view to curb air pollution, the Act has declared several areas as air pollution control area and also prohibits the use of certain types of fuels and appliances. Prior written consent is required of the board constituted under the Act, if a person intends to commence an industrial plant in a pollution control area.

##### **Water (Prevention and Control of Pollution) Act, 1974**

The Water (Prevention and Control of Pollution) Act 1974 (“the Act”) was enacted with an objective to protect the rivers and streams from being polluted by domestic and industrial effluents. The Act prohibits the discharge of toxic and poisonous matter in the river and streams without treating the

pollutants as per the standard laid down by the Pollution control boards constituted under the Act. A person intending to commence any new industry, operation or process likely to discharge pollutants must obtain prior consent of the board constituted under the Act.

#### **Hazardous Waste (Management and Handling) Rules, 1989**

The Hazardous Waste (Management and Handling) Rules, 1989, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose of such hazardous wastes properly and also imposes obligations in respect of the collection, treatment and storage of hazardous wastes. Each occupier and operator of any facility generating hazardous waste is required to obtain an approval from the relevant state pollution control board for collecting, storing and treating the hazardous waste.

#### **The Public Liability Insurance Act, 1991**

This Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. A list of hazardous substances covered by the legislation has been enumerated by the Government by way of a notification. The owner or handler is also required to take out an insurance policy insuring against liability under the legislation. The rules made under the Public Liability Act mandate that the employer has to contribute towards the environment relief fund, a sum equal to the premium paid on the insurance policies. The amount is payable to the insurer.

#### **National Environmental Policy, 2006**

The Policy seeks to extend the coverage, and fill in gaps that still exist, in light of present knowledge and accumulated experience. This policy was prepared through an intensive process of consultation within the Government and inputs from experts. It does not displace, but builds on the earlier policies. It is a statement of India's commitment to making a positive contribution to international efforts. This is a response to our national commitment to a clean environment, mandated in the Constitution in Articles 48 A and 51 A (g), strengthened by judicial interpretation of Article 21. The dominant theme of this policy is that while conservation of environmental resources is necessary to secure livelihoods and well-being of all, the most secure basis for conservation is to ensure that people dependent on particular resources obtain better livelihoods from the fact of conservation, than from degradation of the resource. Following are the objectives of National Environmental Policy:

- Conservation of Critical Environmental Resources
- Intra-generational Equity: Livelihood Security for the Poor
- Inter-generational Equity
- Integration of Environmental Concerns in Economic and Social Development
- Efficiency in Environmental Resource Use
- Environmental Governance
- Enhancement of resources for Environmental Conservation

#### **INTELLECTUAL PROPERTY LEGISLATIONS**

In general the Intellectual Property Rights includes but is not limited to the following enactments:

- The Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999

#### **Indian Patents Act, 1970**

A patent is an intellectual property right relating to inventions and is the grant of exclusive right, for limited period, provided by the Government to the patentee, in exchange of full disclosure of his invention, for excluding others from making, using, selling, importing the patented product or process



producing that product. The term invention means a new product or process involving an inventive step capable of industrial application.

### **The Copyright Act, 1957**

Copyright is a right given by the law to creators of literary, dramatic, musical and artistic works and producers of cinematograph films and sound recordings. In fact, it is a bundle of rights including, inter alia, rights of reproduction, communication to the public, adaptation and translation of the work. There could be slight variations in the composition of the rights depending on the work.

### **Trade Marks Act, 1999**

The Trade Marks Act, 1999 (the “**Trade Marks Act**”) provides for the application and registration of trademarks in India for granting exclusive rights to marks such as a brand, label and heading and obtaining relief in case of infringement for commercial purposes as a trade description. The Trade Marks Act prohibits any registration of deceptively similar trademarks or chemical compounds among others. It also provides for penalties for infringement, falsifying and falsely applying for trademarks.

### **GENERAL LAWS**

Apart from the above list of laws – which is inclusive in nature and not exhaustive - general laws like the Indian Contract Act 1872, Specific Relief Act 1963, Negotiable Instrument Act 1881, The Information Technology Act, 2000, Sale of Goods Act 1930 and Consumer Protection Act 1986 are also applicable to the company.

### **OTHER LAWS:**

#### **FEMA Regulations**

As laid down by the FEMA Regulations, no prior consents and approvals are required from the Reserve Bank of India, for Foreign Direct Investment under the automatic route within the specified sectoral caps. In respect of all industries not specified as FDI under the automatic route, and in respect of investment in excess of the specified sectoral limits under the automatic route, approval may be required from the FIPB and/or the RBI. The RBI, in exercise of its power under the FEMA, has notified the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 (“FEMA Regulations”) to prohibit, restrict or regulate, transfer by or issue security to a person resident outside India. Foreign investment in India is governed primarily by the provisions of the FEMA which relates to regulation primarily by the RBI and the rules, regulations and notifications there under, and the policy prescribed by the Department of Industrial Policy and Promotion, Ministry of Commerce & Industry, Government of India

### **THE FOREIGN DIRECT INVESTMENT**

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

## OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

### CORPORATE PROFILE AND BRIEF HISTORY

Our Company was originally incorporated as “Innovators Engineers & Contractors Private Limited” at Mumbai, Maharashtra, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 8, 1999 bearing Registration No 11-120229 issued by Assistant Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed from Innovators Engineers & Contractors Private Limited to Innovators Façade Systems Private Limited vide Fresh Certificate of Incorporation dated July 19, 2005 issued by Assistant Registrar of Companies, Belapur, Navi Mumbai. Our Company was converted to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on January 29, 2018 and the name of our Company was changed to Innovators Façade Systems Limited and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated February 15, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of our Company is U45200MH1999PLC120229.

Radheshyam Sharma and Jolly Multi Trade Private Limited (“JMTPL”) are the promoters of our Company. JMTPL was not the original promoter of our Company, and initially acquired shares in our Company on 5 December, 2014 it currently holds 45,41,022 Equity Shares of our Company, which constitutes 34.38% of our pre-Issue paid-up capital. Radheshyam Sharma and Shivchand Sharma are the initial subscribers to our Company. For details of build-up of Jolly Multi Trade Private Limited shareholding in our Company, please see, “Capital Structure” beginning on page 85 of this Red Herring Prospectus.

Our Company is engaged in the business of manufacturing, engineering, designing and installation of all types of façade systems.

For information on our Company’s profile, activities, market, products, etc., market of each segment, standing of our Company in comparison with prominent competitors, with reference to its products, management, managerial competence, technology, market, major suppliers and customers, environmental issues, geographical segment, etc. wherever applicable, please refer to this chapter and chapters titled “Our Business”, “Our Industry”, “Financial Statements as Restated”, “Management’s Discussion and Analysis of Financial Condition and Results of Operation”, “Government and Other Statutory Approvals” beginning on page 149, 125, 205, 206 and 244 respectively of this Red Herring Prospectus.

### CHANGE OF REGISTERED OFFICE

At the time of Incorporation, our Company’s Registered Office was situated at Shop No 5, Building No B6, Sector 11, Shanti Nagar, Mira Road, East Thane Maharashtra 401107 India. The details of changes in the address of our Registered Office are set forth below:

From	To	Effective Date	Reasons
Shop No 5, Building No B6, Sector 11, Shanti Nagar, Mira Road, East Thane Maharashtra 401107 India.	Building B 23/002, Sector 11, Shanti Nagar, Mira Road, Thane, Maharashtra, 401107 India.	October 01, 1999	Administrative convenience
Building B 23/002, Sector 11, Shanti Nagar, Mira Road, Thane, Maharashtra, 401107 India.	204, B-65 Sector 1, Shanti Nagar, Mira Road East Thane Maharashtra 401107	December 06, 2008	Administrative convenience

## KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Events
1999	Incorporation of our Company
2011	ISO Certification granted by Bureau Veritas
2012	Certificate of Excellence by Construction Week, India Awards 2012 – Awarded as Runner up in the category Façade Contractor of the year
2014	Certificate of HSE Appreciation by TATA Realty and Infrastructure Limited
2015	Certificate of Appreciation for emerging as Façade Contract of the Year by IT Publishing India Private Limited
2018	Conversion of Company to Public Limited

## OUR MAIN OBJECTS

The main objects of our Company, as contained in our Memorandum of Association, are as set forth below:

*To carry on in India or abroad, the business to build , alter , acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, finish ,repair, maintain, search, survey, examine, taste, inspect, locate, modify, own, operate ,protect, promote, provide, participate reconstruct, grout, dig, excavate, pour, renovate, remodel, rebuild, undertake, contribute, assist, and to act as civil engineer, architectural, engineer, interior decorator, consultant, advisor, agent broker, supervisor, administrator, contractor, sub- contractor, turnkey contractor, and manage of all types of façade and façade systems, made of aluminium or any other material, interior and developmental work in all its branches such as building, roads, ways, culverts , dams, wharfs, warehouses , factories , structures, drainage, & sewage works, water distribution & filtrations systems , docks, harbours, piers, irrigation works, foundation works, flyovers airports, runways, rock drilling acquaducts , stadiums , hydraulic units, sanitary work ,power supply works , power stations , hotels, hospitals, dharmashalas , multistories, complexes, housing projects and other similar works.*

## AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association

Date of Shareholder's Approval	Amendment
May 09, 2005	Amendment of Memorandum of Association upon change in name of our Company from Innovators Engineers & Contractors Private Limited to Innovators Façade Systems Private Limited A fresh certificate of incorporation pursuant to the change of name was granted by the RoC on July 19, 2005.
July 01, 2005	Increase in authorised capital from Rs. 5,00,000/- consisting of 50,000 Equity Shares of face value of Rs. 10/- each to Rs. 20,00,000/- consisting of 2,00,000 Equity Shares of face value of Rs. 10/- each.
August 13, 2005	Amendment in main object clause of our Company; amended clause stands as mentioned; <i>“To carry on in India or abroad, the business to build, alter, acquire, convert, improve, design, erect, establish, equip, develop, dismantle, pull down, turn to account, furnish, level, decorate, fabricate, install, furnish, repair, maintain, search, survey, examine, taste, inspect, locate, modify, own, operate, protect, promote, provide, participate, reconstruct, grout, dig, excavate, pour, renovate, remoded, rebuilt, undertake, contribute, assist, and to act as civil engineer, architectural engineer, interior decorator, consultant, advisor, agent, broker,</i>

<b>Date of Shareholder's Approval</b>	<b>Amendment</b>
	<i>supervisor, administrator, contractor, sub contractor, turnkey contractor and manage of all types of façade and façade systems made of aluminium or any other material, interior &amp; developmental work in all branches such as buildings, roads, ways, culvert, dams, wharfs, warehouses, factories, structures, drainage &amp; sewage works water distribution &amp; filtrations systems, docks, harbours, piers, irrigation works, foundation works, flyovers, airports, runways, rock drilling aqueducts, stadiums, hydraulic units, sanitary works, power supply works, power stations, hotels, hospitals, dharamshalas, multistories, complexes, housing projects and other similar works.</i>
March 31, 2007	Increase in authorised capital from Rs. 20,00,000/- consisting of 2,00,000 Equity Shares of face value of Rs. 10 each to Rs. 1,00,00,000/- consisting of 10,00,000 Equity Shares of face value of Rs. 10 each.
December 22, 2007	Increase in authorised capital from Rs. 1,00,00,000/- consisting of 10,00,000 Equity Shares of face value of Rs. 10 each to Rs. 5,00,00,000/- consisting of 50,00,000 Equity Shares of face value of Rs. 10 each.
April 30, 2008	Increase in authorised capital from Rs. 5,00,00,000/- consisting of 50,00,000 Equity Shares of face value of Rs. 10 each to Rs. 10,00,00,000/- consisting of 1,00,00,000 Equity Shares of face value of Rs. 10 each.
November 6, 2014	Increase in authorised capital from Rs. 10,00,00,000/- consisting of 1,00,00,000 Equity Shares of face value of Rs. 10 each to Rs. 11,00,00,000/- consisting of 1,10,00,000 Equity Shares of face value of Rs. 10 each.
January 29, 2018	Increase in Authorized Capital from Rs. 11,00,00,000 consisting of 1,10,00,000 Equity Shares of face value of Rs. 10 each to Rs. 17,00,00,000 consisting of 1,70,00,000 Equity Shares of face value of Rs. 10 each.
January 29, 2018	Amendment of Memorandum of Association upon Conversion of our Company from a Private Limited Company to a Public Limited Company and the consequent change in name of our Company to Innovators Façade Systems Limited. A fresh certificate of incorporation pursuant to the change of name and conversion of Company to public was granted by the RoC on February 15, 2018.
February 21, 2018	Increase in Authorized Capital from Rs. 17,00,00,000 consisting of 1,70,00,000 Equity Shares of face value of Rs. 10 each to Rs 21,00,00,000 consisting of 2,10,00,000 Equity Shares of face value of Rs 10 each.

#### **HOLDING COMPANY OF OUR COMPANY**

Our Company has no holding company as on this date of filing of this Red Herring Prospectus.

#### **SUBSIDIARY COMPANY OF OUR COMPANY**

Except given as under our Company does not have any other subsidiary as on date of filing of this Red Herring Prospectus.

Kapindra Multi Trade Private Limited was incorporated as Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated December 21, 2006, issued

by Assistant Registrar of Companies, Mumbai, Maharashtra. The registered office of the Company is situated at 001-B-65, Sector No.1, Jay Deep CHS. Limited Mira Road (East) Thane Maharashtra 401107, India. The Corporate Identification Number of the Company is U51909MH2006PTC166379.

### Current nature of business

The Company is engaged in the business of Exporters, Importers, distributors, merchants, traders, stockiest, buy, sell, distribute or otherwise deal in commodities, goods, articles, materials and things of every description and kind such as, computers its parts and peripherals, laboratory equipment's, cosmetics and toiletries, all types of beverages, chemicals and mixtures, cigarettes, electronics & electrical goods, plastic products, fertilisers, foods (canned or otherwise), glasses, liquor, Iron and steel, machineries and equipments, building construction materials, packing materials, paper and pulp products, photographic film and paper, PVC and resins, rubber goods, cement, engineering and scientific instruments, oil of all kinds, motor cars and other vehicles and accessories, coal, timber, cotton wool, jute yarn, seed grains, rice, wheat, fruits, vegetables, tea, coffee, sugar, gum, tobacco, spices, silk, art silk, oil cakes, paints, varnishes, dyes matches cutlery, Jewellery, diamonds, precious metals, groceries, all types of household articles and appliances, medicines, drugs, medical and pharmaceutical products and appliances, live stocks, hider, skin leather and good made there from, hosiery, textiles of all kinds products, readymade garments. No money circulating scheme will be carried out by the company. However as on date of this Red Herring Prospectus the Company is not carrying out any business activity as authorised in its charter documents.

### Capital Structure and Shareholding Pattern

The authorized share capital of the Company is Rs. 39,00,000/- divided into 3,90,000 equity shares of Rs. 10/- each and the Paid up Capital of Rs. 38,31,800/- divided into 3,83,180 equity shares of Rs. 10/- each. The shareholding pattern of Subsidiary as on the date of this Red Herring Prospectus is as mentioned below:

Sr. No.	Name of Shareholders	Number of Shares	Percentage
1	Innovators Façade Systems Private Limited	3,83,160	99.99
2	Gayatri Sharma	20	0.01
	<b>Total</b>	<b>3,83,180</b>	<b>100%</b>

The Board of Directors of Subsidiary as on the date of this Red Herring Prospectus is as follows:

1. Narendra Sharma
2. Gayatri Sharma

### Standalone Financial Performance of Kapindra Multi Trade Private Limited as on the date of this Red Herring Prospectus.

*Rs in lakhs*

Particulars	2016-17	2015-16	2014-15
Paid Up Capital	38.31	38.31	38.31
Reserves and Surplus	1819.32	1821.92	1825.09
Net Asset Value (In Rs.)	484.80	485.47	486.30
Sales and Other Income	0.00	0.00	0.00
Profit/ Loss after tax	(2.59)	(3.17)	(3.03)
EPS	(0.68)	(0.83)	(0.79)

*\*Our Subsidiary does not have any accumulated profits/losses which are to be accounted for by our Company.*

### Interest of the Subsidiary in our Company

Except as stated in —Financial statement-Annexure FC-33 - Consolidated statement of related party disclosures, as restated and —Financial statement-Annexure FS-33 - Standalone statement of related party disclosures, as restated in the chapter titled Financial Statements beginning on page 205 our

subsidiary does not have any other interest in our Company's business.

#### **PROMOTER OF OUR COMPANY**

The promoters of our Company are Radheshyam Sharma and Jolly Multi Trade Private Limited. For details, see "Our Promoter and Promoter Group" beginning on page 194 of this Red Herring Prospectus.

#### **CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT**

For details regarding our capital raising activities through equity and debt, refer to the section titled "Capital Structure" beginning on page 85 of this Red Herring Prospectus.

#### **INJUNCTIONS OR RESTRAINING ORDERS**

The Company is not operating under any injunction or restraining order.

#### **MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY**

Our Company has not merged/amalgamated itself nor has acquired any business/undertaking, since incorporation.

#### **SHAREHOLDERS AGREEMENTS**

Our Company has not entered into any shareholders agreement as on date of filing of this Red Herring Prospectus.

#### **OTHER AGREEMENTS**

Except as mentioned below, our Company has not entered into any other agreements as on date of filing of this Red Herring Prospectus.

*Investment Agreement dated March 3, 2018 and an Addendum to the Investment Agreement dated March 26, 2018 and April 26, 2018 by and between M/s Pantomath Fund Managers LLP, M/s Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I, Vijay Kedia and our Company (collectively referred to as "Parties").*

In terms of the Investment Agreement dated March 3, 2018 ("Agreement") executed by and between the Parties, 15,32,258 Equity Shares have been allotted to M/s. Pantomath Fund Managers LLP, M/s Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I and Vijay Kedia for a total consideration of Rs. 950,00,000. The Agreement confers certain rights and obligations on the Parties *inter alia* whereby (i) our Company and the promoters of the Company shall not provide any person with any rights in relation to the Company which are more favourable than those provided to the investors under the Agreement without the prior written consent of the investors under the terms of the conditions entailed under the Agreement; (ii) Our Company and the promoters shall bring in the Initial Public Offering to raise capital and list the securities of our Company on the SME platform of the recognised stock exchange on or before April 30, 2018; (iii) In the event, our Company is unable to comply with the listing criteria which has been explicitly mentioned in the Agreement, the Agreement stands to be terminated.

Further, the Parties have also entered into an Addendum Agreement dated March 26, 2018 *inter alia* modifying and amending certain clauses of the Agreement.

Additionally, the Addendum Agreement dated April 26, 2018 executed amongst the Parties *inter alia* extends the date of listing of the securities of our Company on the SME platform of the recognised stock exchange on or before May 31, 2018.

#### **STRATEGIC/ FINANCIAL PARTNERS**

Our Company does not have any strategic/financial partner as on the date of filing of this Red Herring Prospectus.

#### **DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS**

There have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Red Herring Prospectus.

#### **CONVERSION OF LOANS INTO EQUITY SHARES**

There have been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Red Herring Prospectus.

#### **CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS**

There has been no change in the activities of our Company during the last five years which may have had a material effect on the profits/loss, including discontinuance of lines of business, loss of agencies or markets and similar factors.

#### **STRIKES AND LOCKOUTS**

There have been no strikes or lockouts in our Company since incorporation.

#### **REVALUATION OF ASSETS**

Our Company has not re-valued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

#### **TIME AND COST OVERRUNS IN SETTING UP PROJECTS**

As on the date of this Red Herring Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

#### **NUMBER OF SHAREHOLDERS**

Our Company has 12 shareholders as on date of this Red Herring Prospectus.

#### **SIGNIFICANT SALE/PURCHASE BETWEEN OUR SUBSIDIARY/HOLDING/AND OUR COMPANY**

For details of significant sales, purchase between our Subsidiary, Holding, and our Company as on date of filing this Red Herring Prospectus, please refer to chapter titled —Related Party Transactionl beginning on page 203 of this Red Herring Prospectus.



## OUR MANAGEMENT

### BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have 6 directors on our Board.

The following table sets forth details regarding our Board of Directors as on the date of Red Herring Prospectus:

Sr. No.	Name, Father's/, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
1.	<b>Name:</b> Radheshyam Sharma <b>Father's Name:</b> Shivchand Sharma <b>Age:</b> 52 Years <b>Designation:</b> Chairman & Managing Director <b>Address:</b> Flat No 2106, Tower C Oberoi Woods Off WE Highway, Goregaon East, Mumbai 400063 Maharashtra <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 00340865 <b>Term:</b> For a period of five years with effect from February 17, 2018	February 17, 2018	<b>Public Limited Company</b> NIL  <b>Private Limited Company</b> Aadar Trading Private Limited ( <i>under process of striking off</i> )  <b>Limited Liability Partnership</b> NIL
2.	<b>Name:</b> Anjana Sharma <b>Husband's Name:</b> Radheshyam Sharma <b>Age:</b> 49 Years <b>Designation:</b> Whole Time director <b>Address:</b> Flat No 2106, Tower C Oberoi Woods Off WE Highway, Goregaon East, Mumbai 400063 Maharashtra <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 00360233 <b>Term:</b> For a period of five years with effect from February 17, 2018	February 17, 2018	<b>Public Limited Company</b> NIL  <b>Private Limited Company</b> NIL <b>Limited Liability Partnership</b> NIL
3.	<b>Name:</b> Shivchand Sharma <b>Father's Name:</b> Dedraj Sharma <b>Age:</b> 70 Years <b>Designation:</b> Additional Non Executive Director <b>Address:</b> A-9, 102, Sector V, Shanti Nagar, Mira Road (E), Thane 401107 Maharashtra <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>DIN:</b> 00298265 <b>Term:</b> Until the ensuing AGM	January 08, 2018	<b>Public Limited Company</b> NIL  <b>Private Limited Company</b> <ul style="list-style-type: none"> <li>• Aadar Trading Private Limited (<i>under process of striking off</i>)</li> <li>• Parth Façade Solutions Private Limited</li> </ul> <b>Limited Liability Partnership</b> NIL

Sr. No	Name, Father's/, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment/ Reappointment as Director	Other Directorship
4.	<p><b>Name:</b> Phoolshankar Shrimali  <b>Father's Name:</b> Murlidhar Shrimali  <b>Age:</b> 51 Years  <b>Designation:</b> Additional Independent Director  <b>Address:</b> D-501, Rangoli, Vasant Utsav Thakur Village, Kandivali East, Mumbai- 400101  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 03549729  <b>Term:</b> Until the ensuing AGM</p>	February 16, 2018	<p><b>Public Limited Company</b> NIL</p> <p><b>Private Limited Company</b> Pinak Texport Private Limited</p> <p><b>Limited Liability Partnership</b> NIL</p>
5.	<p><b>Name:</b> Sunil Deshpande  <b>Father's Name:</b> Krishnarao Deshpande  <b>Age:</b> 64 Years  <b>Designation:</b> Additional Independent Director  <b>Address:</b> 104 Gokul Nagari- 2, B Kandivali East, Near Dattani Park Western Express Highway, Mumbai 400101  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 08065585  <b>Term:</b> Until the ensuing AGM</p>	February 16, 2018	<p><b>Public Limited Company</b> NIL</p> <p><b>Private Limited Company</b> NIL</p> <p><b>Limited Liability Partnership</b> NIL</p>
6.	<p><b>Name:</b> Poonam Bhati  <b>Father's Name:</b> Girwar Singh Shekhawat  <b>Age:</b> 48 Years  <b>Designation:</b> Additional Independent Director  <b>Address:</b> C/O Ratan Singh Bhati, Near Bohra Ganesh Ji Temple, 10 Gokul Nagar Girwa, Udaipur, Udaipur S Hastri Cir Udaipur 313001 Rajasthan, India  <b>Occupation:</b> Business  <b>Nationality:</b> Indian  <b>DIN:</b> 08081236  <b>Term:</b> Until the ensuing AGM</p>	March 09, 2018	<p><b>Public Limited Company</b> Nil</p> <p><b>Private Limited Company</b> Nil</p> <p><b>Limited Liability Partnership</b> Nil</p>

#### BRIEF BIOGRAPHIES OF OUR DIRECTORS

##### a) Radheshyam Sharma

Radheshyam Sharma, aged 52 years, is the Promoter, Chairman and Managing Director of our Company. He has been appointed as director of our Company since incorporation and has been designated as Managing Director of our Company with effect from February 17, 2018. He has completed Diploma in Civil Engineering conducted by Board of Technical Education Rajasthan, Jodhpur. He has an experience of around 18 years in façade industry. He is the guiding force behind all

the strategic decisions of Company and is entrusted with the responsibility of looking after the overall management and operations of Company.

**b) Anjana Sharma**

Anjana Sharma, aged 49 years, is the Whole Time Director of our Company. She has been designated as Whole time Director of our Company with effect from February 17, 2018. She has completed Bachelor of Arts from University Maharani's College, University of Rajasthan, Jaipur. She handles Human Resource Department of our Company.

**c) Shivchand Sharma**

Shivchand Sharma, aged 70 years, has been appointed as Additional Non Executive director of our company with effect from January 8, 2018.

**d) Phoolshankar Shrimali**

Phoolshankar Shrimali, aged 51 years, has been appointed as Additional Independent Director of our Company with effect from February 16, 2018. He has completed Bachelors of Commerce from and Master of Business Administration (Executives) from Mohanlal Sukhadia University, Udaipur.

**e) Sunil Deshpande**

Sunil Deshpande, aged 64 years, has been appointed as Additional Independent Director of our Company with effect from February 16, 2018. He has completed Bachelor of Science from Govindram Seksaria College, Belgaum.

**f) Poonam Bhatt**

Poonam Bhatt, aged 48 years, has been appointed as Additional Independent Director of our Company with effect from March 09, 2018. She has completed Bachelors of Arts from University of Rajasthan.

**CONFIRMATIONS**

As on the date of this Red Herring Prospectus:

1. Except as mentioned below none of the Directors of the Company are related to each other within the meaning of section 2(77) of the Companies Act, 2013.

Director	Other Director	Relation
Radheshyam Sharma	Anjana Sharma	Husband – Wife
Shivchand Sharma	Radheshyam Sharma	Father- Son

2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
4. None of our Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges during the term of their directorship in such companies.
6. None of the Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

**REMUNERATION/COMPENSATION/COMMISSION PAID TO DIRECTORS**

During the last financial year ended on March 31, 2017, the directors have been paid gross remuneration as follows.

<b>Name of Director</b>	<b>Amount (Rs in lakhs)</b>
Radheshyam Sharma	28.68
Anjana Sharma	25.53

**Terms and conditions of employment of our Managing Director:**

Radheshyam Sharma has been appointed as Managing Director of our Company for a period of five years with effect from February 17, 2018. He is paid remuneration as per the terms and conditions mentioned in the resolution dated February 17, 2018.

<b>Remuneration</b>	Rs 1.25/- Lakhs per month.
<b>Commission</b>	As may be decided by Board based on net profit, not exceeding 1% of Net Profit
<b>Housing</b>	House Rent Allowance of Rs 62,500/- per month
<b>Medical Reimbursement</b>	Reimbursement of actual medical expenses incurred in India and/ or abroad for self and family Rs 10,000/- per month
<b>Gratuity</b>	Not exceeding one half month's salary for each completed year of service
<b>Employer's Contribution to Provident Fund/ Superannuation Fund</b>	Company's contribution towards Provident Fund, Superannuation fund or annuity as per rules of the Company- 12% of basic pay
<b>Car and Telephone</b>	Provision of car use on Company's business and telephone at residence which will not be considered as perquisites. However, use of office car for personal use and personal long distance calls telephone will be billed by the Company to Managing Director

However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

**Terms and conditions of employment of our Whole Time Director:**

Anjana Sharma has been appointed as Whole Time Director of our Company for a period of five years with effect from February 17, 2018. She is paid remuneration as per the terms and conditions mentioned in the resolution dated February 17, 2018.

<b>Remuneration</b>	Rs 0.60/- Lakhs per month.
<b>Commission</b>	As may be decided by Board based on net profit, not exceeding 1% of Net Profit
<b>Housing</b>	House Rent Allowance of Rs 30,000/- per month
<b>Medical Reimbursement</b>	Reimbursement of actual medical expenses incurred in India and/ or abroad for self and family Rs 5,000/- per month
<b>Gratuity</b>	Not exceeding one half month's salary for each completed year of service
<b>Employer's Contribution to Provident Fund/ Superannuation Fund</b>	Company's contribution towards Provident Fund, Superannuation fund or annuity as per rules of the Company- 12% of basic pay
<b>Car and Telephone</b>	Provision of car use on Company's business and telephone at residence which will not be considered as perquisites. However, use of office

	car for personal use and personal long distance calls telephone will be billed by the Company to Managing Director
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However, the total managerial remuneration payable to the director shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time (i.e as per section 1 of Part II of Schedule V) or whether in case in any financial year, during his currency of tenure of a managerial person, the Company has no profits or its profits are inadequate, it may without approval of Central Government pay, the remuneration to above managerial personnel not exceeding the ceiling (not exceeding the highest of the limit prescribed under section 2 of Part II of Schedule V of the Act.

### **Terms and conditions of employment of our Independent Directors**

Non-Executive and Independent Directors of our Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act, 2013 and other applicable laws and regulations.

### **SHAREHOLDING OF OUR DIRECTORS IN THE COMPANY**

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Red Herring Prospectus:

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>No. of Equity Shares</b>	<b>% of Pre Issue Equity Share Capital</b>	<b>% of Post Issue Equity Share Capital</b>
1.	Radheshyam Sharma	23,80,209	18.02	[●]
2.	Shivchand Sharma	9,00,000	6.81	[●]
3.	Anjana Sharma	8,34,315	6.32	[●]

### **INTERESTS OF DIRECTORS**

Our Directors are interested in our Company in the following manner: -

- a) All the Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them under the Articles of Association;
- b) All the Directors may also be deemed to be interested to the extent of Equity Shares, if any, already held by them to the extent of any dividends payable to them and other distributions in respect of the said Equity Shares;
- c) All the Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any company in which they hold directorships or any partnership firms in which they are partners as declared in their respective declarations;
- d) Radheshyam Sharma, our Chairman and Managing Director; Anjana Sharma our Whole Time Director, have extended their personal guarantees for securing the repayment of certain bank loans obtained by our Company. For details, please refer chapter titled “Financial Indebtedness” beginning on page 224 of this Red Herring Prospectus.

*Except as stated above and under the heading “Financial Statements, as restated – Annexure Y– Restated Statement of Related Parties Transactions” on page FS-33, under the section titled “Financial*

*Information”, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Red Herring Prospectus in which the Directors are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company.*

#### **SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES**

Except given as under our Company does not have any other subsidiary as on date of filing of this Red Herring Prospectus.

Kapindra Multi Trade Private Limited was incorporated as Private Limited Company under the provisions of Companies Act, 1956 vide Certificate of Incorporation dated December 21, 2006, issued by Assistant Registrar of Companies, Mumbai, Maharashtra. The registered office of the Company is situated at 001-B-65, Sector No.1, Jay Deep CHS. Limited Mira Road (East) Thane Maharashtra 401107, India. The Corporate Identification Number of the Company is U51909MH2006PTC166379.

As on the date of filing of this Red Herring Prospectus, our Directors do not have any holding in our Subsidiary Company.

#### **CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS**

Following are the changes in directors of our Company in last three years prior to the date of this Red Herring Prospectus:

<b>Name</b>	<b>Date of event</b>	<b>Nature of event</b>	<b>Reason</b>
Shivchand Sharma	January 08, 2018	Appointment	Appointment as Additional Non Executive Director
Radheshyam Sharma	February 17, 2018	Change in Designation	Change in designation as Managing Director
Anjana Sharma	February 16, 2018	Change in Designation	Change in designation as Whole Time Director
Phoolshankar Shrimali	February 16, 2018	Appointment	Appointment as an Additional Independent Director
Sunil Deshpande	February 16, 2018	Appointment	Appointment as an Additional Independent Director
Poonam Bhatt	March 09, 2018	Appointment	Appointment as an Additional Independent Director

#### **BORROWING POWERS OF THE BOARD**

Pursuant to a special resolution passed at an Extra- Ordinary General Meeting of our Company held on February 17, 2018 and pursuant to Section 180(1)(c) and any other applicable provisions, of the Companies Act, 2013 and the rules made thereunder, consent of Members be and is hereby accorded to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 200.00 crores.

#### **CORPORATE GOVERNANCE**

The provisions of the Listing Agreement to be entered into with the Stock Exchanges and the applicable regulations of SEBI (LODR) Regulations, 2015 with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We believe we are in compliance with the requirements of the applicable regulations, including the Listing Agreement with the Stock Exchanges, the SEBI (LODR) Regulations, 2015 and the SEBI Regulations, in respect

of corporate governance including constitution of the Board and committees thereof. The corporate governance framework is based on an effective independent board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

Our Board of Directors is constituted in compliance with the Companies Act, Listing Agreement to be executed with Stock Exchanges, the SEBI (LODR) Regulations, 2015 and in accordance with best practices in corporate governance, our Board of Directors functions either as a full board or through management which provides our Board of Directors detailed reports on its performance periodically.

Currently our Board has 6 Directors, of which the Chairman of the Board is an Executive Director. The constitution of our Board is in compliance with the requirements of section 149 of the Companies Act, 2013.

**The following committees have been formed in compliance with the corporate governance norms:**

- A) Audit Committee
- B) Stakeholders Relationship Committee
- C) Nomination and Remuneration Committee
- D) Corporate Social Responsibility Committee

**A) *Audit Committee***

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 vide resolution passed in the meeting of the Board of Directors dated March 09, 2018. The constituted Audit Committee comprises following members:

Name of the Director	Status	Nature of Directorship
Phoolshankar Shrimali	Chairman	Additional Independent Director
Sunil Deshpande	Member	Additional Independent Director
Poonam Bhati	Member	Additional Independent Director
Radheshyam Sharma	Member	Chairman and Managing Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers/responsibilities:

- a. To investigate any activity within its terms of reference.
- b. To seek information from any employee.
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal Audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the

recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approving payment to statutory auditors for any other services rendered by the statutory auditors;
4. Approving initial or any subsequent modification of transactions of the Company with related parties;
5. Scrutinizing inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters;
9. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 314 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices along with reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions; and
  - g) Qualifications in the draft audit report.
10. Reviewing, with the management, the half yearly financial statements before submission to the board for approval;
11. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
12. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussing with the internal auditors any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;



16. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower mechanism, in case the same is existing;
19. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
20. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
21. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

### **Meeting of Audit Committee and relevant Quorum**

The committee shall meet at least four times in a year and not more than four months shall elapse between any two meetings. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher but there shall be presence of minimum two Independent members at each meeting. Meeting of the Audit Committee shall be called by at least seven day's notice in advance.

#### **Tenure:**

The Audit Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Audit Committee as approved by the Board.

### **B) Stakeholder's Relationship Committee**

Our Company has constituted a shareholder / investors grievance committee ("*Stakeholders' Relationship Committee*") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on March 09, 2018.

The Stakeholder's Relationship Committee comprises the following Directors:

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Phoolshankar Shrimali	Chairman	Additional Independent Director
Sunil Deshpande	Member	Additional Independent Director
Poonam Bhati	Member	Additional Independent Director
Radheshyam Sharma	Member	Chairman and Managing Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee.

The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

- A. Tenure:** The Stakeholder/ Investor Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder / Investor Relationship Committee as approved by the Board.
- B. Meetings:** The Stakeholder/ Investor Relationship Committee shall meet at least at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the

shareholders of the Company. The quorum for the meeting shall be either two members or one third of the members of the committee, whichever is higher

**C. Terms of Reference:** Redressal of shareholders' and investors' complaints, including and in respect of:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized;
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances;
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties;
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them;
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Probation of insider Trading) Regulations, 1992 as amended from time to time;
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting;
8. Carrying out any other function contained in the SME equity listing agreement as and when amended from time to time.

**C) Nomination and Remuneration Committee**

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was approved by a Meeting of the Board of Directors held on March 09, 2018. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Phoolshankar Shrimali	Chairman	Additional Independent Director
Sunil Deshpande	Member	Additional Independent Director
Poonam Bhati	Member	Additional Independent Director
Shivchand Sharma	Member	Non Executive Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- A. **Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- B. **Meetings:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration/Compensation Committee shall be called by at least seven day's notice in advance.

The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven day's notice in advance.

**C. Terms of Reference:**

- Identify persons who are qualified to become Directors and may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment ad removal and shall carry out evaluations of every director's performance;
- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for directors, Key Managerial Personnel and other employees;
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors;
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose;
- Decide the amount of Commission payable to the Whole time Directors;
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc;
- To formulate and administer the Employee Stock Option Scheme.
- Formulate the assessment/evaluation criteria for performance evaluation of the Directors of the Company;
- Devise a policy on the Board diversity;
- Carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;

**D) Corporate Social Responsibility Committee**

Our Company has reconstituted a Corporate Social Responsibility Committee in accordance section 135 of Companies Act 2013. The constitution of the Corporate Social Responsibility Committee was approved by a Meeting of the Board of Directors held on March 09, 2018. The said committee is comprised as under:

The Corporate Social Responsibility Committee comprises the following Directors:

<b>Name of the Director</b>	<b>Status</b>	<b>Nature of Directorship</b>
Radheshyam Sharma	Chairman	Chairman and Managing Director
Anjana Sharma	Member	Whole Time Director
Shivchand Sharma	Member	Non Executive Director
Phoolshankar Shrimali	Member	Additional Independent Director

A. **Tenure:** The Corporate Social Responsibility Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

**B. Terms of Reference:**

- To formulate, revise and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR policy of the Company from time to time;

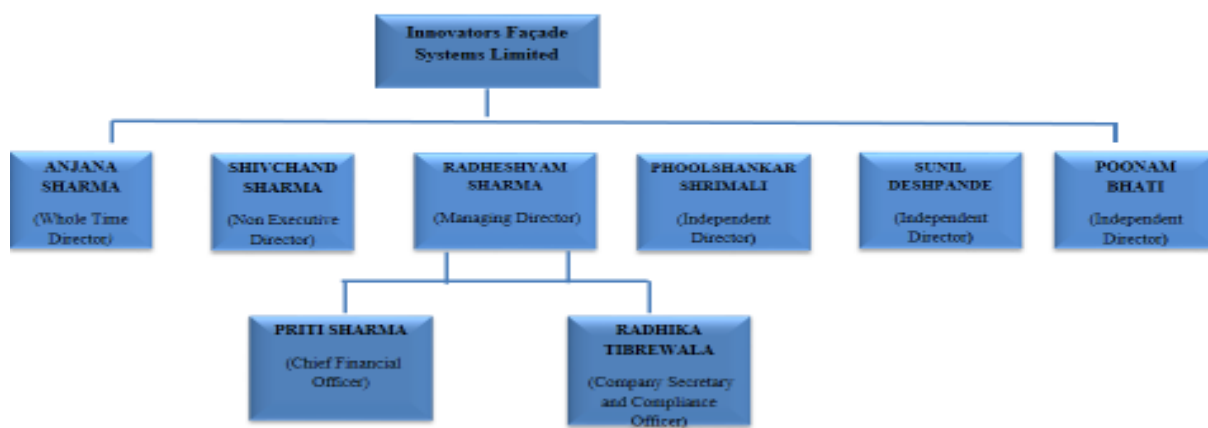
Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

**Policy on Disclosures and Internal Procedure for Prevention of Insider Trading:**

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on March 09, 2018 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Radhika Tibrewala, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the board.

**ORGANIZATIONAL STRUCTURE**



**KEY MANAGERIAL PERSONNEL**

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company:

**The details of our Key Managerial Personnel are set out below:**

**a) Radheshyam Sharma, Chairman and Managing Director**

Radheshyam Sharma, aged 52 years, is the Promoter, Chairman and Managing Director of our Company. He has been appointed as director of our Company since incorporation and has been designated as Managing Director of our Company with effect from February 17, 2018. He has completed Diploma in Civil Engineering conducted by State Board of Technical Education Haryana. He has an experience of around 18 years in façade industry. He is the guiding force behind all the strategic decisions of Company and is entrusted with the responsibility of looking after the overall management and operations of Company.

**b) Radhika Tibrewala, Company Secretary and Compliance Officer**

Radhika Tibrewala, aged 27 years, is the Company Secretary and Compliance Officer of our Company. She has been appointed as Company Secretary of our Company with effect from March 09, 2018. She is a qualified Company Secretary by profession and is an associate member of the Institute of Company Secretaries of India. She is entrusted with the responsibility of handling corporate secretarial functions of our Company.

**c) Priti Sharma, Chief Financial Officer**

Priti Sharma, aged 41 years has been appointed as the Chief Financial Officer our company with effect from February 16, 2018. She has Completed Bachelor of Science and Masters of Science from Maharaja Sagajiroa University of Baroda. Her scope of work includes looking after the taxation and accounts department of our Company.

**RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL**

None of the Key Managerial Personnel's are related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of the Key Managerial Personnel are permanent employees of our company.

**RELATIONSHIPS OF DIRECTORS/ AND PROMOTERS WITH KEY MANAGERIAL PERSONNEL**

Except as mentioned below none of our Directors of the Company are related to the Key Managerial Personnel within the meaning of section 2(77) of the Companies Act, 2013.

KMP	Other Director	Relation
Radheshyam Sharma	Anjana Sharma	Husband-Wife
Radheshyam Sharma	Shivchand Sharma	Son- Father

**ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS**

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

**SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL**

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Red Herring Prospectus.

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1.	Radheshyam Sharma	23,80,209	18.02	[●]

**REMUNERATION/ COMPENSATION TO KEY MANAGERIAL PERSONNEL**

During the last financial year ended on March 31, 2017, the Key Managerial Personnel have been paid gross remuneration as follows.

Name of the Key Managerial Personnel	Remuneration paid during FY 2016-17 (Rupees in Lakhs)
Radheshyam Sharma	Rs. 28.68

**BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL**

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

## **CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL**

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

## **LOANS TO KEY MANAGERIAL PERSONNEL**

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Red Herring Prospectus.

## **INTEREST OF KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel of our Company have interest in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them in our Company, if any and dividends payable thereon, if any.

Except as disclosed in this Red Herring Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Except as stated in the heading titled “*Related Party Transactions*” under the Section titled “Financial Statements as Restated” beginning on page 205 of this Red Herring Prospectus and described herein above, our key managerial personnel do not have any other interest in the business of our Company.

## **CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS**

The Changes in the Key Managerial Personnel in the last three years are as follows:

<b>Name</b>	<b>Designation</b>	<b>Date of Event</b>	<b>Reason</b>
Radheshyam Sharma	Managing Director	February 17, 2018	Change in Designation
Priti Sharma	Chief Financial Officer	February 16, 2018	Appointment as Chief Financial Officer
Radhika Tibrewala	Company Secretary	March 09, 2018	Appointment as Company Secretary

Other than the above changes, there have been no changes to the KMP of our company that are not in the normal cause of employment.

## **ESOP/ESPS SCHEME TO EMPLOYEES**

Presently, we do not have any ESOP/ESPS Scheme for employees.

## **PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)**

Except as disclosed in the heading titled “*Related Party Transactions*” in the section titled “*Financial Statements as Restated*” beginning on page 205 of this Red Herring Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

## OUR PROMOTER AND PROMOTER GROUP

### OUR PROMOTERS

The Promoters of our Company are Radheshyam Sharma and Jolly Multitrade Private Limited. As on date of this Red Herring Prospectus, our Promoters hold 69,21,231 Equity Shares representing 52.41% of the pre-issue Paid up Capital of our Company.

**Brief profile of our Individual Promoters is as under:**

	<p><b>Radheshyam Sharma, Promoter, Chairman and Managing Director</b></p> <p>Radheshyam Sharma, aged 52 years, is the Promoter, Chairman and Managing Director of our Company. He has been appointed as director of our Company since incorporation and has been designated as Managing Director of our Company with effect from February 17, 2018. He has completed Diploma in Civil Engineering conducted by Board of Technical Education Rajasthan, Jodhpur. He has an experience of around 18 years in façade industry. He is the guiding force behind all the strategic decisions of Company and is entrusted with the responsibility of looking after the overall management and operations of Company.</p> <p><b>Nationality:</b> Indian <b>Passport No:</b> K7522688 <b>Driving License:</b> MH04 19990008105 <b>Voters ID:</b> SIQ3875499</p> <p><b>Address:</b> Flat No 2106, Tower C, Oberoi Woods, Off Western Express Highway, Goregaon East, Mumbai- 400063, Maharashtra, India.</p> <p>For further details relating to Radheshyam Sharma including terms of appointment as Managing Director and other directorships please refer to the chapter titled “Our Management” beginning on page 180 of this Red Herring Prospectus.</p>
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### DECLARATION

Our Company confirms that the Permanent Account Number, Bank Account Number and Passport Number of our Promoters shall be submitted to the Stock Exchange at the time of filing of this Red Herring Prospectus with it.

### OUR CORPORATE PROMOTER

#### Jolly Multi Trade Private Limited

#### Corporate Information

Jolly Multi Trade Private Limited (JMTPL) was incorporated as a Private Limited Company under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated December 11, 2006 issued by Registrar of Companies, Maharashtra at Mumbai.

The Corporate Identification Number of the company is U51909MH2006PTC166100 and the registered office of the Promoter is situated at 001-B-65, Sector-1, Jay Deep CHS. Limited, Shanti Nagar, Mira Road (East) Thane, Maharashtra – 401107, India.

#### The Main Objects of JMTPL are:

To carry on in India or abroad the business of Exporters, Importers, distributors, merchants, traders, stockiest, buy, sell, distribute or otherwise deal in commodities, goods, articles, materials and things of every description and kind such as computers, its parts and peripherals, laboratory equipments, cosmetics and toiletries, all types of beverages, chemicals and mixtures, cigarettes, electronics &

electrical goods, plastic products, fertilisers, foods (Canned or otherwise), Glasses, liquor, Iron and steel, machineries and equipments, building construction materials, Packing materials, Paper and Pulp products, Photographic film and paper, PVC and Resins, Rubber goods, cement, engineering and scientific instruments, oil of all kinds, Motor cars and other vehicles and accessories, coal, timber, cotton wool, jute, yarn, seed grains, rice, wheat, fruits, vegetables, tea, coffee, sugar, gum, tobacco, spices silk, art silk, oil cakes, paints, varnishes, dyes matches cutlery, Jewellery, diamonds, precious metals, groceries, all types of household articles and appliances, medicines, drugs, medical and pharmaceutical products and appliances, live stocks, hider, skin leather and good made there from, hosiery, textiles of all kinds products, readymade garments. No money circulating scheme will be carried out by the company.

JMTPL is promoted by Radheshyam Sharma, Anajana Sharma, Shivchand Sharma, Raman Sharma, Priti Sharma, Narendra Sharma, Gayatri Sharma and Rohit Sharma. For shareholding of the Promoters in our Company please see chapter titled “*Capital Structure*” on page 85 of this Red Herring Prospectus.

JMTPL was not the original promoter of our Company, and initially acquired shares in our Company on December 05, 2014 it currently holds 45,41,022 Equity Shares of our Company, which constitutes 34.38% of our pre-Issue paid-up capital. For details of build-up of Jolly Multi Trade Private Limited shareholding in our Company, please see, “*Capital Structure*” beginning on page 85 of this Red Herring Prospectus.

#### **Changes in management and control**

There has been no change in Management and control of Jolly Multi Trade Private Limited in the three years preceding the date of this Red Herring Prospectus.

#### **Board of Directors**

As on the date of this Red Herring Prospectus, the board of directors of JMTPL comprises:

- Narendra Sharma
- Priti Sharma

None of the Directors of JMTPL hold equity shares in our Company.

Our Company confirms that the permanent account number, bank account number, company registration number and address of RoC where the company is registered have been submitted to the Stock Exchange at the time of filing of the Red Herring Prospectus with it.

#### **INTEREST OF PROMOTERS**

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding and the dividend receivable, if any and other distributions in respect of the Equity Shares held by them. For details regarding shareholding of our Promoters in our Company, please refer “*Capital Structure*” on page 85 of this Red Herring Prospectus.

Our Individual Promoter is also the Director and Key Managerial Personnel of our Company and may be deemed to be interested to the extent of remuneration and/ or reimbursement of expenses payable to him for services rendered to us in accordance with the provisions of the Companies Act and in terms of the agreements entered into with our Company, if any and AoA of our Company. For details refer to the chapter titled “*Our Management*”, “*Financial Statements*” and “*Capital Structure*” beginning on pages 180, 205 and 85 respectively of this Red Herring Prospectus.

Except as mentioned in the chapter titled, “*Our Business*” under the head, “*Land & Property*”, beginning on page 149 of this Red Herring Prospectus, our Promoters do not have any interest in any property acquired or proposed to be acquired by our Company in a period of two years before filing of this Red Herring Prospectus or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.



For details of related party transactions entered into by our Company during last financial year with our Promoters and Group Companies, the nature of transactions and the cumulative value of transactions, see “*Related Party Transactions*” on page 203 of this Red Herring Prospectus.

Further, our individual Promoter Radheshyam Sharma has given personal guarantees, respectively, towards financial facilities availed from Bankers to our Company; therefore, are interested to the extent of the said guarantees. Further, they have also extended unsecured loans amounting to Rs. 201.87 lakhs as on December 31, 2017 and is therefore, interested to the extent of the said loans.

#### **OTHER VENTURES OF OUR PROMOTERS**

Save and except as disclosed in the chapter titled “*Our Promoter and Our Promoter Group*” and “*Group Companies*” beginning on page 194 and 198 respectively of this Red Herring Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

#### **RELATED PARTY TRANSACTIONS**

For the transactions with our Promoters, Promoter Group, Group Companies and Subsidiary, during the last financial year, nature of transactions and the cumulative value of transactions, please refer to section titled “*Related Party Transactions*” beginning on page 203 of this Red Herring Prospectus.

Except as stated in “*Related Party Transactions*” beginning on page 203 of this Red Herring Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

#### **PAYMENT OR BENEFITS TO PROMOTERS**

Except as stated otherwise in the chapter titled “*Related Party Transactions*” on page 203 of this Red Herring Prospectus, there have been no payments or benefits given to the Promoters two years prior to filing of this Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoters or Promoter Group as on the date of this Red Herring Prospectus.

#### **OUR PROMOTER GROUP**

Our Promoter Group in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations is as under:

##### **A. Individuals related to our Promoter:**

<b>Relationship with Promoter</b>	<b>Radheshyam Sharma</b>
Father	Shivchand Sharma
Mother	Dropadi Sharma
Brother	1. Narendra Sharma 2. Raman Sharma
Sister	Rajbala Sharma
Spouse	Anjana Sharma
Son	Rohit Sharma
Daughter	Vedika Sharma
Spouse’s Father	Rameshchandra Joshi
Spouse’s Mother	Subhadra Joshi
Spouse’s Brother	1. Sanjay Joshi 2. Puneet Joshi
Spouse’s Sister	Ritu Sharma

##### **B. Companies, firms, proprietorships and HUFs which form part of our Promoter Group are as follows:**

1. Innovators Façade Solutions Private Limited
2. Innovators Façade Solutions (Bangaluru) Private Limited
3. Innovators Façade Solutions (Mumbai) Private Limited

4. Parth Façade Solution Private Limited
5. Kapindra Multi Trade Private Limited
6. Radheshyam Sharma HUF
7. Shivchand Sharma HUF
8. Raman Sharma HUF

## **RELATIONSHIP OF PROMOTERS WITH OUR DIRECTORS**

Our Individual Promoter forms part of our Board of Directors as Managing Director.

Except as mentioned below, none of our Promoters are related to any of our Company's Directors within the meaning of Section 2 (77) of the Companies Act, 2013.

<b>Promoter</b>	<b>Director</b>	<b>Relationship</b>
Radheshyam Sharma	Anjana Sharma	Husband- Wife
Radheshyam Sharma	Shivchand Sharma	Son- Father

## **DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR**

Our Individual promoter, Radheshyam Sharma have disassociated himself from Aadar Trading Private Limited on account of application for winding up of vide resolution passed at an Extra- ordinary general meeting of the Company held on November 20, 2017.

Except as mentioned in this chapter, our promoters have not disassociated themselves from any entities/firms during preceding three years.

## **CHANGES IN CONTROL**

Except as mentioned, there has been no change in the management or control of our Company in the last five years. Our Corporate Promoter, Jolly Multi Trade Private Limited has acquired the shares of our Company with effect from December 05, 2014. For details in this regard, kindly refer to the chapter titled, "Capital Structure" beginning on page 85 of this Red Herring Prospectus.

## **LITIGATION INVOLVING OUR PROMOTER**

For details of legal and regulatory proceedings involving our Promoters, refer to the chapter titled "*Outstanding Litigation and Material Developments*" on page 229 of this Red Herring Prospectus.

## **CONFIRMATIONS**

Our Company, our individual Promoters and their relatives (as defined under the Companies Act, 2013) are not Wilful Defaulters and there are no violations of securities laws committed by our Promoter in the past and no proceedings for violation of securities laws are pending against them.

Our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or otherwise by any person for services rendered by our Promoters or by such firm or Company in connection with the promotion or formation of our Company.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters are not and have never been a promoter, director or person in control of any other Company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Except as disclosed in "*Related Party Transactions*" on page 203 of this Red Herring Prospectus, our Promoters are not related to any of the sundry debtors or are not beneficiaries of Loans and Advances given by/to our Company.

## OUR GROUP COMPANIES

In accordance with the provisions of the SEBI (ICDR) Regulations, for the purpose of identification of 'Group Companies', our Company has considered companies as covered under the applicable accounting standards, i.e. Accounting Standard 18 issued by the Institute of Chartered Accountant of India and other companies as per the policy adopted by our Board. Pursuant to a resolution dated March 09, 2018, our Board vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company is material in nature. Further companies which have been disclosed as related parties in the restated financial statements of our company for the last five financial years and which are no longer associated with our company have not been disclosed as group companies. For avoidance of doubt, it is clarified that our Subsidiary shall not be considered as Group Company.

Accordingly, in terms of the above policy adopted by our Board for determining group companies, we have set out below the details of our Group Company. Our Board has also approved that, as on the date of the aforesaid resolution, there are no other group companies of our Company other than the company disclosed below.

### Our Group Companies:

The details of our Group Companies are provided below:

#### 1. Innovators Façade Solutions (Bangaluru) Private Limited

##### *Corporate Information:*

Innovators Façade Solutions (Bangaluru) Private Limited was incorporated on April 23, 2013 under the provisions of Companies Act, 1956. Its registered office is situated at 65/01, Bldg No. B-65, Shanti Nagar, Opp TMT Bus Stop, Sector 1, Mira Road (East), Thane, Maharashtra 401107, India. The Corporate Identification Number is U74999MH2013PTC242369.

The Company is engaged in business of executing engineering contractors and executing contract works of construction of building- residential and commercial.

##### *Interest of Promoters:*

Our Promoters, Jolly Multi Trade Private Limited and Radheshyam Sharma do not hold equity shares of Innovators Façade Solutions (Bangaluru) Private Limited.

##### *Audited Financial Information:*

(`Rs in Lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid-up Equity Capital.	1.00	1.00	1.00
Reserves & Surplus.	(2.01)	(1.32)	(0.78)
Net Asset Value per equity share (Rs).	(10.12)	(3.28)	2.18

#### 2. Innovators Façade Solutions (Mumbai) Private Limited

##### *Corporate Information:*

Innovators Façade Solutions (Mumbai) Private Limited was incorporated on May 30, 2013 under the provisions of Companies Act, 1956. Its registered office is situated at 65/01, Bldg No B-65, Shanti Nagar, Opp TMT Bus Stop, Sector-1, Mira Road (East), Thane, Maharashtra- 401107, India. The Corporate Identification Number is U74999MH2013PTC243796.

As on the date of filing of this Red Herring Prospectus, the Company is not carrying out its business operations, however, the Company is authorised by its MOA to carry on the business of executing

engineering contractors and executing contract works of construction of building- residential and commercial.

*Interest of Promoters:*

Our Promoters, Jolly Multi Trade Private Limited and Radheshyam Sharma do not hold equity shares of Innovators Façade Solutions (Mumbai) Private Limited.

*Audited Financial Information:*

(`Rs in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid-up Equity Capital.	1.00	1.00	1.00
Reserves & Surplus.	(2.81)	(2.13)	(0.76)
Net Asset Value per equity share (Rs)	(18.10)	(11.3)	2.30

### 3. Innovators Façade Solutions Private Limited

*Corporate Information:*

Innovators Façade Solutions Private Limited was incorporated on March 28, 2013 under the provisions of Companies Act, 1956. The name of the Company was changed from Innovators Façade Solutions (Delhi) Private Limited to Innovators Façade Solutions Private Limited vide fresh Certificate of Incorporation dated March 12, 2016, issued by Registrar of Companies, Mumbai. Its registered office is situated at 65/01, Bldg No B-65, Shanti Nagar, Opp TMT Bus Stop, Sector-1, Mira Road (East), Thane, Maharashtra- 401107, India. The Corporate Identification Number is U74999MH2013PTC241458.

The Company is engaged in business of executing engineering contractors and executing contract works of construction of building- residential and commercial.

*Interest of Promoters:*

Our Promoters, Jolly Multi Trade Private Limited and Radheshyam Sharma do not hold equity shares of Innovators Façade Solutions Private Limited.

*Audited Financial Information*

(`Rs in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
Paid-up Equity Capital.	1.00	1.00	1.00
Reserves & Surplus.	52.54	15.20	(0.76)
Net Asset Value per equity share (Rs)	535.46	162.06	2.39

### 4. Parth Façade Solutions Private Limited

*Corporate Information:*

Parth Façade Solutions Private Limited was incorporated on February 05, 2013 under the provisions of Companies Act, 1956. Its registered office is situated at 65/01, Bldg No B-65, Shanti Nagar, Opp TMT Bus Stop, Sector-1, Mira Road (East), Thane, Maharashtra- 401107, India. The Corporate Identification Number is U74999MH2013PTC240193.

The Company is authorised by its MOA to carry on the business of executing engineering contractors and executing contract works of construction of building- residential and commercial.

*Interest of Promoters:*

Our Promoters, Jolly Multi Trade Private Limited and Radheshyam Sharma do not hold equity shares of Parth Façade Solutions Private Limited.

*Audited Financial Information*

(`Rs in lakhs)

<b>Particulars</b>	<b>March 31, 2017</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
Paid-up Equity Capital.	1.00	1.00	1.00
Reserves & Surplus.	25.98	3.42	5.90
Net Asset Value per equity share (Rs)	269.86	44.23	69.06

**Related Party Transactions**

For details on related party transactions please refer to “*Financial Statements, as restated – Annexure XXXIX – Restated Statement of Related Parties Transactions*” on page 205 of this Red Herring Prospectus.

***Other disclosures:***

Except as disclosed in this chapter, None of our Group Companies have remained defunct and no application has been made to the Registrar of Companies for striking off the name of any of our Group Companies during the five years preceding the date of filing the Red Herring Prospectus.

None of our Group Companies are under any winding up proceedings and none of our Group Companies are declared as sick companies under the SICA.

None of our Group Companies are listed on any of the Stock Exchanges and they have not made any public/rights issue in last five years. Further, no action has been taken against these companies by any Stock Exchange or SEBI. None of our Group Companies have been restrained from accessing the capital markets for any reasons by SEBI or any other authorities.

Except as mentioned in the chapter titled “Related Party Transaction” beginning on page 203 of this Red Herring Prospectus, none of our Group Companies have taken any unsecured loans from our Company.

Our Group Company has not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them.

**Companies with negative net worth**

Except, Innovators Façade Solutions (Bangaluru) Private Limited and Innovators Façade Solutions (Mumbai) Private Limited none of our Group Companies have negative Net Worth as per the last audited financial statements mentioned herein.

**Loss making Group Companies**

Except, Innovators Façade Solutions (Mumbai) Private Limited, Innovators Façade Solutions Private Limited, Parth Façade Solutions Private Limited, Innovators Façade Solutions (Bangaluru) Private Limited none of our Group Companies have incurred losses during the last 3 years as per the last audited financial statements mentioned herein.

**Nature and Extent of Interest of Group Companies**

**(a) *In the promotion of our Company***

None of our Group Companies have any interest in the promotion of our Company. However, our Group Company Innovators Façade Solutions (Mumbai) Private Limited holds equity shares of our Company.

For details in this regard, kindly refer to the chapter titled, “Capital Structure” beginning on page 85 of this Red Herring Prospectus.

**(b) *In the properties acquired in the past 2 years before filing the Red Herring Prospectus or proposed to be acquired by our Company***

Except as mentioned in the Chapter titled, “Our Business” under the heading titled, “Land & Property” beginning on page 149 of this Red Herring Prospectus, Our Group Companies do not have any interest in the properties acquired in the past 2 years before filing the Red Herring Prospectus or proposed to be acquired by our Company.

**(c) *Interest in the transactions for acquisition of land, construction of building and supply of machinery.***

None of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

**(d) *Related Business Transactions within the Group Companies and Significance on the Financial Performance of our Company***

For details, please see “*Financial Statements, as restated – Annexure page FS-33 of restated standalone financial statements and Annexure page FC-33 of restated Consolidated financial statements of Related Parties Transactions*” on page 205 of this Red Herring Prospectus.

**(e) *Unsecured Loans extended to our Company***

Except as mentioned in the chapter titled “Related Party Transaction” beginning on page 203 of this Red Herring Prospectus, none of our Group Companies have taken any unsecured loans from our Company.

**Common Pursuits amongst the Group Companies and Subsidiary with our Company**

The Group Companies do not have interest in any venture that is involved in any activities similar to those conducted by our Company. Our Group Companies, Innovators Façade Solutions (Bangaluru) Private Limited, Innovators Façade Solutions (Mumbai) Private Limited, Innovators Façade Solutions Private Limited and Parth Façade Solutions Private Limited has some of the objects similar to that of our Company’s business.

Our subsidiary do not have interest in any venture that is involved in any activities similar to those conducted by our Company.

Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situations as and when it arises. Further, we have not entered into any non compete or similar arrangement with these Group Companies or otherwise with our Promoters. Accordingly, there can be no assurance that these Group Companies will not in future engage in any competing business activity or acquire interests in competing ventures.

**Litigation involving our Group Companies**

For details related to litigations and regulatory proceedings involving our group companies, please refer to the chapter titled ‘*Outstanding Litigation and Material Developments*’ beginning on page 229 of this Red Herring Prospectus.

**Sale/Purchase between Group Companies and Subsidiaries exceeding in value in aggregate of 10% of total sales or purchases of our Company**

For details please refer to “*Financial Statements, as restated – Annexure FS33 of restated standalone and FC33 of restated consolidated – Restated Statement of Related Parties Transactions*” on page 205 of this Red Herring Prospectus.

**Payment of Amount or Benefits to our Group Companies during the Last Two Years**

Except as stated in “*Financial Statements, as restated – Annexure FS33 of restated standalone and FC33 of restated consolidated – Restated Statement of Related Parties Transactions*” on page 203 of this Red Herring Prospectus, no amount or benefits were paid or were intended to be paid to our Group Companies during the last two years from the date of filing of this Red Herring Prospectus.

**Business Interest of Group Entities and our Subsidiary**

Other than as stated above and as mentioned in “*Financial Statements, as restated – Annexure Annexure FS33 of restated standalone and FC33 of restated consolidated – Restated Statement of Related Parties Transactions*” on page 203 of this Red Herring Prospectus, none of our Group Entities and Subsidiary have any business interest in our Company.

## **RELATED PARTY TRANSACTION**

For details on Related Party Transactions of our Company, please refer to *Annexure page FS-33* of restated standalone financial statements and *Annexure page FC-33* of restated Consolidated financial statements under the section titled, “*Financial Statements*” beginning on page 205 of this Red Herring Prospectus.



## **DIVIDEND POLICY**

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last five years and till December 31, 2017.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by our Company.

**SECTION V – FINANCIAL STATEMENTS**  
**FINANCIAL STATEMENTS AS RE-STATED**

Particulars	Page No
Restated Standalone Financial Statements	FS-1 to FS-38
Restated Consolidated Financial Statements	FC-1 to FC-37

**INDEPENDENT AUDITOR'S REPORT**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

To,

The Board of Directors,  
INNOVATORS FACADE SYSTEMS LIMITED  
204, B-65, SECTOR NO. 1, SHANTI NAGAR,  
MIRA ROAD (EAST),  
THANE MH 401107 India.

Dear Sir,

**1. Report on Restated Standalone Financial Statements**

We have examined the Restated Standalone Financial Statements of M/s INNOVATORS FACADE SYSTEMS LIMITED (hereinafter referred as "the Company"), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i) Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the "Act") and
  - ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
  - iii) The terms of reference to our engagements with the Company requesting us to examine Standalone financial statements referred to above and proposed to be included in the DRHP/RHP/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on BSE SME ("IPO" or "SME IPO");
  - iv) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India ("ICAI"); and
  - v) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, M/s Mittal & Associates, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the "Peer Review Board" of the ICAI.
- 2.** The Restated Standalone Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Financial Statements of the Company for the financial year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and for the period ended December 31, 2017 and which have been approved by the Board of Directors.
- 3.** Financial Statements for the financial year ended on March 31, 2013, March 31, 2014 has been audited by M/s Narkar & Co, Chartered Accountant. Further for the financial year ended on March 31, 2015, 2016, 2017 for the period ended on December 31, 2017 has been audited by M/s SGCO & Co. LLP, Chartered Accountant, and accordingly reliance has been placed on the financial information examined by them for the said Years. The



Financial Report included for these years is based solely on the report submitted by them.

4. We have also carried out re-audit of the financial statements for the year ended on March 31, 2017 and for the period ended on December 31, 2017, as required by SEBI regulations.

**5. Financial Information as per Audited Financial Statements:**

1. We have examined:

- a) The attached Restated Standalone Statement of Assets and Liabilities of the company, as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (Annexure I);
- b) The attached Restated Standalone Statement of Profits and Losses of the Company period ended December 31, 2017, and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013. (Annexure II);
- c) The attached Restated Standalone Statement of Cash Flows of the Company for the period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 (Annexure III);
- d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as "**Restated Standalone Financial Statements**" or "**Restated Standalone Summary Statements**")

2. In accordance with the requirements of Act, ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:

- (i) The "**Restated Standalone Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (ii) The "**Restated Standalone Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.



(iii) The "**Restated Standalone Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for the period ended on December 31, 2017 we are of the opinion that "**Restated Standalone Financial Statements**" or "**Restated Standalone Summary Statements**" have been made after incorporating:

- a) Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- b) There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- c) Adjustments on account of the statutory audit qualifications, if any, have been given effect and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- d) Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Financial statements.
- e) There was no change in accounting policies, which needs to be adjusted in the "Restated Financial Statements" except mentioned in clause d) above.
- f) There are no revaluation reserves, which need to be disclosed separately in the "Restated Standalone Financial Statements.
- g) The Company has not paid any dividend on its equity shares till March 31, 2017/31<sup>st</sup> December 2017.

#### 6. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for the period ended December 31, 2017.

Restated Statement of Share Capital, Reserves And Surplus	Annexure-A
Restated Statement of Long Term And Short Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	Annexure-B, B(A) and B(B)
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Statement of Long Term Provisions	Annexure-D



Restated Statement of Trade Payables	Annexure-E
Restated Statement of Other Current Liabilities And Short Term Provisions	Annexure-F
Restated Statement of Fixed Assets	Annexure-G
Restated Statement of Non-Current Investments	Annexure-H
Restated Statement of Long-Term Loans And Advances	Annexure-I
Restated Statement of Non-Current Assets	Annexure-J
Restated Statement of Inventory	Annexure-K
Restated Statement of Trade Receivables	Annexure-L
Restated Statement of Cash & Cash Equivalents	Annexure-M
Restated Statement of Short-Term Loans And Advances	Annexure-N
Restated Statement of Other Current Assets	Annexure-O
Restated Statement of Turnover	Annexure-P
Restated Statement of Non- Operating Income	Annexure-Q
Restated Statement of Cost Work Contract	Annexure-R
Restated Statement of Change in Inventories	Annexure-S
Restated Statement of Employee Benefits Expenses	Annexure-T
Restated Statement of Finance Cost	Annexure-U
Restated Statement of Depreciation & Amortization	Annexure-V
Restated Statement of Other Expenses	Annexure-W
Restated Statement of Mandatory Accounting Ratios	Annexure-X
Restated Statement of Related Party Transaction	Annexure-Y
Restated Statement of Capitalization	Annexure-Z
Restated Statement of Tax Shelter	Annexure-AA
Restated Statement of Related Summary of Contingent Liabilities	Annexure-AB

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.
3. We have carried out Re-audit of the Standalone financial statements for the Year ended on March 31, 2017 and for the period ended December 31, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to December 31, 2017.
4. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
5. In our opinion, the above financial information contained in Annexure I to III and Annexure A to AB of this report read along with the Restated statement of Significant Accounting Policies and Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.



6. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

#### **7. Auditor's Responsibility**

Our responsibility is to express an opinion on these restated Standalone financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 management, 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.

#### **8. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, 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, to the extent applicable.

- a) In the case of Restated Standalone Statement of Assets and Liabilities of the Company as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 and for the period ended on December 31, 2017;
- b) In the case of the Restated Standalone Statement of Profit and Loss, of the profit/(Loss) of the Company for the Years/Period ended on that date; and
- c) In the case of the Restated Standalone Cash Flow Statement, of the cash flows of the Company for the Years/Period ended on that date.



## 8. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, 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, to the extent applicable.

- a) In the case of Restated Standalone Statement of Assets and Liabilities of the Company as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 and for the period ended on December 31, 2017;
- b) In the case of the Restated Standalone Statement of Profit and Loss, of the profit/(Loss) of the Company for the Years/Period ended on that date; and
- c) In the case of the Restated Standalone Cash Flow Statement, of the cash flows of the Company for the Years/Period ended on that date.

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

*Vishal Heda*  
(Vishal Heda)  
Partner  
Membership No. 172863  
Date: 21<sup>st</sup> March, 2018  
Place: Mumbai





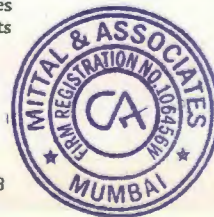
INNOVATORS FAÇADE SYSTEMS LTD

BALANCE SHEET

PARTICULARS	As at the Year end/Period ended					
	31-12-2017 Amt./RS.	31-03-2017 Amt./RS.	31-03-2016 Amt./RS.	31-03-2015 Amt./RS.	31-03-2014 Amt./RS.	31-03-2013 Amt./RS.
<b>A) EQUITY AND LIABILITIES</b>						
1. Shareholders' Funds						
(a) Share Capital	1,028.58	1,028.58	1,028.58	1,028.58	600.00	600.00
(b) Reserves & Surplus	3,698.36	3,122.87	2,936.86	2,769.23	1,385.22	1,115.98
	<b>4,726.93</b>	<b>4,151.44</b>	<b>3,965.44</b>	<b>3,797.80</b>	<b>1,985.22</b>	<b>1,715.98</b>
2. Non Current Liabilities						
(a) Long Term Borrowings	3,130.17	3,146.51	3,080.77	3,348.17	4,278.22	4,307.78
(b) Deferred Tax Liabilities (Net)	-	-	-	-	14.82	5.24
(c) Long Term Provisions	63.09	58.44	46.80	37.83	26.78	17.88
	<b>3,193.26</b>	<b>3,204.95</b>	<b>3,127.57</b>	<b>3,386.00</b>	<b>4,319.82</b>	<b>4,330.90</b>
3. Current Liabilities						
(a) Short Term Borrowings	3,172.89	2,952.83	2,904.73	2,305.35	2,016.83	1,669.78
(b) Trade Payables	2,452.36	2,078.91	1,873.25	2,486.00	2,197.95	1,863.69
(c) Other Current Liabilities	2,313.04	1,483.80	944.90	630.44	1,151.80	303.95
(d) Short Term Provisions	138.58	1.35	1.89	1.61	-	52.30
	<b>8,076.87</b>	<b>6,516.89</b>	<b>5,724.77</b>	<b>5,423.40</b>	<b>5,366.58</b>	<b>3,889.72</b>
<b>Total</b>	<b>15,997.06</b>	<b>13,873.29</b>	<b>12,817.78</b>	<b>12,607.20</b>	<b>11,671.62</b>	<b>9,936.60</b>
<b>B) ASSETS</b>						
1. Non Current Assets						
(a) Fixed Assets						
i) Tangible Assets						
(i) Gross Block	2,798.43	2,757.87	2,529.20	2,492.48	2,450.00	1,799.81
(ii) Depreciation	1,395.17	1,227.61	978.91	774.23	530.80	347.34
(iii) Net Block	1,403.26	1,530.26	1,550.29	1,718.26	1,919.20	1,452.48
ii) Capital Work in Progress	-	-	-	-	-	-
	<b>1,403.26</b>	<b>1,530.26</b>	<b>1,550.29</b>	<b>1,718.26</b>	<b>1,919.20</b>	<b>1,452.48</b>
(b) Non-Current Investment	38.32	38.32	38.32	38.32	38.32	38.32
(c) Deferred Tax Assets (Net)	33.70	20.14	9.10	0.50	-	-
(d) Long Term Loans and Advances	143.27	163.33	451.39	425.42	397.40	157.13
(e) Other Non Current Assets	1,119.88	1,316.13	1,227.54	1,191.24	780.54	568.72
	<b>1,335.17</b>	<b>1,537.92</b>	<b>1,726.34</b>	<b>1,655.48</b>	<b>1,216.26</b>	<b>764.17</b>
2. Current Assets						
(a) Inventories	3,311.75	3,425.25	1,101.59	1,281.64	995.52	837.04
(b) Trade Receivables	4,540.78	3,758.26	4,128.95	3,447.16	1,558.23	3,042.60
(c) Cash and Cash equivalents	937.17	848.18	608.36	969.77	901.26	581.51
(d) Short-Term Loans and Advances	434.16	273.41	224.85	207.25	386.15	175.45
(e) Other Current Assets	4,034.78	2,500.00	3,477.39	3,327.64	4,695.00	3,083.35
	<b>13,258.63</b>	<b>10,805.11</b>	<b>9,541.14</b>	<b>9,233.45</b>	<b>8,536.16</b>	<b>7,719.95</b>
<b>Total</b>	<b>15,997.06</b>	<b>13,873.29</b>	<b>12,817.78</b>	<b>12,607.20</b>	<b>11,671.62</b>	<b>9,936.60</b>

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

(CA Vishal Heda)  
M. No. 172863  
Date: 21st March 2018  
Place: Mumbai



For and on Behalf of Directors

(Director)

(Director)

INNOVATORS FAÇADE SYSTEMS LTD

STATEMENT OF PROFIT AND LOSS

PARTICULARS	For the Year/Period ended					
	31-12-2017 Amt./RS.	31-03-2017 Amt./RS.	31-03-2016 Amt./RS.	31-03-2015 Amt./RS.	31-03-2014 Amt./RS.	31-03-2013 Amt./RS.
1 Revenue From Operation (Gross)	12,588.61	10,023.51	9,243.30	9,121.76	7,660.97	7,798.01
Less: Excise Duty	-	-	-	-	-	-
Revenue From Operation (Net)	12,588.61	10,023.51	9,243.30	9,121.76	7,660.97	7,798.01
2 Other Income	41.40	212.45	195.58	83.16	73.84	35.20
Total Revenue (1+2)	12,630.01	10,235.96	9,438.88	9,204.92	7,734.81	7,833.22
3 Expenditure						
(a) Cost of Works Contract	8,169.72	9,397.06	6,688.33	6,911.45	5,572.71	5,254.36
(a) Purchase of Traded Goods	-	-	-	-	-	-
(c) Changes in Inventories of finished goods, work in progress and stock -in-trade	1,453.15	(1,913.20)	603.64	(103.01)	(15.86)	53.01
(d) Employee Benefit Expenses	901.17	1,004.85	811.10	787.12	831.66	634.65
(e) Finance Cost	672.68	618.84	597.28	561.35	464.27	335.19
(f) Depreciation and Amortisation Expenses	176.94	248.70	204.68	247.16	183.46	112.19
(g) Other Expenses	384.34	597.09	277.97	327.17	300.46	1,095.40
4 Total Expenditure 3(a) to 3(b)	11,757.99	9,953.36	9,182.99	8,731.25	7,336.71	7,484.81
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-	872.02	282.60	255.89	473.67	398.10	348.41
6 Exceptional item (Prior Period Items)	-	-	-	-	-	-
7 Profit/(Loss) Before Tax (5&6)	872.02	282.60	255.89	473.67	398.10	348.41
8 Tax Expense:						
(a) Tax Expense for Current Year	310.09	107.64	96.85	172.23	119.28	119.82
(b) Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-
(c) Deferred Tax	(13.56)	(11.05)	(8.60)	(15.32)	9.58	(3.89)
Net Current Tax Expenses	296.53	96.59	88.25	156.92	128.86	115.93
7 Profit/(Loss) for the Year (5-6)	575.49	186.01	167.64	316.76	269.24	232.48

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

(CA Vishal Heda)  
M. No. 172863  
Date: 21st March 2018  
Place: Mumbai



For and on Behalf of Directors



*(Signature)*  
(Director)

*(Signature)*  
Director



INNOVATORS FAÇADE SYSTEMS LTD

CASH FLOW STATEMENT

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017 Rupees	31-03-2017 Rupees	31-03-2016 Rupees	31-03-2015 Rupees	31-03-2014 Rupees	31-03-2013 Rupees
<b>A) Cash Flow From Operating Activities :</b>						
Net Profit before tax	872.02	282.60	255.89	473.67	398.10	348.41
Adjustment for :						
Depreciation	176.94	248.70	204.68	247.16	183.46	112.19
Interest Paid	672.68	618.84	597.28	561.35	464.27	335.19
Interest Income	(40.04)	(58.78)	(65.57)	(76.60)	(70.96)	(33.94)
Dividend Income	-	-	-	-	-	-
Provision for Gratuity expenses	6.59	13.05	9.25	12.66	8.89	5.68
Profit on Sale of Assets	(1.17)	-	-	(0.68)	-	-
Prior Period Income tax Provision and Gratuity adjusted with Reserves	-	-	-	-	-	(171.85)
<b>Operating profit before working capital changes</b>	<b>1,687.01</b>	<b>1,104.42</b>	<b>1,001.52</b>	<b>1,217.57</b>	<b>983.76</b>	<b>595.68</b>
<b>Changes in Working Capital</b>						
(Increase)/Decrease in Inventories	113.50	(2,323.67)	180.05	(286.11)	(158.48)	(227.59)
(Increase)/Decrease in Trade Receivables	(782.52)	370.69	(681.79)	(1,888.93)	1,484.37	3,122.48
(Increase)/Decrease in Short Term Loans & Advances	(160.75)	(48.56)	(17.60)	178.90	(210.70)	(33.13)
(Increase)/Decrease in Other Current Assets	(1,534.78)	977.39	(149.75)	1,367.36	(1,611.65)	(3,083.35)
Increase/(Decrease) in Trade Payables	373.45	205.66	(612.75)	288.05	334.26	(621.14)
Increase/(Decrease) in Other Current Liabilities	829.24	538.90	314.47	(521.36)	847.85	151.06
Increase/(Decrease) in Short Term Provisions	137.22	(0.53)	0.27	1.61	(52.30)	22.97
Increase/(Decrease) in Long Term Provisions	(1.94)	(1.42)	(0.27)	(1.62)	0.01	12.20
Increase/(Decrease) in Other Non Current Assets	122.53	(88.58)	(61.69)	(394.58)	(215.79)	(569.66)
<b>Cash generated from operations</b>	<b>782.98</b>	<b>734.30</b>	<b>(27.55)</b>	<b>(39.11)</b>	<b>1,401.34</b>	<b>(630.48)</b>
Less:- Income Taxes paid	(116.00)	180.42	(110.12)	(208.32)	(357.57)	(107.56)
<b>Net cash flow from operating activities</b>	<b>666.99</b>	<b>914.71</b>	<b>(137.67)</b>	<b>(247.42)</b>	<b>1,043.77</b>	<b>(738.04)</b>
<b>B) Cash Flow From Investing Activities :</b>						
Purchase of Fixed Assets	(52.27)	(228.67)	(36.72)	(51.56)	(650.19)	(695.43)
Sale of Fixed Assets	3.50	-	-	1.82	-	-
Investment made/Sold during the year	-	-	-	-	-	-
Dividend Income	-	-	-	-	-	-
Increase/(Decrease) in Long Term Loans and Advances	(100.30)	(0.00)	12.69	(8.06)	1.98	22.24
Interest Income	40.04	58.78	65.57	76.60	70.96	33.94



Net cash flow from investing activities	B	(109.03)	(169.89)	41.55	18.80	(577.24)	(639.24)
<b>C) Cash Flow From Financing Activities :</b>							
Proceeds from Issue of Share Capital		-	-	-	1,500.01	-	-
Increase/(Decrease) in Short Term Borrowings		220.06	48.10	599.38	288.51	347.05	370.45
Increase/(Decrease) in Long Term Borrowings		(16.35)	65.74	(267.40)	(930.05)	(29.56)	1,365.89
Interest Paid		(672.68)	(618.84)	(597.28)	(561.35)	(464.27)	(335.19)
Net cash flow from financing activities	C	(468.96)	(505.00)	(265.30)	297.13	(146.78)	1,401.15
Net Increase/(Decrease) In Cash & Cash Equivalents	(A+B+C)	89.00	239.81	(361.41)	68.51	319.75	23.86
Cash equivalents at the beginning of the year		848.17	608.36	969.77	901.25	581.51	557.65
Cash equivalents at the end of the year		937.17	848.17	608.36	969.77	901.25	581.51

Notes :-

	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1. Component of Cash and Cash equivalents						
Cash on hand	5.29	0.26	2.64	14.13	10.72	6.02
Balance With banks	33.91	26.95	2.15	59.76	70.61	1.48
Other Bank Balance	897.97	820.98	603.57	895.89	819.93	574.02
	937.17	848.18	608.36	969.77	901.26	581.51

2 Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

For Mittal & Associates  
Chartered Accountants  
FRN 106456W



(CA Vishal Heda)

M. No. 172863

Date: 21st March 2018

Place: Mumbai

For and on Behalf of Directors



(Director)

*[Handwritten Signature]*

(Director)



## ANNEXURE-IV

### SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

#### A. BACKGROUND

The Company was originally incorporated as "Innovators Engineers & Contractors Private Limited" at Mumbai, Maharashtra, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 8, 1999 bearing Corporate Identification Number Registration No 11-120229 issued by Assistant Registrar of Companies, Maharashtra, Mumbai. The name of the Company was changed from Innovator Engineers & Contractors Private Limited to Innovators Façade Systems Private Limited vide Fresh Certificate of Incorporation dated July 19, 2005 issued by Assistant Registrar of Companies, Belapur, Navi Mumbai. The Company was converted to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on January 29, 2018 and the name of the Company was changed to Innovators Façade Systems Limited and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated February 15, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of the Company is U45200MH1999PLC120229.

#### B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Standalone Summary Statement of Assets and Liabilities of the Company as on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, and the Restated Standalone Summary Statement of Profit and Loss and Restated Summary Standalone Statements of Cash Flows for the period ended on December 31, 2017 and for the year ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the annexure thereto (collectively, the "**Restated Standalone Financial Statements**" or "**Restated Standalone Summary Statements**") have been extracted by the management from the Audited Financial Statements of the Company for the period ended December 31, 2017 and for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

##### **2. USE OF ESTIMATES**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include value of unbilled revenue and value of WIP stock etc. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.



### **3. FIXED ASSETS**

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

### **4. DEPRECIATION**

Depreciation on Fixed Assets has been provided on 'Written Down Value Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. The Company has calculated depreciation through WDV method upto 31.03.2014 as per Schedule XIV of Companies Act 1956.

### **5. BORROWING COSTS**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### **6. IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

### **7. INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

### **8. INVENTORIES**

- i) Raw Material are valued at lower of Cost or net realizable value and Stores & Spares are valued at cost.



- ii) Work in Progress and Finished Goods are valued at lower of cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition

## **9. REVENUE RECOGNITION**

- i) Revenue from fixed price construction contracts is recognized on the percentage of completion method, measured in proportion of the percentage of cost incurred-to-date to the total estimated contract cost.
- ii) Revenue in respect of sales is recognized on the basis of actual execution of work contracts or as and when work contracts is certified and project is completed
- iii) Unbilled Revenue is the part of work executed but not billed on the last day of Balance Sheet due to contractual obligation.
- iv) Interest income is recognized on time proportion basis.
- v) Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

## **10 FOREIGN CURRENCY TRANSACTIONS**

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.
- iv) The premium in respect of forward exchange contract is amortized over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in the Statement of Profit & Loss.

## **11. EMPLOYEE BENEFITS**

### **Defined-contribution plans:**

- i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet

## **12. SEGMENT ACCOUNTING**

### **(i) Business Segment**

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business includes design, engineering, fabrication, supply and installation of facade systems, and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting'. Disclosure for Segment reporting is not applicable.



(ii) Geographical Segment

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

### **13. ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.





## **14. CONTINGENT LIABILITIES AND PROVISIONS**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

## **15. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

## **16. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

## **C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARSS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies except accounting of Gratuity which was previously done on cash basis upto March 2014, has now been accounted based on mercantile system as certified by Independent Actuary.

## **D. NOTES ON RESTATEMENTS MADEIN THE RESTATED FINANCIALS**

1. The Standalone financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. The amounts due to Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act 2006" have been identified on the basis of information available with the Company.



### 3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under-:

#### Gratuity

(Amount in Rs. Lakhs)

Particulars	31-12-17	2016-17	2015-16	2014-15	2013-14	2012-13
<b>1.The amounts recognized in the Balance Sheet are as follows:</b>						
Present value of unfunded obligations Recognized	64.50	59.79	48.69	39.44	26.78	17.89
<b>Net Liability</b>	<b>64.50</b>	<b>59.79</b>	<b>48.69</b>	<b>39.44</b>	<b>26.78</b>	<b>17.89</b>
<b>2.The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>						
Current Service Cost	7.84	7.85	6.76	4.68	4.70	3.99
Interest on Defined Benefit Obligation	3.23	3.92	3.16	2.49	1.46	1.00
Net Actuarial Losses / (Gains) Recognized in Year	(4.48)	1.28	(0.67)	7.59	2.73	0.70
Past Service Cost	-	-	-	-	-	-
Total, Included in "Salaries, Allowances & Welfare"	<b>6.59</b>	<b>13.05</b>	<b>9.25</b>	<b>14.77</b>	<b>8.89</b>	<b>5.68</b>
<b>3.Changes in the present value of defined benefit obligation:</b>						
Defined benefit obligation as at the beginning of the year/period	59.79	48.69	39.44	26.78	17.89	12.20
Current Service cost	7.84	7.85	6.76	4.68	4.70	3.99
Interest cost	3.23	3.92	3.16	2.49	1.46	1.00
Actuarial Losses/(Gains)	(4.48)	1.28	(0.67)	7.59	2.73	0.70
Benefit Paid Directly by the Employer	(1.88)	(1.95)	-	(2.10)	-	-
Past Service Cost	-	-	-	-	-	-



<b>Defined benefit obligation as at the end of the year/period</b>	<b>64.50</b>	<b>59.79</b>	<b>48.69</b>	<b>39.44</b>	<b>26.78</b>	<b>17.89</b>
<b>Benefit Description</b>						
Benefit type:	Gratuity Valuation as per Act					
Retirement Age:	60 years	60 years	60 years	60 years	60 years	60 years
Vesting Period:	5 years	5 years	5 years	5 years	5 years	5 years
The principal actuarial assumptions for the above are:						
Future Salary Rise:	6.00%P.A	6.00%P.A	6.00%P.A	6.00%P.A	6.00%P.A	6.00%P.A
Discount rate per annum:	7.68%P.A	7.20%P.A	8.06%P.A	8.00%P.A	9.31%P.A	8.62%P.A
Attrition Rate:	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A
Mortality Rate:	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

#### 4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AB, for any of the years covered by the statements.

#### 5. Related Party Disclosure (AS 18)

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure - Yof of the enclosed financial statements.

#### 6. Accounting For Taxes on Income (AS 22)

Deferred Tax liability/Asset in view of Accounting Standard - 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

Particulars	(Amt. in Lakh Rs.)					
	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Major Components of deferred tax arising on account of timing differences are:						
Timing Difference Due to Depreciation	(13.90)	21.21	71.93	90.92	129.75	94.93
Deferred Tax Liability(A)	(5.00)	7.00	24.00	29.00	42.00	31.00
Provision of Gratuity Disallowed	64.50	59.79	48.69	39.44	26.78	17.88
Cumulative Net Expenses Disallowed under Section 43B	22.31	22.31	51.41	51.48	57.00	61.52



Timing Difference Due to Gratuity and Disallowed expenses U/s 43B	86.81	82.10	100.10	90.92	83.78	79.40
Deferred Tax Assets (B)	28.70	27.14	33.10	29.50	27.18	25.76
Cumulative Balance of Deferred Tax Liability/(Assets) (Net) (A-B)	(33.70)	(20.14)	(9.10)	(0.50)	14.82	5.24

#### 7. Earnings Per Share (AS 20):

Earnings per Share have been calculated is already reported in the Annexure -X of the enclosed financial statements.

#### 8. MATERIAL ADJUSTMENTS[AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01<sup>st</sup> April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under.

#### Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & losses of the company.

#### 1. Standalone Statement of Profit and Loss after Tax

**Table -1**

(Amount in Rs.)

Particulars	31-12-17	31-03-17	31-03-16	31-03-15	31-03-14	31-03-13
Net Profit After Tax as per audited accounts but before adjustments for restated accounts: (A)	603.54	44.19	142.91	299.97	260.08	221.09
Adjustments - :						
(Short)/Excess Provision of Gratuity Expense	-	-	-	-	(8.89)	(5.68)
(Short)/Excess Depreciation(net) charged in Books	(7.24)	(10.00)	10.82	14.62	22.00	26.80
Elimination of Prior Period Expenses/Tax Provision	-	159.65	-	26.78	-	-
Deferred tax liability short (Excess) provided	2.52	(7.09)	13.86	(24.57)	(5.42)	10.22
(Short)/Excess Provision of Income Tax	(23.32)	(0.75)	0.05	(0.03)	1.47	(19.96)



Net Adjustment in Profit and Loss Account (B)	(28.06)	141.82	24.73	16.79	9.16	11.39
Net Profit/(Loss) After Tax as per Restated Accounts: (A+B)	575.49	186.01	167.64	316.76	269.24	232.48

**a) Adjustment on account of provision for Gratuity and Compensated Absences:**

The Company did not provide gratuity based on the requirement of AS -15 (Revised) up to 31<sup>st</sup> March 2014. Therefore during the restatement of FY 2012-13 and FY 2013-14, provision for gratuity have been done as per the actuarial valuation and accordingly prior period expenses of Rs. 26.78 Lakhs as reported in Audited financials of FY 2014-15 has been nullified.

**b) Accounting of Depreciation (AS -6)**

During the process of restatement of Accounts, Company has rectified the Depreciation provision which has been changed due to arithmetical errors, as well as due to wrong calculation of Depreciation due to wrong application of put to use concept of fixed assets (Expansion of Existing Factory Building). Factory Building TL 4 and Factory Building -TL 5 has been reconsidered with reference to actual date of put to use as explained by the Management. Because of the above depreciation for the FY 2013-14 and FY 2014-15 has been changed. Since the WDV of Fixed Assets is changed therefore the revised depreciation was calculated for Entire period of restatement with reference to Factory Building TL 4 and Factory Building -5. In Audited Account Company has capitalized the factory building TL 4 and 5 on based on suppliers invoice date, however the interest on TL was capitalized till the year/period ended. Management has rectified their mistake and considered revised put to use date as 31.03.2013 and 27<sup>th</sup> June 2014 for Factory Building TL 4 and Factory Building -5 respectively. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**c) Adjustment on account of Provision of Deferred Tax Assets:**

Due to Provision for Gratuity (Employee benefits) during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year/period ended at the rate of normal Tax rate applicable at the end of relevant year/period. Due to same deferred tax assets has been recognized in the financial statement of the respective year.

**d) Accounting of Prior period Income/Expenses:**

Prior period expense (Gratuity Provision) debited Rs. 26.78 Lakhs in FY 2014-15 has now been expensed out in the respective financial year. During the financial year 2016-17, provision for earlier year tax of Rs. 159.65 lakhs has been restated and accordingly provision of Tax prior to 31<sup>st</sup> March 2012 of Rs. 159.65 Lakhs has been adjusted with opening balance of retained earnings.

**e) Provision of Income Tax (Current/Prior Period):**

During the period of Restatement, Income tax liability was recalculated as per the prevailing tax rates, accordingly the revised income tax provision has been charged to the Statement of Profit and Loss account along with interest on delay payment of direct tax. Short/(Excess) provision has adjusted in respective



year/period. For More Details refer Annexure AA enclosed with the Financial Statement.

**9. Realizations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

**10. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**11. Amounts in the financial statements**

Amounts in the financial statements are reported in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**12. Auditors Qualifications -**

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements

None

b) Qualification which does not require adjustment in restated financial statements - Details given below

Financial Year	Audit Qualifications																				
2012-13	None																				
2013-14	None																				
2014-15	<p>According to the records of the Company, dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Customs, excise, VAT, and Cess which have not been deposited on account of any dispute with the relevant authorities are given below:</p> <table border="1"> <thead> <tr> <th>Name of Statute</th> <th>Amount</th> <th>Period to which amount relates</th> <th>Forum where dispute is pending</th> </tr> </thead> <tbody> <tr> <td>Income Tax</td> <td>1,60,67,157/-</td> <td>FY 2008-09</td> <td>CIT (Appeals)</td> </tr> <tr> <td>Income Tax</td> <td>2,85,45,610/-</td> <td>FY 2009-10</td> <td>CIT (Appeals)</td> </tr> <tr> <td>Income Tax</td> <td>36,96,000/-</td> <td>FY 2010-11</td> <td>CIT (Appeals)</td> </tr> <tr> <td>Sales Tax</td> <td>9,72,591/-</td> <td>FY 2011-12</td> <td>Sr. Joint Commissioner (West Bengal Sales Tax)</td> </tr> </tbody> </table>	Name of Statute	Amount	Period to which amount relates	Forum where dispute is pending	Income Tax	1,60,67,157/-	FY 2008-09	CIT (Appeals)	Income Tax	2,85,45,610/-	FY 2009-10	CIT (Appeals)	Income Tax	36,96,000/-	FY 2010-11	CIT (Appeals)	Sales Tax	9,72,591/-	FY 2011-12	Sr. Joint Commissioner (West Bengal Sales Tax)
Name of Statute	Amount	Period to which amount relates	Forum where dispute is pending																		
Income Tax	1,60,67,157/-	FY 2008-09	CIT (Appeals)																		
Income Tax	2,85,45,610/-	FY 2009-10	CIT (Appeals)																		
Income Tax	36,96,000/-	FY 2010-11	CIT (Appeals)																		
Sales Tax	9,72,591/-	FY 2011-12	Sr. Joint Commissioner (West Bengal Sales Tax)																		
2015-16	<p>a) According to the information and explanations given to us, there are no undisputed amounts payable except TDS amounting to Rs.13,74,543/- which has remained outstanding as at 31st March, 2016 for a period more than six months from the date they became payable.</p> <p>b) According to the records of the Company, dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Customs, excise, VAT, and Cess which have not been deposited on account of any dispute with the relevant authorities are</p>																				



given below:

Name of Statute	Amount	Period to which amount relates	Forum where dispute is pending
Sales Tax	9,72,591/-	FY 2011-12	Sr. Joint Commissioner (West Bengal Sales Tax)

c) Qualification in Audit Report on Internal Financial Control System -

The documentation in respect of specific policies and procedures and the IT Controls pertaining to internal financial controls over financial reporting are not adequate and needs to be further strengthened. This may potentially result in the risk of overriding of these controls in recording of the transactions.

2016-17

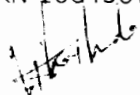
a) According to the records of the Company, dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Customs, excise, VAT, and Cess which have not been deposited on account of any dispute with the relevant authorities are given below:

Name of Statute	Amount	Period to which amount relates	Forum where dispute is pending
Sales Tax	9,72,591/-	FY 2011-12	Sr. Joint Commissioner (West Bengal Sales Tax)

b) Qualification in Audit Report on Internal Financial Control System -

The documentation in respect of specific policies and procedures and the IT Controls pertaining to internal financial controls over financial reporting are not adequate and needs to be further strengthened. This may potentially result in the risk of overriding of these controls in recording of the transactions.

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

  
(Vishal Heda)  
Partner  
Membership No. 172863  
Date: 21<sup>st</sup> March, 2018  
Place: Mumbai





## STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS

ANNEXURE - A

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Share Capital</b>						
<b>Authorised Share Capital</b>						
Equity shares of Rs.10 each	11,000,000	11,000,000	11,000,000	11,000,000	10,000,000	10,000,000
Share Capital (in Lakhs Rs.)	1,100	1,100	1,100	1,100	1,000	1,000
<b>Issued, Subscribed and Paid up Share Capital</b>						
Equity Shares of Rs. 10 each fully paid up	10,285,750	10,285,750	10,285,750	10,285,750	6,000,000	6,000,000
Share Capital (in Lakhs Rs.)	1,028.58	1,028.58	1,028.58	1,028.58	600.00	600.00
<b>Total</b>	<b>1,028.58</b>	<b>1,028.58</b>	<b>1,028.58</b>	<b>1,028.58</b>	<b>600.00</b>	<b>600.00</b>
<b>Reserves and Surplus</b>						
<b>A) Securities Premium Account</b>						
Balance as per last financial statement	1,400.44	1,400.44	1,400.44	329.00	329.00	329.00
Addition during the year	-	-	-	1,071.44	-	-
<b>Closing Balance (A)</b>	<b>1,400.44</b>	<b>1,400.44</b>	<b>1,400.44</b>	<b>1,400.44</b>	<b>329.00</b>	<b>329.00</b>
<b>B) Surplus in Profit and Loss account</b>						
Opening Balance	1,722.43	1,536.43	1,368.79	1,056.22	786.98	554.50
Add: Restated Profit/ (Loss) for the year	575.49	186.01	167.64	316.76	269.24	232.48
Less: Adjustments related to depreciation in terms of note 7(b) of Schedule II of Companies Act, 2013 (net of tax amounting to Rs. 1,35,968)	-	-	-	4.19	-	-
Less:WDV of Computer Written off	-	-	-	-	-	-
<b>Closing Balance (B)</b>	<b>2,297.92</b>	<b>1,722.43</b>	<b>1,536.43</b>	<b>1,368.79</b>	<b>1,056.22</b>	<b>786.98</b>
<b>Total (A+B)</b>	<b>3,698.36</b>	<b>3,122.87</b>	<b>2,936.86</b>	<b>2,769.23</b>	<b>1,385.22</b>	<b>1,115.98</b>

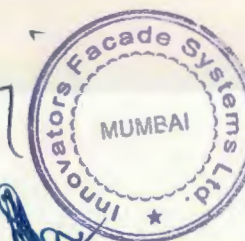
## 1. Terms/rights attached to equity shares:

- The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
  - In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.
- 2.The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. Company does not have any Revaluation Reserve.
4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
5. The reconciliation of the number of shares outstanding as at -

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Number of shares at the beginning	10285750	10285750	10285750	6000000	6000000	6000000
Add: Shares issued during the year	0	0	0	4285750	0	0
Number of shares at the end	10285750	10285750	10285750	10285750	6000000	6000000

## 6. The detail of shareholders holding more than 5% of Shares: -

Name of Shareholders	As at (No. of Shares)					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Jolly Multitrade Private Limited	4,285,750	4,285,750	4,285,750	4,285,750	-	-
Mr. Radheshyam Shivchand Sharma	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000	2,100,000
Mr.Raman Shivchand Sharma	1,800,000	1,800,000	1,440,000	1,440,000	1,440,000	1,440,000
Mrs.Anjana Radheshyam Sharma	600,000	600,000	600,000	600,000	600,000	600,000
Mr.Shivchand Sharma	900,000	900,000	-	-	-	-
Mr.Narendra Shivchand Sharma	-	-	600,000	600,000	600,000	600,000
Mr.Shivchand Debraj Sharma	-	-	-	-	300,000	300,000
Mrs.Priti Raman Sharma	-	-	-	-	360,000	360,000
Mr.Rohit Radheshyam Sharma	-	-	-	-	300,000	300,000





## STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
<b>(Secured)</b>						
<b>(a) Term loans</b>						
From Bank & Financial Institutions	191.45	266.76	341.94	540.92	773.52	773.52
From Others	-	-	-	-	-	-
<b>Sub-total (a)</b>	<b>191.45</b>	<b>266.76</b>	<b>341.94</b>	<b>540.92</b>	<b>773.52</b>	<b>773.52</b>
<b>(Unsecured)</b>						
<b>(b) Term loans</b>						
From Bank & Financial Institutions	-	-	-	-	-	-
From Others	-	4.73	23.02	-	-	-
<b>Sub-total (b)</b>	<b>-</b>	<b>4.73</b>	<b>23.02</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(c) Loans and advances from related parties &amp; shareholders</b>						
<b>(Unsecured)</b>						
From Directors and their Relatives	376.42	307.90	301.56	229.00	838.03	562.74
From Body Corporate	2,411.77	2,412.27	2,414.25	2,578.25	2,666.67	2,971.51
<b>Sub-total (c)</b>	<b>2,788.19</b>	<b>2,720.17</b>	<b>2,715.81</b>	<b>2,807.25</b>	<b>3,504.70</b>	<b>3,534.26</b>
<b>(d) Intercompany Deposits</b>						
From Body Corporate	150.53	154.86	-	-	-	-
<b>Sub-total (d)</b>	<b>150.53</b>	<b>154.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b+c+d)</b>	<b>3,130.17</b>	<b>3,146.51</b>	<b>3,080.77</b>	<b>3,348.17</b>	<b>4,278.22</b>	<b>4,307.78</b>

## Short Term Borrowings

**Secured****Loan Repayable on Demand**

From Banks

3,172.89

2,891.81

2,717.70

1,904.87

1,916.83

1,669.78

From Other Parties

-

-

-

98.00

100.00

-

**Sub total (a)****3,172.89****2,891.81****2,717.70****2,002.87****2,016.83****1,669.78****Unsecured**

Loan from Others

-

61.02

187.03

302.47

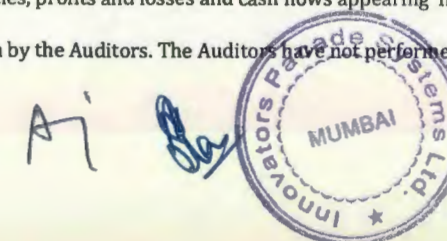
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**Sub Total (b)****-****61.02****187.03****302.47****-****-****Total (a+b)****3,172.89****2,952.83****2,904.73****2,305.35****2,016.83****1,669.78**

## Note :

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- The terms and conditions and other information in respect of Secured Loans as on 31.03.2016 are given in Annexure - B (A)
- The terms and conditions and other information in respect of Unsecured Loans as on 31.03.2016 are given in Annexure - B (B)



## STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	(Amt. in Lakh Rs.)	
							Outstanding amount as on (as per Books)	
							31-12-2017	31-03-2017
Term Loan II	Term Loan	500.00	14.5	Hypothecation Of Building And Plant And Machinery	60 monthly installment of RS.7,35,000/-	NIL	-	50.28
Term Loan III	Term Loan	500.00	14.15	Hypothecation Of Building And Plant And Machinery	84 monthly Installment of RS.5,95,000/-	NIL	211.59	264.60
HDFC BANK LTD	Vehicle Loan -(M&M CAR) (MH04 FR2564)	11.00	10.50%	Hypothecation of vehicle	60 monthly installment of RS.23440/-	NIL	-	1.27
HDFC Bank Ltd.	Vehicle Loan -(Truck-MH-04-GC-2008)	10.20	12.94	Hypothecation of vehicle	47 monthly Installment of Rs. 27778/-	NIL	-	0.21
ICICI Bank Ltd.	Vehicle Loan -Honda City Car Loan (MH-04-HM-2563)	12.11	9.4	Hypothecation of vehicle	60 monthly installment of RS.25384/-	NIL	9.37	10.93
ICICI Bank Ltd	Vehicle Loan -Innova Car Loan (MH-04-FZ 8350)	11.61	11.26	Hypothecation of vehicle	60monthly installment of RS.25393/-	NIL	0.84	2.96
ICICI Bank Ltd.	Vehicle Loan -Mercedes Car Loan MH-04-HM-2525	70.00	9.36	Hypothecation of vehicle	60 monthly installment of RS.146535/-	NIL	54.11	63.15
Kotak Mahindra Prime Ltd	Vehicle Loan (Honda City)-DL10CH1926	10.50	9.40%	Hypothecation of vehicle	60 monthly installment of RS.22439/-	NIL	5.48	7.01
OBC Bank	Vehicle Loan Wagon (DL2C-AP-4479)	3.67	11.75	Hypothecation of vehicle	60monthly installment of Rs.8118/-	NIL	-	0.33
OBC Bank	Vehicle Loan Car Loan( Verna MH-04FZ-3561)	10.50	10.05%	Hypothecation of vehicle	60 monthly installment of RS.23000/-	NIL	-	2.21
OBC Bank	Working Capital Loan	2,000.00	12.9	Prime And Collateral Securities Personal Guarantees Pledge Of Shares And Deposits As Per Sanctined Terms	Repayble on Demand	NA	1,961.62	1,873.99
Indian Bank	Working Capital Loan	1,200.00	11.5	Parripassu Charge With OBC On Entire Current Assets Of The Company. For Collateral Security Refer Note Given Below	Repayble on Demand	NA	1,211.27	-
Syndicate Bank	Working Capital Loan	1,075.00	12.95	Parripassu Charge With OBC On Entire Current Assets Of The Company. For Collateral Security Refer Note Given Below	Repayble on Demand	NA	-	1,017.81
<b>Total</b>							<b>3,454.28</b>	<b>3,294.76</b>

## Total

Note - : Following Collateral Security given to OBC Bank, which is being shared on parri passu basis by Indian Bank as on 31.12.2017.

1. EM Factory land & building at Gut N0.404/B & (P), 429, Village Chinchghar, Chinchghar-Belavali Road, off. Kudus-Bhiwandi Road, Taluka Wada District Falghar 421312 in the lame of M/s Innovators Facade Systems Pvt. Ltd. valued at Rs. 20.19 crore as per
2. Hypothication of Plant & Machinery at factory valued at Rs. 2.93 crore.
3. EM of Flat No 2106, Oberoi Woods, C Tower. Oberoi Garden Estate, Goregaon East, Mumbai - 400063.
4. EM of Shop No 14, Building No B-23, Akshar sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107
5. EM of Shop No 15, Building No B-23, Akshar sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107
6. EM of Shop No 5, Building No B-6, Akshar sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107
7. EM of Flat No 401, Building No B -23, Vallabh Shanti Nagar CHS Ltd, Sector 5, Mira Road East Thane - 401107
8. EM of Flat No 2, Building No B-23, Akshar Sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107
9. Personal Guarantee of Mr adheshyam S Sharma and Anjana R Sharma





## STATEMENT OF TERMS &amp; CONDITIONS OF UNSECURED LOANS

(Amt. in Lakh Rs.)

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Companies/other entities  
Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per Books)	
					31-12-2017	31-03-2017
Deutsche Bank Bil A/c IFSP	Business Loan	13.2	36 monthly installment (first 35 of Rs. 1.70 Lakhs) and Last EMI of Rs. 1.30 Lakhs	Nil	9.43	23.11
Innovators Facade Solutions (Delhi) Pvt Ltd	Business Loan	NIL	Repayable on Demand	Nil	1,500.00	1,500.00
Innovators Facade Solutions (Mumbai) Pvt	Business Loan	NIL	Repayable on Demand	Nil	727.98	728.23
Jolly Multitrade Pvt. Ltd.	Business Loan	NIL	Repayable on Demand	Nil	183.80	184.05
Radheshyam sharma	Business Loan	NIL	Repayable on Demand	Nil	201.87	181.54
Rohit Sharma (Loan)	Business Loan	NIL	Repayable on Demand	Nil	0.93	3.74
R.S. Sharma (HUF)	Business Loan	NIL	Repayable on Demand	Nil	4.90	5.00
Raman Sharma	Business Loan	NIL	Repayable on Demand	Nil	-	0.90
Anjana Sharma	Business Loan	NIL	Repayable on Demand	Nil	168.72	116.72
Bondwell Corporate Advisors Pvt. Ltd.	Business Loan	9.5	Repayable on Demand	Nil	150.53	154.24
Bondwell Infraprojects Pvt Ltd	Business Loan	9.5	Repayable on Demand	Nil	-	0.62
<b>Total</b>					<b>2,948.14</b>	<b>2,898.13</b>

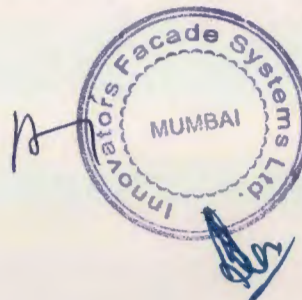


## STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Major Components of deferred tax arising on account of timing differences are:						
Timing Difference Due to Depreciation	(13.90)	21.21	71.93	90.92	129.75	94.93
Deferred Tax Liability(A)	(5.00)	7.00	24.00	29.00	42.00	31.00
Provision of Gratuity Disallowed	64.50	59.79	48.69	39.44	26.78	17.88
Cumulative Net Expenses Disallowed under Section 43B	22.31	22.31	51.41	51.48	57.00	61.52
Timing Difference Due to Gratuity and Disallowed expenses U/s 43B	86.81	82.10	100.10	90.92	83.78	79.40
Deferred Tax Assets (B)	28.70	27.14	33.10	29.50	27.18	25.76
Cumulative Balance of Deferred Tax Liability/(Assets) (Net) (A-B)	(33.70)	(20.14)	(9.10)	(0.50)	14.82	5.24

Note: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and IIII.

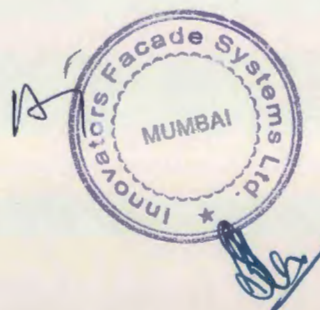




## STATEMENT OF LONG TERM PROVISIONS

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Provision for Employee Benefits</b>						
Gratuity Payable	63.09	58.44	46.80	37.83	26.78	17.88
Compensated Absences	-	-	-	-	-	-
Others	-	-	-	-	-	-
<b>Total</b>	<b>63.09</b>	<b>58.44</b>	<b>46.80</b>	<b>37.83</b>	<b>26.78</b>	<b>17.88</b>



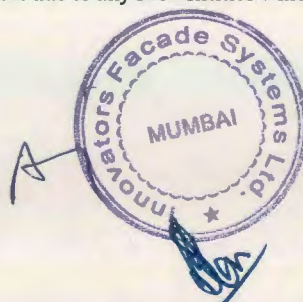
## STATEMENT OF TRADE PAYABLES

(Amt. in Lakh Rs.)

Particulars	31-12-2017	31-03-2017	As on		31-03-2014	31-03-2013
			31-03-2016	31-03-2015		
<b>Trade Payables</b>						
For Goods & Services						
Micro, Small and Medium Enterprises	13.15	8.25	5.75	5.72	-	-
Others*	2,439.21	2,070.66	1,867.51	2,480.28	2,197.95	1,863.69
<b>Total</b>	<b>2,452.36</b>	<b>2,078.91</b>	<b>1,873.25</b>	<b>2,486.00</b>	<b>2,197.95</b>	<b>1,863.69</b>
* Includes Payable to Related Parties	-	70.08	-	-	-	-

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.





## STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Other Current Liabilities</b>						
Current Maturities of Long Term Debt	99.37	154.57	241.26	258.07	264.00	40.64
Statutory Payables	392.36	162.54	235.15	178.58	212.47	147.72
Advances Received from Customers *	1,606.12	955.79	267.38	26.52	176.79	31.64
Provision for expenses#	182.05	179.00	199.41	167.26	498.54	83.95
Bank Overdrafts	33.14	31.90	1.70	-	-	-
<b>Total</b>	<b>2,313.04</b>	<b>1,483.80</b>	<b>944.90</b>	<b>630.44</b>	<b>1,151.80</b>	<b>303.95</b>
<b>Short Term Provisions</b>						
<b>Provision for Employee Benefits</b>						
Provisions for Gratuity	1.41	1.35	1.89	1.61	-	-
<b>Other Provisions</b>						
Provision for Expenses	-	-	-	-	-	52.30
Income tax Provisions net of Advance tax and TDS	137.17	-	-	-	-	-
<b>Total</b>	<b>138.58</b>	<b>1.35</b>	<b>1.89</b>	<b>1.61</b>	<b>-</b>	<b>52.30</b>
*Advances Received from Customers includes advance received from Related Parties						
	1,130.77	465.39	-	-	-	-
#Provision for Expenses includes balance payable to Related Parties						
	39.08	33.91	35.33	19.85	354.19	5.10

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



STANDALONE RESTATED STATEMENT OF FIXED ASSETS

ANNEXURE - G

FY 2012-13

(Amt. in lakh Rs.)

Particulars		Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.03.2012
<b>Tangible Assets</b>											
Land		5.71	-	-	5.71	-	-	-	-	5.71	5.71
Factory Building		129.38	-	-	129.38	40.45	8.87	-	49.32	80.06	88.93
New Factory Building		441.77	-	-	441.77	11.10	43.07	-	54.17	387.60	430.66
Plant and Machinery		311.38	14.25	-	325.63	95.30	31.54	-	126.84	198.79	216.08
Furnitures & Fixtures		7.22	3.18	-	10.40	3.31	1.02	-	4.33	6.07	3.91
Vehicles (Cars)		77.52	42.06	-	119.58	37.24	13.83	-	51.07	68.51	40.28
Office Equipment		40.25	10.40	-	50.64	15.35	6.40	-	21.75	28.89	24.89
Computer		42.21	15.47	-	57.68	32.37	7.48	-	39.85	17.83	9.84
		-	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (A)</b>	<b>1,055.44</b>	<b>85.36</b>	<b>-</b>	<b>1,140.80</b>	<b>235.15</b>	<b>112.20</b>	<b>-</b>	<b>347.34</b>	<b>793.46</b>	<b>820.30</b>
<b>Capital Work-in-progress</b>											
Factory Building Under Construction		48.94	609.85	-	658.79	-	-	-	-	658.79	48.94
Factory Building Under Construction -TL-5		-	0.22	-	0.22	-	-	-	-	0.22	-
	<b>SUB TOTAL (B)</b>	<b>48.94</b>	<b>610.07</b>	<b>-</b>	<b>659.02</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>659.02</b>	<b>48.94</b>
<b>Intangible Assets Under Development</b>											
	<b>SUB TOTAL (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total [A + B + C] (Current Year)</b>		<b>1,104.38</b>	<b>695.43</b>	<b>-</b>	<b>1,799.81</b>	<b>235.15</b>	<b>112.20</b>	<b>-</b>	<b>347.34</b>	<b>1,452.47</b>	<b>869.24</b>
<b>(Previous Year)</b>		<b>661.07</b>	<b>443.31</b>	<b>-</b>	<b>443.31</b>	<b>164.64</b>	<b>70.50</b>	<b>-</b>	<b>0.00</b>	<b>496.43</b>	<b>302.27</b>

FY 2013-14

Particulars		Gross Block				Depreciation				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2014	WDV as on 31.03.2013
<b>Tangible Assets</b>											
Land		5.71	-	-	5.71	-	-	-	-	5.71	5.71
Factory Building		129.38	-	-	129.38	49.32	8.01	-	57.33	72.05	80.06
Factory Building-TL 3		441.77	-	-	441.77	54.17	38.76	-	92.93	348.84	387.60
Factory Building-TL 4		658.79	-	-	658.79	-	65.88	-	65.88	592.91	658.79
Factory Building-TL 5		0.22	553.45	-	553.67	-	-	-	-	553.67	0.22
Plant and Machinery		325.63	41.38	-	367.01	126.84	28.98	-	155.82	211.19	198.79
Furnitures & Fixtures		10.40	1.73	-	12.13	4.33	1.31	-	5.64	6.49	6.07
Vehicles (Cars)		119.58	19.47	-	139.05	51.07	22.49	-	73.56	65.49	68.51
Office Equipment		50.64	1.96	-	52.60	21.75	6.01	-	27.76	24.83	28.89
Computer		57.68	32.20	-	89.88	39.85	12.03	-	51.88	38.00	17.83
		-	-	-	-	-	-	-	-	-	-
	<b>SUB TOTAL (A)</b>	<b>1,799.81</b>	<b>650.19</b>	<b>-</b>	<b>2,450.00</b>	<b>347.34</b>	<b>183.46</b>	<b>-</b>	<b>530.81</b>	<b>1,919.19</b>	<b>1,452.47</b>
<b>Capital Work-in-progress</b>											
	<b>SUB TOTAL (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Intangible Assets Under Development</b>											
	<b>SUB TOTAL (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total [A + B + C] (Current Year)</b>		<b>1,799.81</b>	<b>650.19</b>	<b>-</b>	<b>2,450.00</b>	<b>347.34</b>	<b>183.46</b>	<b>-</b>	<b>530.81</b>	<b>1,919.19</b>	<b>1,452.47</b>
<b>(Previous Year)</b>		<b>1,104.38</b>	<b>695.43</b>	<b>-</b>	<b>1,799.81</b>	<b>235.15</b>	<b>112.20</b>	<b>-</b>	<b>347.34</b>	<b>1,452.47</b>	<b>869.24</b>



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Total [A + B + C + D] (Current Year)	1,799.81	650.19	-	2,450.00	347.34	183.46	-	530.80	1,919.20	1,452.48
(Previous Year)	1,104.38	695.43	-	1,799.81	235.15	112.19	-	347.34	1,452.48	849.23

FY 2014-15

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block		
	As at April 1, 2014	Additions during the Year	Deletion during the Year	As at March 31, 2015	As at April 1, 2014	Depreciation charge for the year	Adjustments Against Retained Earnings	Adjustments on Sale of Assets	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
<b>Tangible Assets</b>											
Freehold Land	5.71	-	-	5.71	-	-	-	-	-	5.71	5.71
Factory Building	1,783.62	33.14	-	1,816.76	216.14	147.92	-	-	364.06	1,452.70	1,567.48
Plant & Machinery	367.30	0.26	-	367.56	155.82	37.59	-	-	193.41	174.16	211.48
Furniture & Fixtures	12.13	-	-	12.13	5.64	1.73	0.03	-	7.40	4.73	6.49
Vehicles	139.05	13.79	9.07	143.77	73.56	23.39	0.60	7.93	89.61	54.16	65.49
Office Equipment	52.60	3.26	-	55.86	27.76	13.34	2.78	-	43.89	11.98	24.83
Computers	89.59	1.10	-	90.69	51.88	23.19	0.79	-	75.86	14.83	37.71
<b>Total</b>	<b>2,450.00</b>	<b>51.56</b>	<b>9.07</b>	<b>2,492.48</b>	<b>530.80</b>	<b>247.16</b>	<b>4.19</b>	<b>7.93</b>	<b>774.23</b>	<b>1,718.26</b>	<b>1,919.20</b>
Previous Year	1,799.81	650.19	-	2,450.00	347.34	183.46	-	-	530.80	1,919.20	1,452.48

FY 2015-16

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block		
	As at April 1, 2015	Additions during the Year	Deletion during the Year	As at March 31, 2016	As at April 1, 2015	Depreciation charge for the year	Adjustments Against Retained Earnings	Adjustments on Sale of Assets	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
<b>Tangible Assets</b>											
Freehold Land	5.71	-	-	5.71	-	-	-	-	-	5.71	5.71
Factory Building	1,816.76	-	-	1,816.76	364.06	133.64	-	-	497.70	1,319.06	1,452.70
Plant & Machinery	367.56	15.07	-	382.63	193.41	32.86	-	-	226.26	156.36	174.16
Furniture & Fixtures	12.13	6.70	-	18.83	7.40	2.84	-	-	10.24	8.58	4.73
Vehicles	143.77	-	-	143.77	89.61	15.45	-	-	105.06	38.71	54.16
Office Equipment	55.86	7.74	-	63.60	43.89	8.46	-	-	52.34	11.26	11.98
Computers	90.69	7.22	-	97.91	75.86	11.44	-	-	87.30	10.60	14.83
<b>Total</b>	<b>2,492.48</b>	<b>36.72</b>	<b>-</b>	<b>2,529.20</b>	<b>774.23</b>	<b>204.68</b>	<b>-</b>	<b>-</b>	<b>978.91</b>	<b>1,550.29</b>	<b>1,718.26</b>
Previous Year	2,450.00	51.56	9.07	2,492.48	530.80	247.16	4.19	7.93	774.23	1,718.26	1,919.20

FY 2016-17

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block		
	As at April 1, 2016	Additions during the Year	Deletion during the Year	As at March 31, 2017	As at April 1, 2016	Depreciation charge for the year	Adjustments on Sale of Assets	As at March 31, 2017	As at March 31, 2017	As at March 31, 2016	
<b>Tangible Assets</b>											
Freehold Land	5.71	-	-	5.71	-	-	-	-	5.71	5.71	
Factory Building	1,816.76	-	-	1,816.76	497.70	138.37	-	636.08	1,180.68	1,319.06	
Plant & Machinery	382.63	96.79	-	479.42	226.26	43.11	-	269.37	210.04	156.36	
Furniture & Fixtures	18.83	3.99	-	22.82	10.24	3.04	-	13.28	9.53	8.58	
Vehicles	143.77	95.07	-	238.84	105.06	38.53	-	143.59	95.25	38.71	
Office Equipment	63.60	11.30	-	74.90	52.34	8.85	-	61.19	13.70	11.26	
Computers	97.91	21.52	-	119.43	87.30	16.80	-	104.10	15.33	10.60	
<b>Total</b>	<b>2,529.20</b>	<b>228.67</b>	<b>-</b>	<b>2,757.87</b>	<b>978.91</b>	<b>248.70</b>	<b>-</b>	<b>1,227.61</b>	<b>1,530.26</b>	<b>1,550.29</b>	
Previous Year	2,492.48	36.72	-	2,529.20	774.23	204.68	-	-	978.91	1,550.29	



For the Period Ended 31st December 2017

PARTICULARS	Gross Block			Accumulated Depreciation				Net Block		
	As at April 1, 2017	Additions during the Period	Deletion during the Period	As at December 31, 2017	As at April 1, 2017	Depreciation charge for the Period	Adjustments on Sale of Assets	As at December 31, 2017	As at December 31, 2017	As at March 31, 2017
<b>Tangible Assets</b>										
Freehold Land	5.71	-	-	5.71	-	-	-	-	5.71	5.71
Factory Building	1,816.76	-	-	1,816.76	636.08	100.82	-	736.89	1,079.87	1,180.68
Plant & Machinery	479.42	24.58	-	504.00	269.37	32.56	-	301.93	202.06	210.04
Furniture & Fixtures	22.82	5.88	-	28.70	13.28	2.66	-	15.94	12.76	9.53
Vehicles	238.84	-	11.71	227.13	143.59	22.97	9.38	157.17	69.95	95.25
Office Equipment	74.90	7.42	-	82.32	61.19	6.63	-	67.82	14.49	13.70
Computers	119.43	14.39	-	133.82	104.10	11.31	-	115.41	18.41	15.33
<b>Total</b>	<b>2,757.87</b>	<b>52.27</b>	<b>11.71</b>	<b>2,796.43</b>	<b>1,227.61</b>	<b>176.94</b>	<b>9.38</b>	<b>1,395.17</b>	<b>1,403.26</b>	<b>1,530.26</b>
<b>Previous Year</b>	<b>2,529.20</b>	<b>228.67</b>	<b>-</b>	<b>2,757.87</b>	<b>978.91</b>	<b>248.70</b>	<b>-</b>	<b>1,227.61</b>	<b>1,530.26</b>	<b>1,550.29</b>

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and



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## STATEMENT OF NON-CURRENT INVESTMENTS

(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Non Current Investment (At Cost)</b>						
<b>Investment in Shares (Unquoted) of Subsidiary Company</b>						
Kapindra Multitrade Private Limited		38.32	38.32	38.32	38.32	38.32
3,83,160 (PY 3,83,160) equity shares of face value Rs. 10 each, fully paid up						
<b>Total</b>	<b>38.32</b>	<b>38.32</b>	<b>38.32</b>	<b>38.32</b>	<b>38.32</b>	<b>38.32</b>

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



## STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Unsecured, Considered Good unless otherwise stated</b>						
Capital Advance	78.50	78.50	78.50	78.50	78.50	78.50
Security Deposit	64.77	27.91	27.91	15.21	23.27	21.29
Loans and Advances to Related Parties	-	-	-	-	-	-
Advance Tax & TDS (Net of Provisions)	-	56.92	344.98	331.71	295.62	57.34
<b>Total</b>	<b>143.27</b>	<b>163.33</b>	<b>451.39</b>	<b>425.42</b>	<b>397.40</b>	<b>157.13</b>

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## STATEMENT OF NON CURRENT ASSETS

(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Unsecured, Considered Good unless otherwise stated</b>						
Retention money	1,113.35	1,290.10	1,191.27	1,191.24	780.54	568.72
Fixed Deposits (maturity of more than 12 months)	6.53	26.04	36.27	-	-	-
<b>Total</b>	<b>1,119.88</b>	<b>1,316.13</b>	<b>1,227.54</b>	<b>1,191.24</b>	<b>780.54</b>	<b>568.72</b>

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



## STATEMENT OF INVENTORIES

(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Raw Materials		2,780.02	1,440.38	1,029.91	606.33	280.60
Work In Progress		531.73	1,984.87	71.67	675.31	515.15
Stores & Spares		-	-	-	-	28.55
Other With Job Worker		-	-	-	-	12.74
<b>Total</b>		<b>3,311.75</b>	<b>3,425.25</b>	<b>1,101.59</b>	<b>1,281.64</b>	<b>837.04</b>

Note:- Invenotry has been physically verified by the management of the Company at the end of respective year/period





## STATEMENT OF TRADE RECEIVABLES

ANNEXURE - L

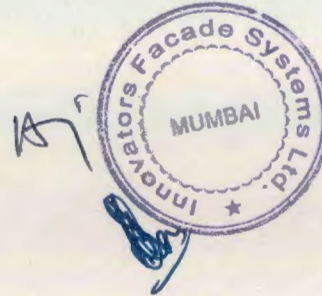
(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Outstanding for a period exceeding six months (Unsecured and considered Good)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	3,467.75	1,826.17	1,020.46	1,825.42	531.90	546.72
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	113.00	-	-	-
Others	1,073.03	1,932.09	2,995.49	1,621.73	1,026.33	2,495.88
<b>Total</b>	<b>4,540.78</b>	<b>3,758.26</b>	<b>4,128.95</b>	<b>3,447.16</b>	<b>1,558.23</b>	<b>3,042.60</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.



## STATEMENT OF CASH &amp; CASH EQUIVALENTS

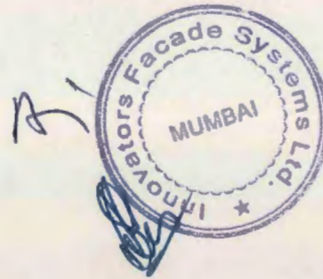
ANNEXURE - M

(Amt. in lakhRs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)</b>						
Balances with Banks in Current Accounts		33.91	26.95	2.15	59.76	1.48
Cash on Hand		5.29	0.26	2.64	14.13	6.02
<b>Other Bank Balances</b>						
Fixed Deposits (original maturity of 3 to 12 months)		897.97	820.98	603.57	895.89	574.02
Fixed Deposits (original maturity of more than 12 months)						
<b>Total</b>		<b>937.17</b>	<b>848.18</b>	<b>608.36</b>	<b>969.77</b>	<b>581.51</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## STATEMENT OF SHORT-TERM LOANS AND ADVANCES

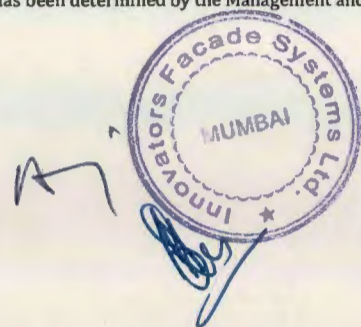
(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Unsecured, Considered Good unless otherwise stated</b>						
Loans and advances to related parties	0.95	3.78	1.05	-	-	0.42
Advances to Vendors*	166.80	122.98	63.56	114.50	224.06	43.48
Balances with Government Authorities	-	-	-	-	-	-
Balance With Revenue Authorities ( Indirect Taxes)	233.83	124.07	134.96	68.88	144.70	118.74
Loans and Advances to Employees	19.73	18.90	17.59	19.83	10.92	11.07
Prepaid Expenses	1.51	3.35	7.69	4.04	6.47	1.74
Other Loans and Advances	11.34	0.34	-	-	-	-
<b>Total</b>	<b>434.16</b>	<b>273.41</b>	<b>224.85</b>	<b>207.25</b>	<b>386.15</b>	<b>175.45</b>
*Advances to Vendors includes advance given to related parties	35.91	-	2.51	-	101.99	-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.



## STATEMENT OF OTHER CURRENT ASSETS

(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Receivables towards Unbilled revenue	3,302.31	2,500.00	3,477.39	3,327.64	4,695.00	3,083.35
Retention money	732.47	-	-	-	-	-
<b>Total</b>	<b>4,034.78</b>	<b>2,500.00</b>	<b>3,477.39</b>	<b>3,327.64</b>	<b>4,695.00</b>	<b>3,083.35</b>

\*Receivable towards Unbilled revenue includes balance receivable from related parties 500.53

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## STATEMENT OF TURNOVER

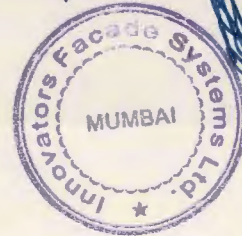
(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Sale of product and Services</b>						
Works Contract Sales (Façade Installations)	12,471.72	9,907.65	9,220.39	9,090.89	7,603.17	7,798.01
Job Work Charges	-	96.77	-	-	-	-
Service charges	82.79	-	-	-	-	-
<b>Sub Total (a)</b>	<b>12,554.51</b>	<b>10,004.42</b>	<b>9,220.39</b>	<b>9,090.89</b>	<b>7,603.17</b>	<b>7,798.01</b>
<b>Other Operating Income</b>						
Sale of Scrap	34.10	19.09	22.91	30.87	57.80	-
<b>Sub Total (b)</b>	<b>34.10</b>	<b>19.09</b>	<b>22.91</b>	<b>30.87</b>	<b>57.80</b>	<b>-</b>
<b>Total (a+b)</b>	<b>12,588.61</b>	<b>10,023.51</b>	<b>9,243.30</b>	<b>9,121.76</b>	<b>7,660.97</b>	<b>7,798.01</b>

\*As per information provided to us by the Issuer, there is no such item.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



## STATEMENT OF OTHER NON OPERATING INCOME

ANNEXURE - Q

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
<b>a) Related and Recurring Income:</b>						
Interest Income	40.04	58.78	65.57	76.60	70.96	33.94
<b>Sub Total (a)</b>	<b>40.04</b>	<b>58.78</b>	<b>65.57</b>	<b>76.60</b>	<b>70.96</b>	<b>33.94</b>
<b>b) Related and Non Recurring Income:</b>						
b (i) Interest on Income Tax Refund	-	69.61	-	-	2.61	-
b (ii) Profit on Sale of Fixed Assets	1.17	-	-	0.68	-	-
<b>b (iii) Other Non Operating Income</b>						
Foreign Exchange Fluctuation Gain	0.19	0.56	-	-	-	-
Insurance Claim Received	-	-	4.30	5.89	-	-
Liabilities no Longer Required Written back	-	83.50	90.78	-	-	-
Sales Tax Refund	-	-	34.93	-	-	-
Mis.Income	-	-	-	-	0.27	1.26
<b>Sub Total (b)</b>	<b>1.36</b>	<b>153.67</b>	<b>130.01</b>	<b>6.56</b>	<b>2.87</b>	<b>1.26</b>
<b>Total(a+b)</b>	<b>41.40</b>	<b>212.45</b>	<b>195.58</b>	<b>83.16</b>	<b>73.84</b>	<b>35.20</b>
Other Non Operating Income % to Profit Before Tax	4.75%	75.18%	76.43%	17.56%	18.55%	10.10%

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## Cost of Works Contract

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
<b>A. Cost of Material Consumed</b>						
Opening Stock of Raw Material	1,440.38	1,029.91	606.33	423.22	280.60	-
Add: Purchases of Material	8,178.01	8,054.84	5,508.04	5,351.99	4,021.54	4,578.24
Less: Closing Stock of Raw Material	2,780.02	1,440.38	1,029.91	606.33	423.22	280.60
<b>Sub Total</b>	<b>6,838.37</b>	<b>7,644.37</b>	<b>5,084.46</b>	<b>5,168.89</b>	<b>3,878.93</b>	<b>4,297.64</b>
<b>B. Direct Expenses</b>						
Installation charges	294.64	588.32	980.01	992.42	915.23	465.84
Anodising & coating	333.97	339.92	136.46	269.80	202.58	147.64
Transportation charges	101.15	134.65	58.48	164.40	8.56	37.74
Fabrication cost	146.64	287.19	71.79	42.42	52.94	29.07
Loading & unloading charges	142.20	73.16	40.71	30.85	41.89	31.78
Scaffolding & equipment hire charges	117.85	45.92	132.08	80.38	91.44	37.44
Performance & test charges	38.00	64.65	1.14	32.86	34.16	34.44
Other execution cost	156.91	218.87	183.21	129.44	346.99	172.77
<b>Sub Total</b>	<b>1,331.35</b>	<b>1,752.69</b>	<b>1,603.87</b>	<b>1,742.57</b>	<b>1,693.79</b>	<b>956.73</b>
<b>Total (A+B)</b>	<b>8,169.72</b>	<b>9,397.06</b>	<b>6,688.33</b>	<b>6,911.45</b>	<b>5,572.71</b>	<b>5,254.36</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



## STATEMENT OF CHANGES IN INVENTORIES

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Closing Inventories						
Work in Progress	531.73	1,984.87	71.67	675.31	572.30	556.44
Finished goods	-	-	-	-	-	-
Total	531.73	1,984.87	71.67	675.31	572.30	556.44
Opening Inventories						
Work in Progress	1,984.87	71.67	675.31	572.30	556.44	609.45
Finished goods	-	-	-	-	-	-
Total	1,984.87	71.67	675.31	572.30	556.44	609.45
<b>Changes in Inventories</b>	<b>1,453.15</b>	<b>(1,913.20)</b>	<b>603.64</b>	<b>(103.01)</b>	<b>(15.86)</b>	<b>53.01</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

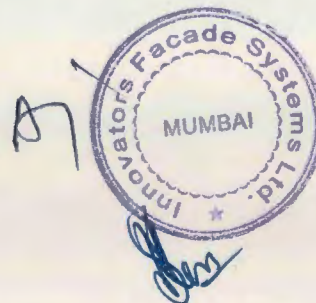




## STATEMENT OF EMPLOYEE BENEFITS EXPENSE

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Salaries and Incentives	803.90	897.15	721.17	701.38	736.80	543.34
Directors Remuneration	37.10	49.46	44.48	44.42	48.73	62.42
Contribution to PF & Other Funds	37.71	22.27	20.61	14.09	12.55	-
Staff Welfare expenses	15.13	22.45	14.78	14.56	24.69	23.21
Recruitment & Training	0.74	0.46	0.81	-	-	-
Provision for Gratuity	6.59	13.05	9.25	12.66	8.89	5.68
<b>Total</b>	<b>901.17</b>	<b>1,004.85</b>	<b>811.10</b>	<b>787.12</b>	<b>831.66</b>	<b>634.65</b>



## STATEMENT OF FINANCE COST

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Interest expense	317.63	393.65	452.48	435.12	331.39	225.97
Other Borrowing cost	355.05	225.19	144.80	126.22	132.88	109.22
<b>Total</b>	<b>672.68</b>	<b>618.84</b>	<b>597.28</b>	<b>561.35</b>	<b>464.27</b>	<b>335.19</b>





Mr. Rohit Sharma	0.93	3.74	4.16	-	-	-
Radheshyam S Sharma HUF	4.90	5.00	5.00	-	-	-
Mr. Vedika Sharma	-	-	-	-	18.35	3.93
Mrs. Gayatri Sharma	-	-	-	-	102.35	87.59
Mr. Shivchand sharma	-	-	-	-	98.04	30.69
Mrs. Dropadi Sharma	-	-	-	-	66.53	41.73
<b>Trade Receivable</b>						
Innovators Façade Solutions Pvt.Ltd	-	-	113.00	-	-	-
<b>Unbilled Revenue Receivable Outstanding</b>						
Innovators Façade Solutions Pvt.Ltd	500.53	-	-	-	-	-
<b>Loans and Advances Outstanding</b>						
Innovators Facade Solutions (Bangaluru) Pvt.Ltd.	0.95	-	-	-	-	-
<b>Trade Payables</b>						
Parth Façade Solutions Pvt.Ltd	-	70.08	-	-	-	-
<b>Other Receivable(Advance against salary &amp; rent)</b>						
Mr. Raman Sharma	-	3.53	1.05	-	-	0.42
Mrs. Gayatri Sharma	-	0.24	-	-	-	-
<b>Advance to Suppliers</b>						
Parth Façade Solutions Pvt.Ltd	35.91	-	2.51	-	101.99	-
<b>Advance received from Customers</b>						
Innovators Façade Solutions Pvt.Ltd	1,130.77	465.39	-	-	-	-
<b>Other Payable</b>						
Parth Façade Solutions Pvt.Ltd	-	-	-	-	12.42	-
Jolly Multitrade Pvt.Ltd - Deposit Received	-	-	-	-	341.73	-
Mrs. Anjana Sharma	4.86	3.88	4.28	1.83	-	1.62
Mr. Narendra Sharma	2.76	1.68	7.00	3.37	-	1.08
Mr. Radheshyam S Sharma	3.98	2.27	0.81	3.18	-	0.60
Mr. Rohit Sharma	11.65	7.11	8.52	-	(0.46)	-
Mr. Raman Sharma	6.26	4.97	3.24	3.54	0.21	0.60
Mr. Shivchand Sharma	-	0.25	0.32	1.08	(0.20)	-
Mrs. Dropadi Sharma	3.16	6.14	4.48	1.56	-	0.60
Mrs. Gayatri Sharma	-	-	0.76	1.57	-	-
Mrs. Priti Sharma	4.42	5.35	3.01	3.72	0.49	0.60
Kapindra Multitrade Pvt.Ltd	2.00	2.25	2.91	-	-	-

Note: Related parties were identified by the management of the company and relied upon by the peer Auditor



**STATEMENT OF DEPRECIATION & AMORTISATION**

ANNEXURE - V

(Amt. in lakh Rs.)

Particulars	31-12-2017	31-03-2017	As on		31.03.2014	31.03.2013
			31-03-2016	31.03.2015		
Depreciation	169.70	238.71	215.50	261.79	205.46	138.99
<b>Total</b>	<b>169.70</b>	<b>238.71</b>	<b>215.50</b>	<b>261.79</b>	<b>205.46</b>	<b>138.99</b>





## STATEMENT OF OTHER EXPENSES

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Rent & Maintenance Expenses	53.54	56.18	23.78	38.53	55.72	38.25
Advertising and Sales Promotion Expenses	41.86	9.31	2.70	-	-	-
Electricity Charges	12.09	14.15	10.50	11.51	11.32	12.40
Insurance Charges	11.26	11.33	4.87	10.76	0.89	10.89
Rates & Taxes	6.44	59.90	21.29	34.26	38.41	830.41
Repair & Maintenance-Other	22.80	21.82	12.17	-	-	9.03
Repair & Maintenance - Machinery	2.33	5.57	6.15	-	-	-
Payment to Auditors	5.31	8.14	5.50	5.50	6.38	3.52
Miscellaneous Expenses	228.72	410.70	191.01	226.62	187.75	190.90
<b>Total</b>	<b>384.34</b>	<b>597.09</b>	<b>277.97</b>	<b>327.17</b>	<b>300.46</b>	<b>1,095.40</b>



## STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amt. in Lakhs Rs. Except per share data)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Net Worth (A)	4,726.93	4,151.44	3,965.44	3,797.80	1,985.22	1,715.98
Restated Profit after tax	575.49	186.01	167.64	316.76	269.24	232.48
Less: Prior Period Item	-	-	-	-	-	-
Adjusted Profit after Tax (B)	575.49	186.01	167.64	316.76	269.24	232.48
Number of Equity Share outstanding as on the End of Year/Period (c)	10,285,750	10,285,750	10,285,750	10,285,750	6,000,000	6,000,000
Weighted average no of Equity shares at the time of end of the year (D)	10,285,750	10,285,750	10,285,750	7,373,788	6,000,000	6,000,000
Current Assets (E)	13,258.63	10,805.11	9,541.14	9,233.45	8,536.16	7,719.95
Current Liabilities (F)	8,076.87	6,516.89	5,724.77	5,423.40	5,366.58	3,889.72
Face Value per Share	10	10	10	10	10	10
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	5.60	1.81	1.63	4.30	4.49	3.87
Return on Net worth (%) (B/A)	12.17%	4.48%	4.23%	8.34%	13.56%	13.55%
Net asset value per share (A/C) (Face Value of Rs. 10 Each )	45.96	40.36	38.55	36.92	33.09	28.60
Current Ratio (E/F)	1.64	1.66	1.67	1.70	1.59	1.98

## Note:

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs. ) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs. ) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus ( including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the standalone restated summary statements of the Group.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

6) The Company has made Preferential allotment of 15,32,258 Equity shares at Rs. 62 each which includes Share Premium of Rs. 52/- on 07th March 2018 to non promoters. Further Company has allotted 1389000 Equity shares dated 24-feb - 2018 to promoter or promoter group company at Rs. 72 each, which includes premium of Rs 62 each, against conversion of unsecured loans.





## STATEMENT OF RELATED PARTY TRANSACTION

ANNEXURE - Y

(Amt. in lakh Rs.)

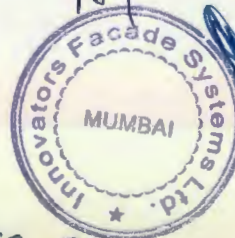
Names of the related parties with whom transaction were carried out during the years and description of relationship:

i)	Key Management Personnel	1.Mr. Radheshyam Shivchand Sharma 2.Mrs. Anjana Radheshyam Sharma 3. Mr.Shivchand Sharma
ii)	Relative of Key Management Personnel with whom the company has entered into the transactions during the period of Restatement	Raman Sharma HUF Mr. Narendra Sharma Mr.Raman Sharma Mr. Rohit Sharma Mrs. Gayatri Sharma Mrs. Priti Sharma Ms. Vedika Shama Mrs. Dropadi Sharma Radheshyam S Sharma HUF Shivchand Sharma HUF
iii)	Subsidiary Company	Kapindra Multitrade Pvt.Ltd
iv)	Enterprise having significant influence and/or Same Key Management Personnel or their relatives with whom the company has entered into transactions during the period of restatement:	Parth Façade Solutions Pvt.Ltd Innovators Façade Solutions Pvt.Ltd Innovators Façade Solutions (Mumbai) Pvt.Ltd Innovators Façade Solutions (Bangaluru) Pvt.Ltd. Jolly Multitrade Pvt.Ltd

1. Transaction with Companies/Entity owned or Significantly influenced by Director/KMP

(Amt. in Lakhs Rs.)

Sr. No.	Nature of Transaction	Nature of Transaction	Period / Year ended					
			31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
	Mr. Radheshyam Shivchand Sharma	Directors Remuneration	24.66	32.88	29.61	29.64	-	-
	Mrs. Anjana Radheshyam Sharma	Directors Remuneration	12.44	16.58	14.87	14.78	-	-
	Raman Sharma HUF	Factory Construction Work Contract	-	-	-	-	-	59.83
	Mr. Narendra Shama	Salaries	6.59	6.76	7.39	14.78	13.81	14.71
	Mr.Raman Sharma	Salaries	17.48	18.83	20.87	20.78	20.71	-
	Mr. Rohit Sharma	Salaries	9.76	10.91	11.75	11.57	10.83	-
	Mrs. Gayatri Sharma	Salaries	6.14	1.00	4.39	8.78	7.44	8.88
	Mrs. Priti Sharma	Salaries	12.44	14.24	14.87	14.79	14.71	14.71
	Ms. Vedika Shama	Salaries	3.44	-	-	-	-	-
	Mr.Shivchand Sharma	Salaries	-	-	-	-	15.00	15.00
	Mrs. Anjana Radheshyam Sharma	Salaries	-	-	-	-	-	14.71
	Mrs. Dropadi Sharma	Salaries	-	-	-	-	10.80	10.80
			-	-	-	-	-	-
	Mr. Narendra Shama	Office Rent	1.08	1.44	0.48	1.20	4.32	2.88
	Mr.Raman Sharma	Office Rent	1.44	1.92	1.44	1.80	5.76	-
	Mr. Shivchand sharma	Office Rent	1.44	1.92	2.88	1.08	1.44	1.44
	Mrs. Dropadi Sharma	Office Rent	1.80	2.40	3.36	1.56	2.88	1.44
	Mrs. Priti Sharma	Office Rent	0.72	0.96	1.44	1.80	5.76	1.44
	Mr. Rohit Sharma	Office Rent	1.26	-	-	-	-	-
	Mrs. Anjana Radheshyam Sharma	Office Rent	-	-	0.96	2.40	-	4.32
	Mr. Radheshyam Shivchand Sharma	Office Rent	-	-	-	0.72	-	-



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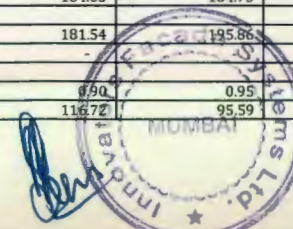
Parth Façade Solutions Pvt.Ltd	Advance Given to Suppliers	-	-	2.51	-	101.99	-	-
Parth Façade Solutions Pvt.Ltd	Installation Charges Paid / Contract Execution Exp.	497.83	625.90	-	-	29.50	-	-
Raman Sharma HUF	Installation Charges Paid	-	-	-	-	48.70	-	-
Innovators Façade Solutions Pvt.Ltd	Work contract sales & job Work	-	644.55	768.90	-	-	-	-
Innovators Façade Solutions (Mumbai) Pvt.Ltd	Unsecured Loan taken	-	-	-	729.54	1.00	-	-
Parth Façade Solutions Pvt.Ltd		-	-	-	-	216.30	-	-
Innovators Façade Solutions Pvt.Ltd		-	-	1,500.00	97.79	1.00	-	-
Jolly Multitrade Pvt.Ltd		-	-	37.00	284.00	-	416.76	-
Kapindra Multitrade Pvt.Ltd		-	-	-	85.00	35.00	315.93	-
Mr. Radheshyam Shivchand Sharma		51.00	2.00	142.36	60.74	16.50	152.80	-
Mr. Narendra Sharma		-	-	-	-	15.24	41.62	-
Mr.Raman Sharma		8.18	16.00	16.50	75.00	45.59	92.37	-
Mr. Rohit Sharma		-	-	5.36	120.63	2.00	60.00	-
Mrs. Priti Sharma		-	-	-	3.99	170.96	30.31	-
Ms. Vedika Sharma		-	-	46.00	-	15.00	-	-
Mr. Shivchand sharma		-	-	-	-	69.06	1.77	-
Mrs. Dropadi Sharma		-	-	-	-	25.91	19.52	-
Gayatri Sharma		-	-	-	-	15.00	1.59	-
Mrs. Anjana Radheshyam Sharma		64.00	39.84	24.79	219.35	295.50	85.48	-
Radheshyam S Sharma HUF		-	-	45.00	25.00	-	-	-
Shivchand Sharma HUF		-	-	20.00	-	-	-	-
Raman S Sharma HUF		-	-	46.00	60.00	-	-	-
Innovators Façade Solutions (Mumbai) Pvt.Ltd	Unsecured Loan Repaid	0.25	1.28	-	1.04	-	-	-
Jolly Multitrade Pvt.Ltd		0.25	0.70	37.25	18.39	0.04	0.50	-
Kapindra Multitrade Pvt.Ltd		-	-	1,563.09	106.00	-	-	-
Parth Façade Solutions Pvt.Ltd		-	-	-	-	101.99	-	-
Mr. Narendra Sharma		-	-	-	62.44	0.46	0.51	-
Mr. Radheshyam Shivchand Sharma		30.67	16.33	77.50	124.33	18.60	6.03	-
Mr.Raman Sharma		9.08	16.05	15.55	216.88	24.88	24.00	-
Mr. Rohit Sharma		2.81	0.42	1.20	120.63	2.00	60.00	-
Mr. Shivchand sharma		-	-	-	98.04	1.71	0.34	-
Mrs. Dropadi Sharma		-	-	-	66.53	1.11	0.02	-
Mrs. Gayatri Sharma		-	-	-	102.35	0.24	-	-
Mrs. Priti Sharma		-	-	-	64.12	110.83	32.76	-
Ms. Vedika Sharma		-	-	46.00	18.35	0.48	-	-
Mrs. Anjana Radheshyam Sharma		12.00	18.71	27.20	215.07	235.17	65.90	-
Radheshyam S Sharma HUF		0.10	-	40.00	25.00	-	-	-
Shivchand Sharma HUF		-	-	20.00	-	-	-	-
Raman S Sharma HUF		-	-	46.00	60.00	-	-	-
Innovators Façade Solutions Pvt.Ltd	Advance From Customers	-	465.39	-	-	-	-	-
Jolly Multitrade Pvt. Ltd	Allotment of Equity Shares against Loan	-	-	-	-	1,500.01	-	-
Parth Façade Solutions Pvt.Ltd	Unsecured Loan Received back	-	-	-	-	101.99	-	-
Innovators Façade Solutions Pvt.Ltd	Sales From Work Contract & Façade Materials(including unbilled revenue)	600.53	547.78	-	-	-	-	-
Innovators Façade Solutions Pvt.Ltd	Job work Charges (Income)	-	96.77	-	-	-	-	-

**B. Balance outstanding of Related Parties**

Name of the Party	12/31/2017	3/31/2017	3/31/2016	3/31/2015	3/31/2014	3/31/2013
<b>Unsecured Loan Payable</b>						
Innovators Façade Solutions (Mumbai) Pvt.Ltd	727.98	728.23	729.50	729.50	1.00	-
Innovators Façade Solutions Pvt.Ltd	1,500.00	1,500.00	1,500.00	97.75	1.00	-
Jolly Multitrade Pvt.Ltd	183.80	184.05	184.75	185.00	1,077.67	1,419.44
Kapindra Multitrade Pvt.Ltd	-	-	-	1,566.00	1,587.00	1,552.07
Mr. Radheshyam Shivchand Sharma	201.87	181.54	195.86	131.00	194.59	196.69
Mr. Narendra Sharma	-	-	-	-	62.44	47.65
Ms. Priti Sharma	-	-	-	-	60.12	-
Mr.Raman Sharma	-	8.90	0.95	-	141.88	121.17
Mrs. Anjana Radheshyam Sharma	168.72	116.72	95.59	98.00	93.72	33.39



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## ANNEXURE - Z

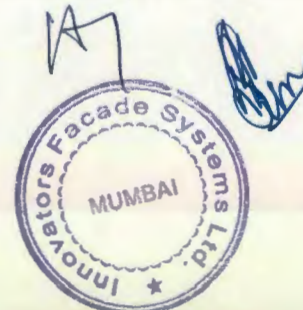
## STATEMENT OF CAPITALISATION

(Amt. in lakh Rs.)

Particulars	Pre Issue 31-12-2017	Post Issue
Debt		
Short Term Debt	3,172.89	
Long Term Debt	2,229.46	
Total Debt	5,402.35	
Shareholders' Fund (Equity)		
Share Capital	1,320.70	
Reserves & Surplus	5,356.31	
Less: Miscellaneous Expenses not w/off	-	
Total Shareholders' Fund (Equity)	6,677.01	
Long Term Debt/Equity	0.33	
Total Debt/Equity	0.81	

## Notes:

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/12/2017.
4. The Company has made Preferential allotment of 15,32,258 Equity shares at Rs. 62 each which includes Share Premium of Rs. 52/- on 07th March 2018 to non promoters. Further Company has allotted 1389000 Equity shares dated 24-feb - 2018 to promoter or promoter group company at Rs. 72 each, which includes premium of Rs 62 each, against conversion of unsecured loans.



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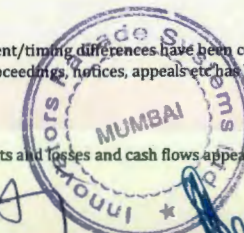
## STATEMENT OF TAX SHELTER

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
A Profit before taxes as restated	872.02	282.60	255.89	473.67	398.10	348.41
B Tax Rate Applicable %	33.06	33.06	33.06	32.45	32.45	32.45
C Tax Impact (A*B)	288.32	93.43	84.60	153.68	129.16	113.04
D Adjustments:						
Permanent Differences						
Preliminary Expenses Related to Incorporation of Company						
Donation	0.24	0.26	0.12	1.00	-	-
Expenditure of Capital Nature disallowed				1.15	-	-
Interest on TDS						
Interest on TDS payment	5.90	9.99	8.75	9.72	-	-
Profit on sale of Fixed Assets	(1.17)			(0.68)	-	-
Expenses (Professional Fee) on Which TDS not deducted, disallowed u/s 40a (ia)						
Total Permanent Differences	4.97	10.25	8.87	11.19	-	-
E Timing Difference						
Difference between tax depreciation and book depreciation	35.12	50.71	18.98	38.83	(34.83)	(46.31)
Expenses Disallowed Under Section 43 B		(29.10)	(0.07)	(5.52)	(4.52)	61.52
TDS defaults not paid, disallowed Under Section 43 B						
Gratuity Expenses Disallowed under Section 40A(7)	6.59	13.05	9.25	12.66	8.89	5.68
Gratuity Disallowed earlier and Paid now	(1.88)	(1.95)				
Leave Encashment Disallowed under Section 43B						
Gratuity and Leave Encashment Expenses Allowed on payment basis under Section 40A(7) and 43B respectively						
Amount Disallowed u/s 43 B in preceding Previous Year, Now Allowed as per Section 43B						
Total Timing Differences	39.83	32.72	28.16	45.98	(30.46)	20.89
Brought Forward Losses						
F Net Adjustment (F) = (D+E)	44.80	42.97	37.03	57.17	(30.46)	20.89
G Tax Expenses/ (Saving) thereon (F*B)	14.81	14.21	12.24	18.55	(9.88)	6.78
H Tax Liability, After Considering the effect of Adjustment (C +G)	303.13	107.64	96.85	172.23	119.28	119.82
H MAT Credit Utilized	-	-	-	-	-	-
H Tax Liability, After Considering the effect of MAT Credit	303.13	107.64	96.85	172.23	119.28	119.82
I Book Profit as per MAT *	872.02	282.60	255.89	473.67	398.10	348.41
J MAT Rate	20.39	20.39	20.39	20.01	20.01	20.01
K Tax liability as per MAT (I*J)	177.79	57.62	52.17	94.77	79.65	69.71
L Current Tax being Higher of H or K	303.13	107.64	96.85	172.23	119.28	119.82
M Interest U/s 234C of Income Tax Act	6.96	-	-	-	-	-
N Total Tax expenses (L+M+N)	310.09	107.64	96.85	172.23	119.28	119.82
P Tax Paid Under (Normal/MAT) in Income Tax Return Filed by Company	Normal	Normal	Normal	Normal	Normal	Normal

\* MAT refers to Minimum Alternative Tax as referred to in section 115 JB of the Income Tax Act, 1961

## Notes:

- The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax r respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc has been adjusted in the tax liability of the year to which the liability pertains.
- The figures for the year ended March 31, 2016 are based on the provisional computation of Total Income prepared by the Company
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## RESTATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

(Amt. in Lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Contingent liabilities in respect of:</b>						
Claims against the company not acknowledged as debts	-	-	-	-	-	-
Guarantees given on Behalf of the Company	3,017.810	2,436.030	1,317.670	2,100.030	2,537.550	2,109.300
Guarantees given on Behalf of the Subsidiary Company	-	-	-	-	-	-
Disputed Income Tax Liabilities	-	-	-	483.080	483.080	-
Disputed VAT Liabilities	9.72	9.720	9.720	9.720	9.720	-
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2006-07	3.380	3.380	3.380	3.380	3.380	3.380
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2011-12	16.240	16.240	16.240	16.240	16.240	16.240
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	6.890	6.890	6.890	6.890	6.890	6.890
Outstanding TDS Defaults for (Earlier Years)	39.500	39.500	39.500	39.500	39.500	39.500
Outstanding TDS Defaults for FY 2015-16	1.910	1.910	1.910	-	-	-
Outstanding TDS Defaults for FY 2016-17	4.880	4.880	-	-	-	-
Outstanding TDS Defaults for FY 2017-18	0.150	-	-	-	-	-
Commitments (to the extent not provided for)	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided	-	-	-	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-	-	-	-
Other commitments	-	-	-	-	-	-
<b>Total</b>	<b>3,100.480</b>	<b>2,518.550</b>	<b>1,395.310</b>	<b>2,658.840</b>	<b>3,096.360</b>	<b>2,175.310</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



**INDEPENDENT AUDITOR'S REPORT**

**(As required by Section 26 of Companies Act, 2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules, 2014)**

To,

The Board of Directors,  
INNOVATORS FACADE SYSTEMS LIMITED  
204, B-65, SECTOR NO. 1, SHANTI NAGAR,  
MIRA ROAD (EAST),  
THANE MH 401107 India.

Dear Sir,

**1. Report on Restated Consolidated Financial Statements**

We have examined the Restated Consolidated Financial Statements of M/s INNOVATORS FACADE SYSTEMS LIMITED (hereinafter referred as "the Company"), the summarized statements of which annexed to this report have been prepared in accordance with the requirements of:

- i) Section 26 read with the applicable provisions within Rule-4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 of Companies Act, 2013, As amended (hereinafter referred to as the "Act") and
- ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and amendments made thereto;
- iii) The terms of reference to our engagements with the Company requesting us to examine Consolidated financial statements referred to above and proposed to be included in the DRHP/RHP/Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares on BSE SME ("IPO" or "SME IPO");
- iv) The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India ("ICAI"); and
- v) In terms of Schedule VIII of the SEBI (ICDR) Regulations, 2009 and other provisions relating to accounts, We, M/s Mittal & Associates, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the "Peer Review Board" of the ICAI.

2. The Restated Consolidated Summary Statements and Financial information of the Company have been extracted and prepared by the management from the Audited Financial Statements of the Company for the financial year ended March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016, March 31, 2017 and for the period ended December 31, 2017 and which have been approved by the Board of Directors.





3. Financial Statements for the financial year ended on March 31, 2013, March 31, 2014 has been audited by M/s R K Jagetiya & Co, Chartered Accountant. Further for the financial year ended on March 31, 2015, 2016, 2017 for the period ended on December 31, 2017 has been audited by M/s SGCO & Co. LLP, Chartered Accountant, and accordingly reliance has been placed on the financial information examined by them for the said Years. The Financial Report included for these years is based solely on the report submitted by them.
4. We did not audit the financial statements of the subsidiary Company M/s Kapindra Multitrade Pvt. Ltd. for the period/year ended on December 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013. The Audited financials of the above subsidiary have been furnished to us by management and on which we have relied, and our opinion, in so far as it relates to the amounts included in the financial statements of the subsidiary, is solely based on the financial submitted by management. The Consolidated restated financial statements of the Company have been extracted by the management from the audited financial statements of the Company for the period/year ended December 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, and March 31, 2013. Therefore Audited Consolidated financials have been restated to the extent of material adjustment made in restated standalone financials only.
5. We have also carried out re-audit of the financial statements for the year ended on March 31, 2017 and for the period ended on December 31, 2017, as required by SEBI regulations.

**6. Financial Information as per Audited Financial Statements:**

1. We have examined:

- a) The attached Restated Consolidated Statement of Assets and Liabilities of the company, as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (Annexure I);
- b) The attached Restated Consolidated Statement of Profits and Losses of the Company period ended December 31, 2017, and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013. (Annexure II);
- c) The attached Restated Consolidated Statement of Cash Flows of the Company for the period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 (Annexure III);
- d) The Significant Accounting Policies adopted by the Company and notes to the Restated Financial Statements along with adjustments on account of audit qualifications / adjustments / regroupings. (Annexure IV);

(Collectively hereinafter referred as "**Restated Consolidated Financial Statements**" or "**Restated Consolidated Summary Statements**")

2. In accordance with the requirements of Act, ICDR Regulations, Guidance Note on the reports in Company Prospectus (Revised) issued by ICAI and the terms of our Engagement Letter, we further report that:

- (i) The "**Restated Consolidated Statement of Assets and Liabilities**" as set out in **Annexure I** to this report, of the Company as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 are



prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

- (ii) The "**Restated Consolidated Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- (iii) The "**Restated Consolidated Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company for the Period ended December 31, 2017 and for the financial Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for the period ended on December 31, 2017 we are of the opinion that "**Restated Consolidated Financial Statements**" or "**Restated Consolidated Summary Statements**" have been made after incorporating:

- A. Adjustments for any material amounts in the respective financial years have been made to which they relate; and
- B. There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
- C. Adjustments on account of the statutory audit qualifications, if any, have been given effect and regrouped to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
- D. Adjustments in Financial Statements have been made in accordance with the correct accounting policies, which includes the impact of provision of gratuity made on actuarial valuation basis in the Restated Financial statements.
- E. There was no change in accounting policies, which needs to be adjusted in the "Restated Financial Statements" except mentioned in clause d) above.
- F. There are no revaluation reserves, which need to be disclosed separately in the "Restated Consolidated Financial Statements."





G. The Company has not paid any dividend on its equity shares till March 31, 2017/December 31, 2017.

## 7. Other Financial Information:

1. We have also examined the following financial information as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the Years ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and for the period ended December 31, 2017.

Restated Consolidated Statement of Share Capital, Reserves And Surplus	Annexure-A
Restated Consolidated Statement of Long Term And Short Term Borrowings/ Statement of principle Term of Secured loan and Assets charges as security and Statement of term & Condition of unsecured Loans.	Annexure-B, B(A) and B(B)
Restated Consolidated Statement of Deferred Tax (Assets) / Liabilities	Annexure-C
Restated Consolidated Statement of Long Term Provisions	Annexure-D
Restated Consolidated Statement of Trade Payables	Annexure-E
Restated Consolidated Statement of Other Current Liabilities And Short Term Provisions	Annexure-F
Restated Consolidated Statement of Fixed Assets	Annexure-G
Restated Consolidated Statement of Non-Current Investments	Annexure-H
Restated Consolidated Statement of Long-Term Loans And Advances	Annexure-I
Restated Consolidated Statement of Non-Current Assets	Annexure-J
Restated Consolidated Statement of Inventory	Annexure-K
Restated Consolidated Statement of Trade Receivables	Annexure-L
Restated Consolidated Statement of Cash & Cash Equivalents	Annexure-M
Restated Consolidated Statement of Short-Term Loans And Advances	Annexure-N
Restated Consolidated Statement of Other Current Assets	Annexure-O
Restated Consolidated Statement of Turnover	Annexure-P
Restated Consolidated Statement of Non- Operating Income	Annexure-Q
Restated Consolidated Statement of Cost of Work Contract	Annexure-R
Restated Consolidated Statement of Change in Inventories	Annexure-S
Restated Consolidated Statement of Employee Benefits Expenses	Annexure-T
Restated Consolidated Statement of Finance Cost	Annexure-U
Restated Consolidated Statement of Depreciation & Amortization	Annexure-V
Restated Consolidated Statement of Other Expenses	Annexure-W
Restated Consolidated Statement of Mandatory Accounting Ratios	Annexure-X
Restated Consolidated Statement of Related Party Transaction	Annexure-Y
Restated Consolidated Statement of Capitalization	Annexure-Z
Restated Consolidated Statement of Related Summary of Contingent Liabilities	Annexure-AA

2. The Restated Financial Information contain all the disclosures required by the SEBI ICDR regulations and partial disclosures as required by Accounting Standards notified under section 133 of Companies Act, 2013.



3. We have carried out Re-audit of the consolidated financial statements for the Year ended on March 31, 2017 and for the period ended December 31, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to December 31, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period subsequent to December 31, 2017.
4. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act and the Financial Information referred to above is the responsibility of the management of the Company.
5. In our opinion, the above financial information contained in Annexure I to III and Annexure A to AA of this report read along with the Restated statement of Significant Accounting Policies and Notes as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with paragraph B, Part II of Schedule II of the Act, the SEBI Regulations, The Revised Guidance Note on Reports in Company Prospectus and Guidance Note on Audit Reports/Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India ("ICAI") to the extent applicable, as amended from time to time, and in terms of our engagement as agreed with the Company. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.
6. Consequently the financial information has been prepared after making such regroupings and adjustments as were, in our opinion, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
7. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report, nor should this constructed as a new opinion on any of the financial statements referred to herein.
8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
9. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the IPO-SME for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

#### **8. Auditor's Responsibility**

Our responsibility is to express an opinion on these restated Consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 management, as well as evaluating the overall presentation of the financial statements.

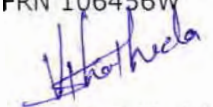
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## 9. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the restated financial statements read together with the notes thereon, 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, to the extent applicable.

- a) In the case of Restated Consolidated Statement of Assets and Liabilities of the Company as at March 31, 2013, March 31, 2014, March 31, 2015, March 31, 2016 and March 31, 2017 and for the period ended on December 31, 2017;
- b) In the case of the Restated Consolidated Statement of Profit and Loss, of the profit/(Loss) of the Company for the Years/Period ended on that date; and
- c) In the case of the Restated Consolidated Cash Flow Statement, of the cash flows of the Company for the Years/Period ended on that date.

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

  
(CA Vishal Heda)  
Partner  
Membership No. 172863  
Date: 21<sup>st</sup> March, 2018  
Place: Mumbai





INNOVATORS FAÇADE SYSTEMS LTD

CONSOLIDATED BALANCE SHEET

PARTICULARS	As at the Year end/Period ended					
	31-12-2017 Amt./RS.	31-03-2017 Amt./RS.	31-03-2016 Amt./RS.	31-03-2015 Amt./RS.	31-03-2014 Amt./RS.	31-03-2013 Amt./RS.
<b>A) EQUITY AND LIABILITIES</b>						
1. Shareholders' Funds						
(a) Share Capital	1,028.58	1,028.58	1,028.58	1,028.58	600.00	600.00
(b) Reserves & Surplus	5,517.45	4,942.08	4,760.09	4,594.22	3,213.25	2,944.41
	<b>6,546.03</b>	<b>5,970.66</b>	<b>5,788.66</b>	<b>5,622.79</b>	<b>3,813.25</b>	<b>3,544.41</b>
2. Minority Interest	0.10	0.10	0.10	0.10	0.10	0.10
	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>	<b>0.10</b>
3. Non Current Liabilities						
(a) Long Term Borrowings	2,989.64	3,156.51	3,090.77	1,792.17	2,726.22	2,755.71
(b) Deferred Tax Liabilities (Net)	-	-	-	-	14.82	5.24
(c) Long Term Provisions	63.09	58.44	46.80	37.83	26.78	17.88
	<b>3,052.73</b>	<b>3,214.95</b>	<b>3,137.57</b>	<b>1,830.00</b>	<b>2,767.82</b>	<b>2,778.83</b>
4. Current Liabilities						
(a) Short Term Borrowings	3,323.42	2,952.83	2,904.73	2,305.35	2,016.83	1,669.78
(b) Trade Payables	2,452.90	2,079.64	1,873.82	2,486.17	2,195.34	1,863.69
(c) Other Current Liabilities	2,311.37	1,481.88	940.94	630.44	1,354.78	423.99
(d) Short Term Provisions	138.58	1.35	1.89	1.61	108.65	52.35
	<b>8,226.27</b>	<b>6,515.70</b>	<b>5,721.38</b>	<b>5,423.57</b>	<b>5,675.61</b>	<b>4,009.82</b>
<b>Total</b>	<b>17,825.12</b>	<b>15,701.40</b>	<b>14,647.71</b>	<b>12,876.46</b>	<b>12,256.77</b>	<b>10,333.15</b>
<b>B) ASSETS</b>						
1. Non Current Assets						
(a) Fixed Assets						
i) Tangible Assets						
(i) Gross Block	2,798.43	2,757.87	2,529.20	2,492.48	2,450.00	1,799.81
(ii) Depreciation	1,395.17	1,227.61	978.91	774.23	530.80	347.34
(iii) Net Block	1,403.26	1,530.26	1,550.29	1,718.26	1,919.20	1,452.48
ii) Capital Work in Progress	-	-	-	-	-	-
	<b>1,403.26</b>	<b>1,530.26</b>	<b>1,550.29</b>	<b>1,718.26</b>	<b>1,919.20</b>	<b>1,452.48</b>
(b) Non-Current Investment	1,560.41	1,560.41	1,560.41	-	-	-
(c) Deferred Tax Assets (Net)	33.70	20.14	9.10	0.50	-	-
(d) Long Term Loans and Advances	447.27	467.33	756.80	729.42	825.45	585.19
(e) Other Non Current Assets	1,119.88	1,109.89	1,227.54	2,017.04	781.08	569.36
	<b>3,161.26</b>	<b>3,157.78</b>	<b>3,553.84</b>	<b>2,746.96</b>	<b>1,606.54</b>	<b>1,154.55</b>
2. Current Assets						
(a) Current Investments	-	-	-	-	-	-
(b) Inventories	3,311.75	3,425.25	1,101.59	1,281.64	995.52	837.04
(c) Trade Receivables	4,540.78	3,758.26	4,128.95	3,447.16	1,749.33	3,044.77
(d) Cash and Cash equivalents	939.14	850.22	611.85	147.56	905.04	585.50
(e) Short-Term Loans and Advances	434.16	273.40	223.80	207.25	386.15	175.45
(f) Other Current Assets	4,034.78	2,706.24	3,477.39	3,327.64	4,695.00	3,083.35
	<b>13,260.60</b>	<b>11,013.37</b>	<b>9,543.57</b>	<b>8,411.24</b>	<b>8,731.04</b>	<b>7,726.12</b>
<b>Total</b>	<b>17,825.12</b>	<b>15,701.41</b>	<b>14,647.71</b>	<b>12,876.46</b>	<b>12,256.77</b>	<b>10,333.14</b>

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

(CA Vishal Heda)  
M. No. 172863  
Date: 21st March 2018  
Place: Mumbai



For and on Behalf of Directors

(Director)

(Director)





INNOVATORS FAÇADE SYSTEMS LTD

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

PARTICULARS	For the Year/Period ended					
	31-12-2017 Amt./RS.	31-03-2017 Amt./RS.	31-03-2016 Amt./RS.	31-03-2015 Amt./RS.	31-03-2014 Amt./RS.	31-03-2013 Amt./RS.
1 Revenue From Operation (Gross)	12,588.61	10,023.51	9,243.30	9,121.76	8,301.37	7,798.01
Less: Excise Duty	-	-	-	-	-	-
Revenue From Operation (Net)	12,588.61	10,023.51	9,243.30	9,121.76	8,301.37	7,798.01
2 Other Income	41.40	212.45	195.58	83.16	73.84	35.20
Total Revenue (1+2)	12,630.01	10,235.96	9,438.88	9,204.92	8,375.21	7,833.22
3 Expenditure						
(a) Cost of Works Contract	8,169.72	9,397.06	6,688.33	6,911.45	5,572.71	5,257.18
(b) Purchase of Traded Goods	-	-	-	-	-	-
(c) Changes in Inventories of finished goods, work in progress and stock -in-trade	1,453.15	(1,913.20)	603.64	(103.01)	(15.86)	53.01
(d) Employee Benefit Expenses	901.17	1,004.85	811.10	787.12	831.66	634.65
(e) Finance Cost	672.68	618.98	597.36	561.36	464.27	335.19
(f) Depreciation and Amortisation Expenses	176.94	248.70	204.68	247.16	183.46	112.19
(g) Other Expenses	384.46	599.55	281.06	330.18	941.26	1,093.00
4 Total Expenditure 3(a) to 3(g)	11,758.11	9,955.96	9,186.17	8,734.28	7,977.50	7,485.23
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (2-4)	871.90	280.00	252.71	470.64	397.71	347.99
6 Exceptional item (Prior Period Items)	-	-	-	-	-	-
7 Profit/(Loss) Before Tax (5-6)	871.90	280.00	252.71	470.64	397.71	347.99
8 Tax Expense:						
(a) Tax Expense for Current Year	310.09	109.05	95.44	172.23	119.28	119.82
(b) Short/(Excess) Provision of Earlier Year	-	-	-	-	-	-
(c) Deferred Tax	(13.56)	(11.05)	(8.60)	(15.32)	9.58	(3.89)
Net Current Tax Expenses	296.53	98.00	86.84	156.92	128.86	115.93
9 Profit/(Loss) for the Year (7-8) (before adjustment for Minority Interest)	575.37	182.00	165.87	313.73	268.84	232.06
10 Less: Share of Profit/(Loss) transferred to Minority Interest	(0.00)	(0.00)	(0.00)	(0.00)	-	-
11 Profit/(Loss) for the Year (9-10) (after adjustment for Minority Interest)	575.37	182.00	165.87	313.73	268.84	232.06

For Mittal & Associates  
Chartered Accountants  
FRN 106456W

(CA Vishal Heda)  
M. No. 172863  
Date: 21st March 2018  
Place: Mumbai



For and on Behalf of Directors

(Director)

Director

INNOVATORS FAÇADE SYSTEMS LTD

CONSOLIDATED CASH FLOW STATEMENT

PARTICULARS	FOR THE YEAR/PERIOD ENDED					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>A) Cash Flow From Operating Activities :</b>						
Net Profit before tax	871.90	280.00	252.71	470.64	397.71	347.99
Adjustment for :						
Depreciation	176.94	248.70	204.68	247.16	183.46	112.19
Interest Paid	672.68	618.98	597.36	561.36	464.27	335.19
Interest Income	(40.04)	(58.78)	(65.57)	(76.60)	(70.96)	(33.94)
Profit on Sale of Assets	(1.17)	-	-	(0.68)	-	-
Provision for Gratuity expenses	6.59	13.05	9.25	12.66	8.89	5.68
Prior Period Income tax Provision and Gratuity adjusted with Reserves	-	-	-	-	-	(171.85)
<b>Operating profit before working capital changes</b>	<b>1,686.89</b>	<b>1,101.96</b>	<b>998.43</b>	<b>1,214.55</b>	<b>983.37</b>	<b>595.26</b>
<b>Changes in Working Capital</b>						
(Increase)/Decrease in Inventories	113.50	(2,323.67)	180.05	(286.11)	(158.48)	(227.59)
(Increase)/Decrease in Trade Receivables	(782.52)	370.69	(681.79)	(1,697.83)	1,295.44	3,120.31
(Increase)/Decrease in Short Term Loans & Advances	(160.76)	(49.60)	(16.55)	178.90	(210.70)	118.64
(Increase)/Decrease in Other Current Assets	(1,328.54)	771.15	(149.75)	1,415.58	(1,612.81)	(978.64)
Increase/(Decrease) in Trade Payables	373.26	205.82	(612.35)	290.83	331.65	(621.14)
Increase/(Decrease) in Other Current Liabilities	829.49	540.93	310.50	(772.55)	841.57	188.94
Increase/(Decrease) in Short Term Provisions	0.06	(0.53)	0.27	(107.03)	56.30	23.02
Increase/(Decrease) in Long Term Provisions	(1.94)	(1.42)	(0.27)	(1.62)	0.01	12.20
Increase/(Decrease) in Other Non Current Assets	(9.98)	117.65	789.50	(1,235.96)	(211.73)	(569.36)
<b>Cash generated from operations</b>	<b>719.48</b>	<b>732.98</b>	<b>818.02</b>	<b>(1,001.23)</b>	<b>1,314.62</b>	<b>1,661.65</b>
Less:- Income Taxes paid	(116.00)	180.42	(110.11)	(208.32)	(267.21)	(107.56)
<b>Net cash flow from operating activities</b>	<b>603.48</b>	<b>913.40</b>	<b>707.91</b>	<b>(1,209.55)</b>	<b>1,047.42</b>	<b>1,554.10</b>
<b>B) Cash Flow From Investing Activities :</b>						
Purchase of Fixed Assets	(52.27)	(228.67)	(36.72)	(51.56)	(650.19)	(695.43)
Sale of Fixed Assets	3.50	-	-	1.82	-	-
Investment made/Sold during the year	-	-	(1,560.41)	-	-	38.32
Increase/(Decrease) in Long Term Loans and Advances	(36.87)	0.00	(12.69)	132.12	(1.98)	(752.14)
Interest Income	40.04	58.78	65.57	76.60	70.96	33.94
<b>Net cash flow from investing activities</b>	<b>(45.60)</b>	<b>(169.89)</b>	<b>(1,544.25)</b>	<b>158.98</b>	<b>(581.21)</b>	<b>(1,375.31)</b>
<b>C) Cash Flow From Financing Activities :</b>						
Proceeds from Issue of Share Capital	-	-	-	1,500.01	-	-
Increase/(Decrease) in Short Term Borrowings	370.59	48.10	599.38	288.51	347.05	370.45
Increase/(Decrease) in Long Term Borrowings	(166.87)	65.74	1,298.60	(934.05)	(29.49)	(186.18)
Interest Paid	(672.68)	(618.98)	(597.36)	(561.36)	(464.27)	(335.19)
<b>Net cash flow from financing activities</b>	<b>(468.96)</b>	<b>(505.14)</b>	<b>1,300.62</b>	<b>293.12</b>	<b>(146.71)</b>	<b>(150.92)</b>
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents</b>	<b>(A+B+C)</b>	<b>88.92</b>	<b>238.37</b>	<b>(757.48)</b>	<b>319.55</b>	<b>27.85</b>
Cash equivalents at the beginning of the year	850.22	611.85	147.56	905.04	585.50	557.65
Cash equivalents at the end of the year	939.14	850.22	611.85	147.56	905.04	585.50

Notes :-

	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
1. Component of Cash and Cash equivalents						
Cash on hand	6.72	1.70	5.78	17.27	13.96	9.48
Balance With banks	34.45	27.54	2.50	60.20	71.14	2.00
Other Bank Balance	897.97	820.98	603.57	70.09	819.93	574.02
	939.14	850.22	611.85	147.56	905.04	585.50

2 Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

For Mittal & Associates  
Chartered Accountants  
FRN 106856W

(CA Vishal Heda)  
M. No. 172863  
Date: 21st March 2018  
Place: Mumbai



For and on Behalf of Directors

*[Signature]*  
(Director)

*[Signature]*  
(Director)





## ANNEXURE-IV

### SIGNIFICANT ACCOUNTING POLICY AND NOTES TO THE RESTATED SUMMARY STATEMENTS

#### A. BACKGROUND

The Company was originally incorporated as "Innovators Engineers & Contractors Private Limited" at Mumbai, Maharashtra, as a Private Limited Company under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated June 8, 1999 bearing Corporate Identification Number Registration No 11-120229 issued by Assistant Registrar of Companies, Maharashtra, Mumbai. The name of the Company was changed from Innovator Engineers & Contractors Private Limited to Innovators Façade Systems Private Limited vide Fresh Certificate of Incorporation dated July 19, 2005 issued by Assistant Registrar of Companies, Belapur, Navi Mumbai. The Company was converted to Public Limited Company pursuant to shareholders resolution passed at Extraordinary General Meeting of our Company held on January 29, 2018 and the name of the Company was changed to Innovators Façade Systems Limited and a Fresh Certificate of Incorporation consequent upon conversion of Company to Public Limited dated February 15, 2018 was issued by Registrar of Companies, Maharashtra. The Corporate Identification number of the Company is U45200MH1999PLC120229.

#### B. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, and the Restated Consolidated Summary Statement of Profit and Loss and Restated Summary Consolidated Statements of Cash Flows for the period ended on December 31, 2017 and for the year ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the annexure thereto (collectively, the "**Restated Consolidated Financial Statements**" or "**Restated Consolidated Summary Statements**") have been extracted by the management from the Audited Financial Statements of the Company for the period ended December 31, 2017 and for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).

##### **2. Principles of Consolidation:**

The Consolidated restated Financial Statements comprise of the financial statements of Innovators Façade Systems Limited and its subsidiary M/s Kapindra Multitrade Private Limited, which are consolidated in accordance with Accounting Standard 21 on Consolidated Financial Statements.

The Consolidated Financial Statements relate to Innovators Façade Systems Limited ("The Company") and its Subsidiary have been prepared on the following basis:

- a. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items



- of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions.
- b. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
  - c. The excess of cost to the Company of its investments in the subsidiary over its portion of equity of subsidiary at the dates they become subsidiary is recognized in the financial statements as goodwill/capital reserve as the case may be.
  - d. The excess of Company's portion of equity of the subsidiary over the cost to the Company of its investments at the dates it become subsidiary is recognized in the financial statements as capital reserve.
  - e. Minority Interest's share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

### **3. FIXED ASSETS**

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.

Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

### **4. DEPRECIATION**

Depreciation on Fixed Assets has been provided on 'Written Down Value Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. The Company has calculated depreciation through WDV method upto 31.03.2014 as per Schedule XIV of Companies Act 1956.

### **5. BORROWING COSTS**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

### **6. IMPAIRMENT OF ASSETS**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

### **7. INVESTMENTS**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.





On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

## **8. INVENTORIES**

- i) Raw Material are valued at lower of Cost or net realizable value and Stores & Spares are valued at cost.
- ii) Work in Progress and Finished Goods are valued at lower of cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition

## **9. REVENUE RECOGNITION**

- i) Revenue from fixed price construction contracts is recognized on the percentage of completion method, measured in proportion of the percentage of cost incurred-to-date to the total estimated contract cost.
- ii) Revenue in respect of sales is recognized on the basis of actual execution of work contracts or as and when work contracts is certified and project is completed
- iii) Unbilled Revenue is the part of work executed but not billed on the last day of Balance Sheet due to contractual obligation.
- iv) Interest income is recognized on time proportion basis.
- v) Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- "Revenue Recognition".

## **10. FOREIGN CURRENCY TRANSACTIONS**

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.
- iv) The premium in respect of forward exchange contract is amortized over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in the Statement of Profit & Loss.

## **11. EMPLOYEE BENEFITS**

### **Defined-contribution plans:**

- i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet



## **12.SEGMENT ACCOUNTING**

### **(i) Business Segment**

(a) The business segment has been considered as the primary segment.

(b) The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.

(c) The Company's primary business includes design, engineering, fabrication, supply and installation of facade systems, and accordingly this is the only segment as envisaged in Accounting Standard 17 'Segment Reporting'. Disclosure for Segment reporting is not applicable.

### **(ii) Geographical Segment**

The Company operates in one Geographical Segment namely "within India" and hence no separate information for geographic segment wise disclosure is required.

## **13.ACCOUNTING FOR TAXES ON INCOME**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

(i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

(ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.





#### **14. CONTINGENT LIABILITIES AND PROVISIONS**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **15. EARNINGS PER SHARE:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

#### **16. CASH FLOW:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

#### **C. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARSS COVERED IN THE RESTATED FINANCIALS**

There is no change in significant accounting policies except accounting of Gratuity which was previously done on cash basis upto March 2014, has now been accounted based on mercantile system as certified by Independent Actuary.

#### **D. NOTES ON RESTATEMENTS MADE IN THE RESTATED CONSOLIDATED FINANCIALS**

1. The Consolidated financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.
2. The amounts due to Micro, Small and Medium Enterprises suppliers defined under "The Micro Small and Medium Enterprises Development Act 2006" have been identified on the basis of information available with the Company.



### 3. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary. The disclosures as envisaged under the standard are as under:-

#### Gratuity

(Amount in Rs. Lakhs)

Particulars	31-12-17	2016-17	2015-16	2014-15	2013-14	2012-13
<b>1.The amounts recognized in the Balance Sheet are as follows:</b>						
Present value of unfunded obligations Recognized	64.50	59.79	48.69	39.44	26.78	17.89
<b>Net Liability</b>	<b>64.50</b>	<b>59.79</b>	<b>48.69</b>	<b>39.44</b>	<b>26.78</b>	<b>17.89</b>
<b>2.The amounts recognized in the Profit &amp; Loss A/c are as follows:</b>						
Current Service Cost	7.84	7.85	6.76	4.68	4.70	3.99
Interest on Defined Benefit Obligation	3.23	3.92	3.16	2.49	1.46	1.00
Net Actuarial Losses / (Gains) Recognized in Year	(4.48)	1.28	(0.67)	7.59	2.73	0.70
Past Service Cost	-	-	-	-	-	-
Total, Included in "Salaries, Allowances & Welfare"	<b>6.59</b>	<b>13.05</b>	<b>9.25</b>	<b>14.77</b>	<b>8.89</b>	<b>5.68</b>
<b>3.Changes in the present value of defined benefit obligation:</b>						
Defined benefit obligation as at the beginning of the year/period	59.79	48.69	39.44	26.78	17.89	12.20
Current Service cost	7.84	7.85	6.76	4.68	4.70	3.99
Interest cost	3.23	3.92	3.16	2.49	1.46	1.00
Actuarial Losses/(Gains)	(4.48)	1.28	(0.67)	7.59	2.73	0.70
Benefit Paid Directly by the Employer	(1.88)	(1.95)	-	(2.10)	-	-
Past Service Cost	-	-	-	-	-	-





<b>Defined benefit obligation as at the end of the year/period</b>	<b>64.50</b>	<b>59.79</b>	<b>48.69</b>	<b>39.44</b>	<b>26.78</b>	<b>17.89</b>
<b>Benefit Description</b>						
Benefit type:	Gratuity Valuation as per Act					
Retirement Age:	60 years	60 years	60 years	60 years	60 years	60 years
Vesting Period:	5 years	5 years	5 years	5 years	5 years	5 years
The principal actuarial assumptions for the above are:						
Future Salary Rise:	6.00%P.A	6.00%P.A	6.00%P.A	6.00%P.A	6.00%P.A	6.00%P.A
Discount rate per annum:	7.68%P.A	7.20%P.A	8.06%P.A	8.00%P.A	9.31%P.A	8.62%P.A
Attrition Rate:	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A	10.00%P.A/ 2.00%P.A
Mortality Rate:	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate	IALM 2006-08 Ultimate

**4. Provisions, Contingent Liabilities and Contingent Assets (AS 29)**

Contingent liabilities and commitments (to the extent not provided for). There are no contingent liabilities as on the end of respective period except as mentioned in Annexure -AA, for any of the years covered by the statements.

**5. Related Party Disclosure (AS 18)**

Related party transactions are reported as per AS-18 of Companies (Accounting Standards) Rules, 2006, as amended, in the Annexure - Yof the enclosed financial statements.

**6. Accounting For Taxes on Income (AS 22)**

Deferred Tax liability/Asset in view of Accounting Standard - 22: "Accounting for Taxes on Income" as at the end of the year/period is reported as under:

Particulars	(Amt. in Lakh Rs.)					
	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Major Components of deferred tax arising on account of timing differences are:						
Timing Difference Due to Depreciation	(13.90)	21.21	71.93	90.92	129.75	94.93
Deferred Tax Liability(A)	(5.00)	7.00	24.00	29.00	42.00	31.00
Provision of Gratuity Disallowed	64.50	59.79	48.69	39.44	26.78	17.88
Cumulative Net Expenses Disallowed under Section 43B	22.31	22.31	51.41	51.48	57.00	61.52





Timing Difference Due to Gratuity and Disallowed expenses U/s 43B	86.81	82.10	100.10	90.92	83.78	79.40
Deferred Tax Assets (B)	28.70	27.14	33.10	29.50	27.18	25.76
<b>Cumulative Balance of Deferred Tax Liability/(Assets) (Net) (A-B)</b>	<b>(33.70)</b>	<b>(20.14)</b>	<b>(9.10)</b>	<b>(0.50)</b>	<b>14.82</b>	<b>5.24</b>

#### 7. Earnings Per Share (AS 20):

Earnings per Share have been calculated as already reported in the Annexure -X of the enclosed financial statements.

#### 8. MATERIAL ADJUSTMENTS[AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01<sup>st</sup> April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under.

#### Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & losses of the company.

#### **1. Consolidated Statement of Profit and Loss after Tax**

**Table -1**

(Amount in Rs.)

Particulars	31-12-17	31-03-17	31-03-16	31-03-15	31-03-14	31-03-13
Net Profit After Tax as per audited accounts but before adjustments for restated accounts: (A)	603.41	41.59	139.73	296.93	259.68	220.68
Adjustments - :						
(Short)/Excess Provision of Gratuity Expense	-	-	-	-	(8.89)	(5.68)
(Short)/Excess Depreciation(net) charged in Books	(7.24)	(10.00)	10.82	14.62	22.00	26.80
Elimination of Prior Period Expenses/Tax Provision	-	158.24	1.41	26.78	-	-
Deferred tax liability short (Excess) provided	2.52	(7.09)	13.86	(24.57)	(5.42)	10.22
(Short)/Excess Provision of Income Tax	(23.32)	(0.75)	0.05	(0.03)	1.47	(19.96)





Net Adjustment in Profit and Loss Account (B)	(28.04)	140.41	26.14	16.80	9.16	11.38
Net Profit/(Loss) After Tax as per Restated Accounts: (A+B)	575.37	182.00	165.87	313.73	268.84	232.06

**Adjustment on account of provision for Gratuity and Compensated Absences:**

The Company did not provide gratuity based on the requirement of AS -15 (Revised) up to 31<sup>st</sup> March 2014. Therefore during the restatement of FY 2012-13 and FY 2013-14, provision for gratuity have been done as per the actuarial valuation and accordingly prior period expenses of Rs. 26.78 Lakhs as reported in Audited financials of FY 2014-15 has been nullified.

**a) Accounting of Depreciation (AS -6)**

During the process of restatement of Accounts, Company has rectified the Depreciation provision which has been changed due to arithmetical errors, as well as due to wrong calculation of Depreciation due to wrong application of put to use concept of fixed assets (Expansion of Existing Factory Building). Factory Building TL 4 and Factory Building -TL 5 has been reconsidered with reference to actual date of put to use as explained by the Management. Because of the above depreciation for the FY 2013-14 and FY 2014-15 has been changed. Since the WDV of Fixed Assets is changed therefore the revised depreciation was calculated for Entire period of restatement with reference to Factory Building TL 4 and Factory Building -5. In Audited Account Company has capitalized the factory building TL 4 and 5 on based on suppliers invoice date, however the interest on TL was capitalized till the year/period ended. Management has rectified their mistake and considered revised put to use date as 31.03.2013 and 27<sup>th</sup> June 2014 for Factory Building TL 4 and Factory Building -5 respectively. The same has been rectified and accordingly effect thereof has been stated in Table 1 (Statement of Profit and Loss after Tax).

**b) Adjustment on account of Provision of Deferred Tax Assets:**

Due to Provision for Gratuity (Employee benefits) during the period of restatement, The Company has recalculated the deferred tax liability and deferred tax assets at the end of respective year/period ended at the rate of normal Tax rate applicable at the end of relevant year/period. Due to same deferred tax assets has been recognized in the financial statement of the respective year.

**c) Accounting of Prior period Income/Expenses:**

Prior period expense (Gratuity Provision) debited Rs. 26.78 Lakhs in FY 2014-15 has now been expensed out in the respective financial year. During the financial year 2016-17, provision for earlier year tax of Rs. 159.65 lakhs has been restated and accordingly provision of Tax prior to 31st March 2012 of Rs. 159.65 Lakhs has been adjusted with opening balance of retained earnings.

**d) Provision of Income Tax (Current/Prior Period):**

During the period of Restatement, Income tax liability was recalculated as per the prevailing tax rates, accordingly the revised income tax provision has been charged to the Statement of Profit and Loss account along with interest on delay payment of direct tax. Short/(Excess) provision has adjusted in respective



year/period. For More Details refer Annexure AA enclosed with the Financial Statement.

**9. Realizations:**

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

**10. Contractual liabilities**

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

**11. Amounts in the financial statements**

Amounts in the financial statements are reported in lakhs and rounded off to second digit of decimal. Figures in brackets indicate negative values.

**12. Auditors Qualifications -**

Details of Auditors qualifications and their impact on restated financial statement is given below.

a) Qualification which required adjustment in restated financial statements

None

b) Qualification which does not require adjustment in restated financial statements - Details given below

Financial Year	Audit Qualifications																				
2012-13	None																				
2013-14	None																				
2014-15	<p>According to the records of the Company, dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Customs, excise, VAT, and Cess which have not been deposited on account of any dispute with the relevant authorities are given below:</p> <table border="1"> <thead> <tr> <th>Name of Statute</th> <th>Amount</th> <th>Period to which amount relates</th> <th>Forum where dispute is pending</th> </tr> </thead> <tbody> <tr> <td>Income Tax</td> <td>1,60,67,157/-</td> <td>FY 2008-09</td> <td>CIT (Appeals)</td> </tr> <tr> <td>Income Tax</td> <td>2,85,45,610/-</td> <td>FY 2009-10</td> <td>CIT (Appeals)</td> </tr> <tr> <td>Income Tax</td> <td>36,96,000/-</td> <td>FY 2010-11</td> <td>CIT (Appeals)</td> </tr> <tr> <td>Sales Tax</td> <td>9,72,591/-</td> <td>FY 2011-12</td> <td>Sr. Joint Commissioner (West Bengal Sales Tax)</td> </tr> </tbody> </table>	Name of Statute	Amount	Period to which amount relates	Forum where dispute is pending	Income Tax	1,60,67,157/-	FY 2008-09	CIT (Appeals)	Income Tax	2,85,45,610/-	FY 2009-10	CIT (Appeals)	Income Tax	36,96,000/-	FY 2010-11	CIT (Appeals)	Sales Tax	9,72,591/-	FY 2011-12	Sr. Joint Commissioner (West Bengal Sales Tax)
Name of Statute	Amount	Period to which amount relates	Forum where dispute is pending																		
Income Tax	1,60,67,157/-	FY 2008-09	CIT (Appeals)																		
Income Tax	2,85,45,610/-	FY 2009-10	CIT (Appeals)																		
Income Tax	36,96,000/-	FY 2010-11	CIT (Appeals)																		
Sales Tax	9,72,591/-	FY 2011-12	Sr. Joint Commissioner (West Bengal Sales Tax)																		
2015-16	<p>a. Qualification in Audit Report on Internal Financial Control System - The documentation in respect of specific policies and procedures and the IT Controls pertaining to internal financial controls over financial reporting are not adequate and needs to be further strengthened. This may potentially result in the risk of overriding of these controls in recording of the transactions.</p>																				
2016-17	<p>a) According to the records of the Company, dues of Income Tax, Wealth Tax, Sales Tax, Service Tax, Duty of Customs,</p>																				






excise, VAT, and Cess which have not been deposited on account of any dispute with the relevant authorities are given below:

Name of Statute	Amount	Period to which amount relates	Forum where dispute is pending
Sales Tax	9,72,591/-	FY 2011-12	Sr. Joint Commissioner (West Bengal Sales Tax)

b) Qualification in Audit Report on Internal Financial Control System -

The documentation in respect of specific policies and procedures and the IT Controls pertaining to internal financial controls over financial reporting are not adequate and needs to be further strengthened. This may potentially result in the risk of overriding of these controls in recording of the transactions.

For Mittal & Associates  
Chartered Accountants  
FRN 106456W



(Vishal Heda)

Partner

Membership No. 172863

Date: 21<sup>st</sup> March, 2018

Place: Mumbai



**CONSOLIDATED STATEMENT OF SHARE CAPITAL, RESERVES AND SURPLUS**

ANNEXURE - A

(Amt. in LakhRs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Share Capital</b>						
<b>Authorised Share Capital</b>						
Equity shares of Rs.10 each	110.00	110.00	110.00	110.00	100.00	100.00
Share Capital	1,100.00	1,100.00	1,100.00	1,100.00	1,000.00	1,000.00
<b>Issued, Subscribed and Paid up Share Capital</b>						
Equity Shares of Rs. 10 each fully paid up	10,285,750	10,285,750	10,285,750	10,285,750	6,000,000	6,000,000
Share Capital (in Rs.)	1,028.58	1,028.58	1,028.58	1,028.58	600.00	600.00
<b>Total</b>	<b>1,028.58</b>	<b>1,028.58</b>	<b>1,028.58</b>	<b>1,028.58</b>	<b>600.00</b>	<b>600.00</b>
<b>Reserves and Surplus</b>						
<b>A) Securities Premium Account</b>						
Balance as per last financial statement	1,400.44	1,400.44	1,400.44	329.00	328.85	328.85
Addition during the year	-	-	-	1,071.44	-	-
<b>Closing Balance (A)</b>	<b>1,400.44</b>	<b>1,400.44</b>	<b>1,400.44</b>	<b>1,400.44</b>	<b>328.85</b>	<b>328.85</b>
<b>B) Surplus in Profit and Loss account</b>						
Opening Balance	1,712.91	1,530.92	1,365.04	1,055.51	786.82	554.76
Add: Restated Profit/ (Loss) for the year	575.37	182.00	165.87	313.73	268.84	232.06
Less: Adjustments related to depreciation in terms of note 7(b) of Schedule II of Companies Act, 2013 (net of tax amounting to Rs. 1,35,968)	-	-	-	4.19	-	-
<b>Closing Balance (B)</b>	<b>2,288.28</b>	<b>1,712.91</b>	<b>1,530.92</b>	<b>1,365.04</b>	<b>1,055.67</b>	<b>786.82</b>
<b>C) Capital Reserve on Consolidation</b>	1,828.73	1,828.73	1,828.73	1,828.73	1,828.73	1,828.73
<b>Total (A+B+C)</b>	<b>5,517.45</b>	<b>4,942.08</b>	<b>4,760.09</b>	<b>4,594.22</b>	<b>3,213.25</b>	<b>2,944.41</b>

1. Terms/rights attached to equity shares:

- The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share
- In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. Company does not have any Revaluation Reserve.

4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

5. The reconciliation of the number of shares outstanding as at :-

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Number of shares at the beginning	10,285,750.00	10,285,750.00	10,285,750.00	6,000,000.00	6,000,000.00	6,000,000.00
Add: Shares issued during the year	-	-	-	4,285,750.00	-	-
Number of shares at the end	10,285,750.00	10,285,750.00	10,285,750.00	10,285,750.00	6,000,000.00	6,000,000.00

6. The detail of shareholders holding more than 5% of Shares :-

Name of Shareholders	As at (No. of Shares)					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Jolly Multitrade Private Limited	4,285,750.00	4,285,750.00	4,285,750.00	4,285,750.00	-	-
Mr. Radheshyam Shivchand Sharma	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00	2,100,000.00
Mr.Raman Shivchand Sharma	1,800,000.00	1,800,000.00	1,440,000.00	1,440,000.00	1,440,000.00	1,440,000.00
Mrs.Anjana Radheshyam Sharma	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00	600,000.00
Mr.Shivchand Sharma	900,000.00	900,000.00	-	-	-	-
Mr.Narendra Shivchand Sharma	-	-	600,000.00	600,000.00	600,000.00	600,000.00
Mr.Shivchand Debraj Sharma	-	-	-	-	300,000.00	300,000.00
Mrs.Priti Raman Sharma	-	-	-	-	360,000.00	360,000.00
Mr.Rohit Radheshyam Sharma	-	-	-	-	300,000.00	300,000.00



FC-4



## CONSOLIDATED STATEMENT OF LONG TERM AND SHORT TERM BORROWINGS

(Amt. in Lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
<b>(Secured)</b>						
<b>(a) Term loans</b>						
From Bank & Financial Institutions	191.45	266.76	341.94	540.92	773.52	773.52
From Others	-	-	-	-	-	-
<b>Sub-total (a)</b>	<b>191.45</b>	<b>266.76</b>	<b>341.94</b>	<b>540.92</b>	<b>773.52</b>	<b>773.52</b>
<b>(Unsecured)</b>						
<b>(b) Term loans</b>						
From Bank & Financial Institutions	-	-	-	-	-	-
From Others	-	4.73	23.02	-	-	-
<b>Sub-total (b)</b>	<b>-</b>	<b>4.73</b>	<b>23.02</b>	<b>-</b>	<b>-</b>	<b>-</b>
From Directors and their Relatives	376.42	307.90	301.56	229.00	838.03	562.74
From Body Corporate	2,411.77	2,412.27	2,414.25	1,012.25	1,114.67	1,419.44
<b>Sub-total (c)</b>	<b>2,788.19</b>	<b>2,720.17</b>	<b>2,715.81</b>	<b>1,241.25</b>	<b>1,952.70</b>	<b>1,982.19</b>
<b>(d) Intercorporate Deposits</b>						
From Body Corporate	10.00	164.86	10.00	10.00	-	-
<b>Sub-total (d)</b>	<b>10.00</b>	<b>164.86</b>	<b>10.00</b>	<b>10.00</b>	<b>-</b>	<b>-</b>
<b>Total (a+b+c+d)</b>	<b>2,989.64</b>	<b>3,156.51</b>	<b>3,090.77</b>	<b>1,792.17</b>	<b>2,726.22</b>	<b>2,755.71</b>

## Short Term Borrowings

## Secured

## Loan Repayable on Demand

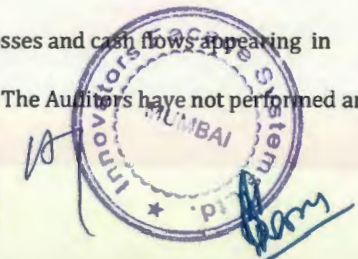
From Banks	3,172.89	2,891.81	2,717.70	1,904.87	1,916.83	1,669.78
From Other Parties	-	-	-	98.00	100.00	-
<b>Sub total (a)</b>	<b>3,172.89</b>	<b>2,891.81</b>	<b>2,717.70</b>	<b>2,002.87</b>	<b>2,016.83</b>	<b>1,669.78</b>

## UnSecured

Loan from Others	150.53	61.02	187.03	302.47	-	-
<b>Sub Total (b)</b>	<b>150.53</b>	<b>61.02</b>	<b>187.03</b>	<b>302.47</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>3,323.42</b>	<b>2,952.83</b>	<b>2,904.73</b>	<b>2,305.35</b>	<b>2,016.83</b>	<b>1,669.78</b>

## Note :

- The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
- The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
- List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.
- The terms and conditions and other information in respect of Secured Loans as on 31.03.2016 are given in Annexure -B (A)
- The terms and conditions and other information in respect of Unsecured Loans as on 31.03.2016 are given in Annexure - B (B)





## CONSOLIDATED STATEMENT OF PRINCIPAL TERMS OF SECURED LOANS AND ASSETS CHARGED AS SECURITY

Name of Lender	Purpose	Sanctioned Amount (Rs.)	Rate of interest	Securities offered	Re-Payment Schedule	Moratorium	(Amt. in lakh Rs.) Outstanding amount as on (as per	
							31-12-2017	31-03-2017
				Hypothecation Of Building And Plant				
Term Loan II	Term Loan	500.00	14.5	And Machinery	60 monthly installment of RS.7,35,000/-	NIL	-	50.28
Term Loan III	Term Loan	500.00	14.15	And Machinery	84 monthly Installment of RS.5,95,000/-	NIL	211.59	264.60
HDFC BANK LTD	Vehcile Loan -(M&M CAR) (MH04 FR2564)	11.00	10.5	Hypothecation of vehicle	60 monthly installment of RS.23440/-	NIL	-	1.27
HDFC Bank Ltd.	Vehcile Loan -(Truck-MH-04-GC-2008)	10.20	12.94	Hypothecation of vehicle	47 monthly Installment of Rs. 27778/-	NIL	-	0.21
ICICI Bank Ltd.	2563)	12.11	9.4	Hypothecation of vehicle	60 monthly installment of RS.25384/-	NIL	9.37	10.93
ICICI Bank Ltd	8350)	11.61	11.26	Hypothecation of vehicle	60monthly installment of RS.25393/-	NIL	0.84	2.96
ICICI Bank Ltd.	2525	70.00	9.36	Hypothecation of vehicle	60 monthly installment of RS.146535/-	NIL	54.11	63.15
Kotak Mahindra Prime Ltd	Vehcile Loan (Honda City)-DL10CH1926	10.50	9.4	Hypothecation of vehicle	60 monthly installment of RS.22439/-	NIL	5.48	7.01
OBC Bank	Vehcile Loan Wagon (DL2C-AP-4479)	3.67	11.75	Hypothecation of vehicle	60monthly installment of Rs.8118/-	NIL	-	0.33
OBC Bank	Vehcile Loan Car Loan( Verna MH-04FZ-3561)	10.50	10.05	Hypothecation of vehicle	60 monthly installment of RS.23000/-	NIL	-	2.21
				Prime And Collateral Securities				
OBC Bank				Personal Guarantees Pledge Of Shares And Deposits As Per Sanctined Terms				
	Working Capital Loan	2,000.00	12.9	Parripassu Charge With OBC On Entire Current Assets Of The Company. For Collateral Security	Repayble on Demand	NA	1,961.62	1,873.99
Indian Bank				Refer Note Given Below				
	Working Capital Loan	1,200.00	11.5	Parripassu Charge With OBC On Entire Current Assets Of The Company. For Collateral Security	Repayble on Demand	NA	1,211.27	-
Syndicate Bank				Refer Note Given Below				
	Working Capital Loan	1,075.00	12.95		Repayble on Demand	NA	-	1,017.81
<b>Total</b>							<b>3,454.28</b>	<b>3,294.76</b>

Note: - Following Collateral Security given to OBC Bank, which is being shared on parri passu basis by Indian Bank as on 31.12.2017.

1.EM Factory land & building at Gut NO.404/B & (P) 429, Village Chinchghar, Chinchghar-Belavali Road, off. Kudus-Bhiwandi Road, Taluka Wada District Falghar 421312 in the iame of M/s Innovators Facade Systems Pvt. Ltd. valued at Rs. 20.19 crore as per valuation report by M/s Apte Associates (empaneiled varuer with oBC) dated 20.01.2016.

2. Hypothication of Plant & Machinery at factory valued at Rs. 2.93 crore.

3. EM of Flat No 2106, Oberoi Woods, C Tower, Oberoi Garden Estate, Goregaon East, Mumbai - 400063.

4. EM of Shop No 14, Building No B-23, Akshar sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107

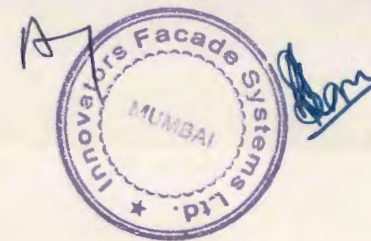
5. EM of Shop No 15, Building No B-23, Akshar sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107

6. EM of Shop No 5, Building No B-6, Akshar sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107

7. EM of Flat No 401, Building No B -23, Vallabh Shanti Nagar CHS ltd, Sector 5, Mira Road East Thane - 401107

8. EM of Flat No 2, Building No B-23, Akshar Sagar CHS Ltd, Shanti Nagar, Secor 11, Mira Road, (E) Thane - 401107

9. Personal Guarantee of Mr adheshyam S Sharma and Anjana R Sharma





## CONSOLIDATED STATEMENT OF TERMS &amp; CONDITIONS OF UNSECURED LOANS

(Amt. in lakh Rs.)

A) Details of Unsecured Loans outstanding as at the end of the latest Reporting period from Directors/Promoters/Promoter Group /Associates/Relatives of Directors/Group Unsecured Loans from Promoters/Directors are interest free and all are taken without any preconditions attached towards repayments.

Name of Lender	Purpose	Rate of interest	Re-Payment Schedule	Moratorium	Outstanding amount as on (as per	
					31-12-2017	31-03-2017
			36 monthly installment (first 35 of Rs. 1.70 Lakhs) and Last EMI of Rs. 1.30			
Deutsche Bank Bill A/c IFSP	Business Loan	13.2 Lakhs		Nil	9.43	23.11
Innovators Facade Solutions (Delhi) Pvt Ltd	Business Loan	NIL	Repayable on Demand	Nil	1500	1500
Innovators Facade Solutions (Mumbai) Pvt.	Business Loan	NIL	Repayable on Demand	Nil	727.975	728.225
Jolly Multitrade Pvt. Ltd.	Business Loan	NIL	Repayable on Demand	Nil	183.79559	184.04559
Radheshyam sharma	Business Loan	NIL	Repayable on Demand	Nil	201.8687	181.53527
Rohit Sharma (Loan)	Business Loan	NIL	Repayable on Demand	Nil	0.92915	3.74025
R.S. Sharma (HUF)	Business Loan	NIL	Repayable on Demand	Nil	4.9	5
Raman Sharma	Business Loan	NIL	Repayable on Demand	Nil	0	0.9023
Anjana Sharma	Business Loan	NIL	Repayable on Demand	Nil	168.71831	116.71831
Bondwell Corporate Advisors Pvt. Ltd.	Business Loan	9.5	Repayable on Demand	Nil	150.52705	154.23986
Bondwell Infraprojects Pvt Ltd	Business Loan	9.5	Repayable on Demand	Nil	0	0.61841
<b>Total</b>					<b>2,948.14</b>	<b>2,898.13</b>



A



## CONSOLIDATED STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Major Components of deferred tax arising on account of timing differences are:						
Timing Difference Due to Depreciation	(13.90)	21.21	71.93	90.92	129.75	94.93
Deferred Tax Liability(A)	(5.00)	7.00	24.00	29.00	42.00	31.00
Provision of Gratuity Disallowed	64.50	59.79	48.69	39.44	26.78	17.88
Cumulative Net Expenses Disallowed under Section 43B	22.31	22.31	51.41	51.48	57.00	61.52
Timing Difference Due to Gratuity and Disallowed expenses U/s 43B	86.81	82.10	100.10	90.92	83.78	79.40
Deferred Tax Assets (B)	28.70	27.14	33.10	29.50	27.18	25.76
Cumulative Balance of Deferred Tax Liability/(Assets) (Net) (A-B)	(33.70)	(20.14)	(9.10)	(0.50)	14.82	5.24

Note: The above statement should be read with the significant accounting policies and notes to restated summary statement of profit and loss account and cash flows statement as appearing in Annexures IV, I, I and III.



M





## CONSOLIDATED STATEMENT OF LONG TERM PROVISIONS

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Provision for Employee Benefits</b>						
Gratuity Payable	63.08931	58.43559	46.79972	37.82723	26.78	17.88
Compensated Absences	0	0	0	0	0	0
Others	0	0	0	0	0	0
<b>Total</b>	<b>63.08931</b>	<b>58.43559</b>	<b>46.79972</b>	<b>37.82723</b>	<b>26.78</b>	<b>17.88</b>



## CONSOLIDATED STATEMENT OF TRADE PAYABLES

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Trade Payables</b>						
For Goods & Services						
Micro, Small and Medium Enterprises	14	9	6	6	-	-
Others*	2,439	2,071	1,868	2,480	2,195	1,864
<b>Total</b>	<b>2,453</b>	<b>2,080</b>	<b>1,874</b>	<b>2,486</b>	<b>2,195</b>	<b>1,864</b>
* Includes Payable to Related Parties	-	70.08	-	-	-	-

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.
3. Amount due to entities covered under Micro, Small and Medium Enterprises as defined in the Micro, Small, Medium Enterprises Development Act, 2006, have been identified on the basis of information available with the Company. There was no amount due to any such entities which needs to be disclosed.





## CONSOLIDATED STATEMENT OF OTHER CURRENT LIABILITIES AND SHORT TERM PROVISIONS

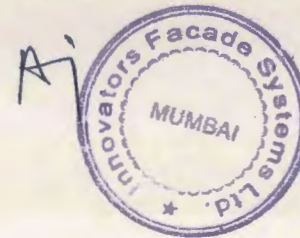
(Amt. in lakh Rs.)

Particulars	As on					31-03-2013
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	
<b>Other Current Liabilities</b>						
Current Maturities of Long Term Debt	99.37	154.57	241.26	258.07	264.00	40.64
Statutory Payables	392.69	162.86	235.15	178.58	212.47	147.72
Advances Received from Customers*	1,606.12	955.79	267.38	26.52	485.76	151.69
Provision for expenses#	180.05	176.75	195.45	167.26	392.55	83.95
Bank Overdrafts	33.14	31.90	1.70	-	-	-
<b>Total</b>	<b>2,311.37</b>	<b>1,481.88</b>	<b>940.94</b>	<b>630.44</b>	<b>1,354.78</b>	<b>423.99</b>
<b>Short Term Provisions</b>						
<b>Provision for Employee Benefits</b>						
Provisions for Gratuity	1.41	1.35	1.89	1.61	-	-
<b>Other Provisions</b>						
Provision for Expenses	-	-	-	-	108.65	52.35
Income tax Provisions net of Advance tax and TDS	137.17	-	-	-	-	-
<b>Total</b>	<b>138.58</b>	<b>1.35</b>	<b>1.89</b>	<b>1.61</b>	<b>108.65</b>	<b>52.35</b>
*Includes advance received from Related parties	1,130.77	465.39	-	-	-	-
#Provision for Expenses includes balance payable to Related Parties	37.08	31.66	32.42	19.85	354.19	5.10

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



CONSOLIDATED STATEMENT OF FIXED ASSETS

ANNEXURE - G

(Amt. In lakh Rs.)

FY 2012-13

Particulars	Gross Block				Depreciaton			Net Block	
	Value at the beginning	Additon during the year	Deduction during the year	Value at the end	Value at the beginning	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.03.2012
<b>Tangible Assets</b>									
Land	5.71	-	-	5.71	-	-	-	5.71	5.71
Factory Building	129.38	-	-	129.38	40.45	-	49.32	80.06	88.93
New Factory Building	441.77	-	-	441.77	11.10	-	54.17	387.60	430.66
Plant and Machinery	311.38	14.25	-	325.63	95.30	-	126.84	198.79	216.08
Furnitures & Fixtures	7.22	3.18	-	10.40	3.31	-	4.33	6.07	3.91
Vehicles (Cars)	77.52	42.06	-	119.58	37.24	-	51.07	68.51	40.28
Office Equipment	40.25	10.40	-	50.64	15.35	-	21.75	28.89	24.89
Computer	41.92	15.47	-	57.39	32.37	-	39.80	17.59	9.55
	-	-	-	-	-	-	-	-	-
SUB TOTAL (A)	1,055.15	85.36	-	1,140.51	235.15	-	347.29	793.22	820.01
<b>Intangible Assets</b>									
computer software	0.29	-	-	0.29	-	-	0.05	0.24	0.28
SUB TOTAL (B)	0.29	-	-	0.29	-	-	0.05	0.24	0.28
<b>Capital Work-in-progress</b>									
Factory Building Under Construction	48.94	609.85	-	658.79	-	-	-	658.79	48.94
Factory Building Under Construction -TL-5	-	0.22	-	0.22	-	-	-	0.22	-
SUB TOTAL (C)	48.94	610.07	-	659.02	-	-	-	659.02	48.94
<b>Intangible Assets Under Development</b>									
SUB TOTAL (D)	-	-	-	-	-	-	-	-	-
<b>Total [A + B + C + D] (Current Year)</b>	1,104.38	695.43	-	1,799.81	235.15	-	347.34	1,452.48	869.23
(Previous Year)	661.07	443.31	-	443.31	164.64	-	0.00	496.43	302.27

FY 2013-14

Particulars	Gross Block				Depreciaton			Net Block	
	Value at the beginning	Additon during the year	Deduction during the year	Value at the end	Value at the beginning	Deduction during the year	Value at the end	WDV as on 31.03.2014	WDV as on 31.03.2013
<b>Tangible Assets</b>									
Land	5.71	-	-	5.71	-	-	-	5.71	5.71
Factory Building	129.38	-	-	129.38	49.32	-	57.33	72.05	80.06
Factory Building-TL 3	441.77	-	-	441.77	54.17	-	92.93	348.84	387.60
Factory Building-TL 4	658.79	-	-	658.79	-	-	85.88	582.91	658.79
Factory Building-TL 5	0.22	553.45	-	553.67	-	-	-	553.67	0.22
Plant and Machinery	325.63	41.38	-	367.01	126.84	-	155.82	211.19	198.79
Furnitures & Fixtures	10.40	1.73	-	12.13	4.33	-	5.64	8.49	6.07
Vehicles (Cars)	119.58	19.47	-	139.05	51.07	-	73.56	65.49	68.51
Office Equipment	50.64	1.96	-	52.60	21.75	-	27.78	24.83	28.89
Computer	57.39	32.20	-	89.59	39.80	-	51.79	37.80	17.59
	-	-	-	-	-	-	-	-	-
SUB TOTAL (A)	1,799.52	650.19	-	2,449.71	347.29	-	530.72	1,918.99	1,452.23
<b>Intangible Assets</b>									
computer software	0.29	-	-	0.29	0.05	-	0.09	0.20	0.24
SUB TOTAL (B)	0.29	-	-	0.29	0.05	-	0.09	0.20	0.24
<b>Capital Work-in-progress</b>									
SUB TOTAL (C)	-	-	-	-	-	-	-	-	-
<b>Intangible Assets Under Development</b>									
SUB TOTAL (D)	-	-	-	-	-	-	-	-	-



FC-12





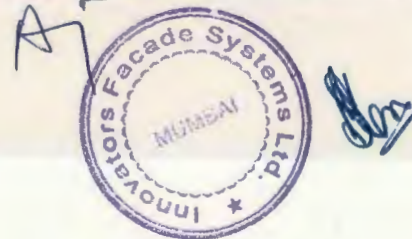
SUB TOTAL (D)		-	-	-	-	-	-	-	-	-
Total [A + B + C + D] (Current Year)		1,799.81	650.19	-	2,450.00	347.34	-	530.80	1,919.20	1,452.48
(Previous Year)		1,104.38	695.43	-	1,799.81	235.15	-	347.34	1,452.48	869.23

**FY 2014-15**

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2014	Additions during the Year	Deletion during the Year	As at March 31, 2015	As at April 1, 2014	Depreciation charge for the year	Adjustments on Sale of Assets	As at March 31, 2015	As at March 31, 2015	As at March 31, 2014
<b>Tangible Assets</b>										
Freehold Land	5.71	-	-	5.71	-	-	-	-	5.71	5.71
Factory Building	1,783.62	33.14	-	1,816.76	216.14	147.92	-	364.06	1,452.70	1,567.48
Plant & Machinery	367.30	0.26	-	367.56	155.82	37.59	-	193.41	174.16	211.48
Furniture & Fixtures	12.13	-	-	12.13	5.64	1.73	-	7.40	4.73	6.49
Vehicles	139.05	13.79	9.07	143.77	73.56	23.39	7.93	89.61	54.16	65.49
Office Equipment	52.60	3.26	-	55.86	27.76	13.34	-	43.89	11.98	24.83
Computers	89.59	1.10	-	90.69	51.88	23.19	-	75.86	14.83	37.71
<b>Total</b>	<b>2,450.00</b>	<b>51.56</b>	<b>9.07</b>	<b>2,492.48</b>	<b>530.80</b>	<b>247.16</b>	<b>7.93</b>	<b>774.23</b>	<b>1,718.26</b>	<b>1,919.20</b>
Previous Year	1,799.81	650.19	-	2,450.00	347.34	183.46	-	530.80	1,919.20	1,452.48

**FY 2015-16**

PARTICULARS	Gross Block				Accumulated Depreciation				Net Block	
	As at April 1, 2015	Additions during the Year	Deletion during the Year	As at March 31, 2016	As at April 1, 2015	Depreciation charge for the year	Adjustments on Sale of Assets	As at March 31, 2016	As at March 31, 2016	As at March 31, 2015
<b>Tangible Assets</b>										
Freehold Land	5.71	-	-	5.71	-	-	-	-	5.71	5.71
Factory Building	1,816.76	-	-	1,816.76	364.06	133.64	-	497.70	1,319.06	1,452.70
Plant & Machinery	367.56	15.07	-	382.63	193.41	32.86	-	226.26	156.36	174.16
Furniture & Fixtures	12.13	6.70	-	18.83	7.40	2.84	-	10.24	8.58	4.73
Vehicles	143.77	-	-	143.77	89.61	15.45	-	105.06	38.71	54.16
Office Equipment	55.86	7.74	-	63.60	43.89	8.46	-	52.34	11.26	11.98
Computers	90.69	7.22	-	97.91	75.86	11.44	-	87.30	10.60	14.83
<b>Total</b>	<b>2,492.48</b>	<b>36.72</b>	<b>-</b>	<b>2,529.20</b>	<b>774.23</b>	<b>204.68</b>	<b>-</b>	<b>978.91</b>	<b>1,550.29</b>	<b>1,718.26</b>
Previous Year	2,450.00	51.56	9.07	2,492.48	530.80	247.16	7.93	774.23	1,718.26	1,919.20





FY 2016-17

PARTICULARS	Gross Block				Accumulated Depreciation			Net Block	
	As at April 1, 2016	April	Additions during the Year	Deletion during the Year	As at March 31, 2017	As at April 1, 2016	Depreciation charge for the year	As at March 31, 2017	As at March 31, 2016
<b>Tangible Assets</b>									
Freehold Land	5.71	-	-	-	5.71	-	-	5.71	5.71
Factory Building	1,816.76	-	-	-	1,816.76	497.70	138.37	636.08	1,319.06
Plant & Machinery	382.63	96.79	-	-	479.42	226.26	43.11	269.37	156.36
Furniture & Fixtures	18.83	3.99	-	-	22.82	10.24	3.04	13.28	8.58
Vehicles	143.77	95.07	-	-	238.84	105.06	38.53	143.59	38.71
Office Equipment	63.60	11.30	-	-	74.90	52.34	8.85	61.19	11.26
Computers	97.91	21.52	-	-	119.43	87.30	16.80	104.10	10.60
<b>Total</b>	<b>2,529.20</b>	<b>228.67</b>	<b>-</b>	<b>-</b>	<b>2,757.87</b>	<b>978.91</b>	<b>248.70</b>	<b>1,227.61</b>	<b>1,530.26</b>
Previous Year	2,492.48	36.72	-	-	2,529.20	774.23	204.68	978.91	1,550.29

For the Period Ended 31st December 2017

PARTICULARS	Gross Block				Accumulated Depreciation			Net Block	
	As at April 1, 2017	April	Additions during the Period	Deletion during the Period	As at December 31, 2017	As at April 1, 2017	Depreciation charge for the Period	As at December 31, 2017	As at March 31, 2017
<b>Tangible Assets</b>									
Freehold Land	5.71	-	-	-	5.71	-	-	5.71	5.71
Factory Building	1,816.76	-	-	-	1,816.76	636.08	100.82	736.89	1,180.68
Plant & Machinery	479.42	24.58	-	-	504.00	269.37	32.56	301.93	210.04
Furniture & Fixtures	22.82	5.88	-	-	28.70	13.28	2.66	15.94	9.53
Vehicles	238.84	-	-	11.71	227.13	143.59	22.97	157.17	95.25
Office Equipment	74.90	7.42	-	-	82.32	61.19	6.63	67.82	13.70
Computers	119.43	14.39	-	-	133.82	104.10	11.31	115.41	15.33
<b>Total</b>	<b>2,757.87</b>	<b>52.27</b>	<b>11.71</b>	<b>-</b>	<b>2,798.43</b>	<b>1,227.61</b>	<b>176.94</b>	<b>1,395.17</b>	<b>1,530.26</b>
Previous Year	2,529.20	228.67	-	-	2,757.87	978.91	248.70	1,227.61	1,530.26

Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## CONSOLIDATED STATEMENT OF NON-CURRENT INVESTMENTS

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Non Current Investment (At Cost)</b>						
<b>Unquoted, non Trade Investments</b>						
<b>Investment in Debenture</b>						
Innovators Façade Solutions Pvt Ltd						
156041 Compulsory Convertible Debenture of face value Rs. 1000 each, fully paid up	1,560.41	1,560.41	1,560.41	-	-	-
<b>Total</b>	<b>1,560.41</b>	<b>1,560.41</b>	<b>1,560.41</b>	-	-	-

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



## CONSOLIDATED STATEMENT OF LONG-TERM LOANS AND ADVANCES

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Unsecured, Considered Good unless otherwise stated</b>						
Capital Advance	78.50	78.50	78.50	78.50	78.50	78.50
Security Deposit	64.77	27.91	27.91	15.21	23.27	21.29
Loans and Advances to Related Parties	284.00	284.00	284.00	284.00	268.06	268.06
Loans and Advances to Other Parties	20.00	20.00	20.00	20.00	160.00	160.00
Advance Tax & TDS (Net of Provisions)	-	56.92	346.39	331.71	295.62	57.34
<b>Total</b>	<b>447.27</b>	<b>467.33</b>	<b>756.80</b>	<b>729.42</b>	<b>825.45</b>	<b>585.19</b>

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV





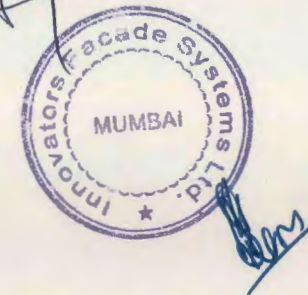
## CONSOLIDATED STATEMENT OF NON CURRENT ASSETS

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Unsecured, Considered Good unless otherwise stated</b>						
Retention money	1,113.35	1,083.85	1,191.27	1,191.24	780.54	568.72
Fixed Deposits (maturity of more than 12 months)	6.53	26.04	36.27	825.80	-	-
Preliminary Expenses	-	-	-	-	0.54	0.63
<b>Total</b>	<b>1,119.88</b>	<b>1,109.89</b>	<b>1,227.54</b>	<b>2,017.04</b>	<b>781.08</b>	<b>569.36</b>

## Notes:

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

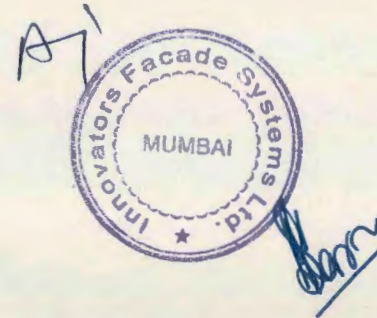


## CONSOLIDATED STATEMENT OF INVENTORIES

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Raw Materials	2,780.02	1,440.38	1,029.91	606.33	423.22	280.60
Work In Progress	531.73	1,984.87	71.67	675.31	572.30	515.15
Stores & Spares	-	-	-	-	-	28.55
Other With Job Worker	-	-	-	-	-	12.74
<b>Total</b>	<b>3,311.75</b>	<b>3,425.25</b>	<b>1,101.59</b>	<b>1,281.64</b>	<b>995.52</b>	<b>837.04</b>

Note:- Invenotry has been physically verified by the management of the Company at the end of respective year/period





## CONSOLIDATED STATEMENT OF TRADE RECEIVABLES

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Outstanding for a period exceeding six months (Unsecured and considered Good)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	-	-	-	-
Others	3,467.75	1,826.17	1,020.46	1,825.42	2.17	548.89
Outstanding for a period not exceeding 6 months (Unsecured and considered Good)						
From Directors/Promoters/Promoter Group/Associates/ Relatives of Directors/ Group Companies.	-	-	113.00	-	-	-
Others	1,073.03	1,932.09	2,995.49	1,621.73	1,747.16	2,495.88
<b>Total</b>	<b>4,540.78</b>	<b>3,758.26</b>	<b>4,128.95</b>	<b>3,447.16</b>	<b>1,749.33</b>	<b>3,044.77</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.





## CONSOLIDATED STATEMENT OF CASH &amp; CASH EQUIVALENTS

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Cash and Cash Equivalents: (as per Accounting Standard 3: Cash flow Statements)</b>						
Balances with Banks in Current Accounts	34.45	27.54	2.50	60.20	71.14	2.00
Cash on Hand	6.72	1.70	5.78	17.27	13.96	9.48
<b>Other Bank Balances</b>						
Fixed Deposits (original maturity of 3 to 12 months)	897.97	820.98	603.57	70.09	819.93	574.02
Fixed Deposits (original maturity of more than 12 months)						
<b>Total</b>	<b>939.14</b>	<b>850.22</b>	<b>611.85</b>	<b>147.56</b>	<b>905.04</b>	<b>585.50</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



CONSOLIDATED STATEMENT OF SHORT-TERM LOANS AND ADVANCES

ANNEXURE - N

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Unsecured, Considered Good unless otherwise stated</b>						
Loans and advances to related parties	0.95	3.78	1.05	-	-	0.42
Advances to Vendors*	166.80	122.98	63.56	114.50	224.06	43.48
Balance With Revenue Authorities ( Indirect Taxes)	233.83	124.07	134.96	68.88	144.70	118.74
Loans and Advances to Employees	19.73	14.42	16.54	19.83	10.92	11.07
Prepaid Expenses	1.51	3.35	7.69	4.04	6.47	1.74
Other Loans and Advances	11.34	4.81	-	-	-	-
<b>Total</b>	<b>434.16</b>	<b>273.40</b>	<b>223.80</b>	<b>207.25</b>	<b>386.15</b>	<b>175.45</b>
*Advance to vendor includes balance given to related parties	35.91	-	2.51	-	101.99	-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

3. List of persons/entities classified as 'Promoters' and 'Group Companies' has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.





## CONSOLIDATED STATEMENT OF OTHER CURRENT ASSETS

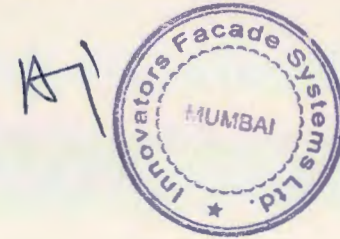
(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Receivables towards Unbilled revenue	3,302	2,500	3,477	3,328	4,695	3,083
Retention money	732	206	-	-	-	-
<b>Total</b>	<b>4,035</b>	<b>2,706</b>	<b>3,477</b>	<b>3,328</b>	<b>4,695</b>	<b>3,083</b>
*Receivable towards Unbilled revenue includes balance receivable from related parties	500.53					

\*Receivable towards Unbilled revenue includes balance receivable from related parties

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



## CONSOLIDATED STATEMENT OF TURNOVER

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
<b>Sale of product and Services</b>						
Works Contract Sales (Façade Installations)	12,471.72	9,907.65	9,220.39	9,090.89	8,301.37	7,798.01
Job Work Charges	-	96.77	-	-	-	-
Service charges	82.79	-	-	-	-	-
<b>Sub Total (a)</b>	<b>12,554.51</b>	<b>10,004.42</b>	<b>9,220.39</b>	<b>9,090.89</b>	<b>8,301.37</b>	<b>7,798.01</b>
<b>Other Operating Income</b>						
Sale of Scrap	34.10	19.09	22.91	30.87	-	-
<b>Sub Total (b)</b>	<b>34.10</b>	<b>19.09</b>	<b>22.91</b>	<b>30.87</b>	<b>-</b>	<b>-</b>
<b>Total (a+b)</b>	<b>12,588.61</b>	<b>10,023.51</b>	<b>9,243.30</b>	<b>9,121.76</b>	<b>8,301.37</b>	<b>7,798.01</b>

\*As per information provided to us by the Issuer, there is no such item.

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



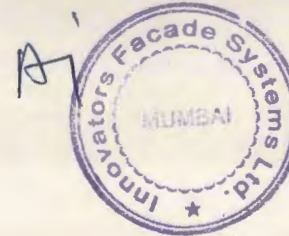


## CONSOLIDATED STATEMENT OF OTHER NON OPERATING INCOME

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
<b>a) Related and Recurring Income:</b>						
Interest Income	40.04	58.78	65.57	76.60	70.96	33.94
<b>Sub Total (a)</b>	<b>40.04</b>	<b>58.78</b>	<b>65.57</b>	<b>76.60</b>	<b>70.96</b>	<b>33.94</b>
<b>b) Related and Non Recurring Income:</b>						
<b>b (i) Interest on Income Tax Refund</b>	-	69.61	-	-	2.61	-
<b>b (ii) Profit on Sale of Fixed Assets</b>	1.17	-	-	0.68	-	-
<b>b(iii) Other Non Operating Income</b>						
Foreign Exchange Fluctuation Gain	0.19	0.56	-	-	-	-
Insurance Claim Received	-	-	4.30	5.89	-	-
Liabilities no Longer Required Written back	-	83.50	90.78	-	-	-
Sales Tax Refund	-	-	34.93	-	-	-
Mis.Income	-	-	-	-	0.27	1.26
<b>Sub Total (b)</b>	<b>1.36</b>	<b>153.67</b>	<b>130.01</b>	<b>6.56</b>	<b>2.87</b>	<b>1.26</b>
<b>Total(a+b)</b>	<b>41.40</b>	<b>212.45</b>	<b>195.58</b>	<b>83.16</b>	<b>73.84</b>	<b>35.20</b>
Other Non Operating Income % to Profit before Tax	4.75%	75.87%	77.39%	17.67%	18.57%	10.12%

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





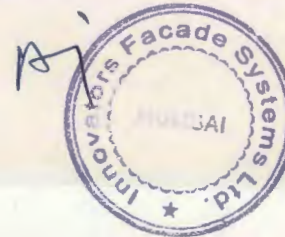
## CONSOLIDATED COST OF WORKS CONTRACT

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
<b>A. Cost of Material Consumed</b>						
Opening Stock of Raw Material	1,440.38	1,029.91	606.33	423.22	280.60	-
Add: Purchases of Material	8,178.01	8,054.84	5,508.04	5,351.99	4,021.54	4,578.24
Less: Closing Stock of Raw Material	2,780.02	1,440.38	1,029.91	606.33	423.22	280.60
<b>Sub Total</b>	<b>6,838.37</b>	<b>7,644.37</b>	<b>5,084.46</b>	<b>5,168.89</b>	<b>3,878.93</b>	<b>4,297.64</b>
<b>B. Direct Expenses</b>						
Installation charges	294.64	588.32	980.01	992.42	915.23	465.84
Anodising & coating	333.97	339.92	136.46	269.80	202.58	147.64
Transportation charges	101.15	134.65	58.48	164.40	8.56	37.74
Fabrication cost	146.64	287.19	71.79	42.42	52.94	29.07
Loading & unloading charges	142.20	73.16	40.71	30.85	41.89	31.78
Scaffolding & equipment hire charges	117.85	45.92	132.08	80.38	91.44	37.44
Performance & test charges	38.00	64.65	1.14	32.86	34.16	34.44
Other execution cost	156.91	218.87	183.21	129.44	346.99	175.59
<b>Sub Total</b>	<b>1,331.35</b>	<b>1,752.69</b>	<b>1,603.87</b>	<b>1,742.57</b>	<b>1,693.79</b>	<b>959.55</b>
<b>Total (A+B)</b>	<b>8,169.72</b>	<b>9,397.06</b>	<b>6,688.33</b>	<b>6,911.45</b>	<b>5,572.71</b>	<b>5,257.18</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.



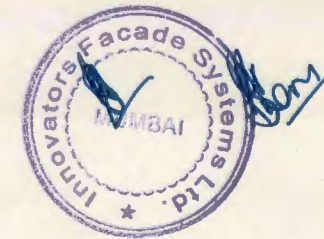
## CONSOLIDATED STATEMENT OF CHANGES IN INVENTORIES

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31.03.2015	31.03.2014	31.03.2013
Closing Inventories						
Work in Progress	531.73	1,984.87	71.67	675.31	572.30	556.44
Finished goods	-	-	-	-	-	-
<b>Total</b>	<b>531.73</b>	<b>1,984.87</b>	<b>71.67</b>	<b>675.31</b>	<b>572.30</b>	<b>556.44</b>
Opening Inventories						
Work in Progress	1,984.87	71.67	675.31	572.30	556.44	609.45
Finished goods	-	-	-	-	-	-
<b>Total</b>	<b>1,984.87</b>	<b>71.67</b>	<b>675.31</b>	<b>572.30</b>	<b>556.44</b>	<b>609.45</b>
<b>Changes in Inventories</b>	<b>1,453.15</b>	<b>(1,913.20)</b>	<b>603.64</b>	<b>(103.01)</b>	<b>(15.86)</b>	<b>53.01</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## CONSOLIDATED STATEMENT OF EMPLOYEE BENEFITS EXPENSE

(Amt. in lakh Rs.)

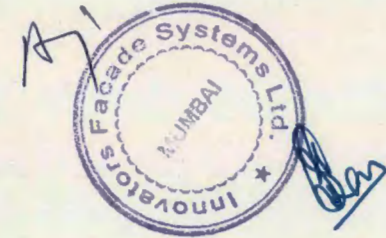
Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Salaries and Incentives	803.90	897.15	721.17	701.38	749.35	543.34
Directors Remuneration	37.10	49.46	44.48	44.42	48.73	62.42
Contribution to PF & Other Funds	37.71	22.27	20.61	14.09	-	-
Staff Welfare expenses	15.13	22.45	14.78	14.56	24.69	23.21
Recruitment & Training	0.74	0.46	0.81	-	-	-
Provision for Gratuity	6.59	13.05	9.25	12.66	8.89	5.68
<b>Total</b>	<b>901.17</b>	<b>1,004.85</b>	<b>811.10</b>	<b>787.12</b>	<b>831.66</b>	<b>634.65</b>



## CONSOLIDATED STATEMENT OF FINANCE COST

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Interest expense	317.63	393.65	452.48	435.12	331.39	225.97
Other Borrowing cost	355.05	225.33	144.88	126.24	132.88	109.22
<b>Total</b>	<b>672.68</b>	<b>618.98</b>	<b>597.36</b>	<b>561.36</b>	<b>464.27</b>	<b>335.19</b>





## CONSOLIDATED STATEMENT OF DEPRECIATION &amp; AMORTISATION

(Amt. in lakh Rs.)

Particulars	31-12-2017	31-03-2017	As on		31.03.2014	31.03.2013
			31-03-2016	31.03.2015		
Depreciation	176.94	248.70	204.68	247.16	183.46	112.19
<b>Total</b>	<b>176.94</b>	<b>248.70</b>	<b>204.68</b>	<b>247.16</b>	<b>183.46</b>	<b>112.19</b>





## CONSOLIDATED STATEMENT OF OTHER EXPENSES

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Rent & Maintainance Expenses	53.54	56.18	23.78	38.53	55.74	51.08
Advertising and Sales Promotion Expenses	41.86	9.31	2.70	-	-	-
Electricity Charges	12.09	14.15	10.50	11.51	11.32	12.40
Insurance Charges	11.26	11.33	4.87	10.76	0.89	10.89
Rates & Taxes	6.44	59.90	21.29	34.35	678.81	830.41
Repair & Maintainance-Other	22.80	21.82	12.17	-	-	-
Repair & Maintainance - Machinery	2.33	5.57	6.15	-	-	-
Payment to Auditors	5.42	8.75	5.81	5.67	3.55	3.57
Miscellaneous Expenses	228.72	412.55	193.80	229.38	190.95	184.65
<b>Total</b>	<b>384.46</b>	<b>599.55</b>	<b>281.06</b>	<b>330.18</b>	<b>941.26</b>	<b>1,093.00</b>



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## CONSOLIDATED STATEMENT OF MANDATORY ACCOUNTING RATIOS

(Amt. in lakh Rs.)

Particulars	As on					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Net Worth (A)	6,546.03	5,970.66	5,788.66	5,622.79	3,813.25	3,544.41
Restated Profit after tax	575.37	182.00	165.87	313.73	268.84	232.06
Less: Prior Period Item	-	-	-	-	-	-
Adjusted Profit after Tax (B)	575.37	182.00	165.87	313.73	268.84	232.06
Number of Equity Share outstanding as on the End of Year/Period (c)	10,285,750	10,285,750	10,285,750	10,285,750	6,000,000	6,000,000
Weighted average no of Equity shares at the time of end of the year (D)	10,285,750	10,285,750	10,285,750	7,373,788	6,000,000	6,000,000
Current Assets (E)	13,260.60	11,013.37	9,543.57	8,411.24	8,731.04	7,726.12
Current Liabilities (F)	8,226.27	6,515.70	5,721.38	5,423.57	5,675.61	4,009.82
Face Value per Share	10.00	10.00	10.00	10.00	10.00	10.00
Restated Basic and Diluted Earning Per Share (Rs.) (B/D)	5.59	1.77	1.61	4.25	4.48	3.87
Return on Net worth (%) (B/A)	8.79%	3.05%	2.87%	5.58%	7.05%	6.55%
Net asset value per share (A/C) (Face Value of Rs. 10 Each)	63.64	58.05	56.28	54.67	63.55	59.07
Current Ratio (E/F)	1.61	1.69	1.67	1.55	1.54	1.93

## Note:

1) The ratios have been computed as below:

- (a) Basic earnings per share (Rs. ) - : Net profit after tax as restated for calculating basic EPS / Weighted average number of equity shares outstanding at the end of the period or year  
 (b) Diluted earnings per share (Rs. ) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS  
 (c) Return on net worth (%) - : Net profit after tax (as restated) / Net worth at the end of the period or year  
 (d) Net assets value per share - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year  
 (e) Net assets value per share (effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after split and bonus issue)

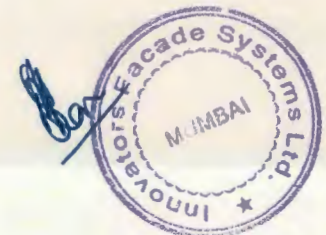
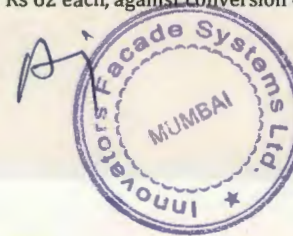
2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus ( including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the standalone restated summary statements of the Group.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

6) The Company has made Preferential allotment of 15,32,258 Equity shares at Rs. 62 each which includes Share Premium of Rs. 52/- on 07th March 2018 to non promoters. Further Company has allotted 1389000 Equity shares dated 24-feb - 2018 to promoter or promoter group company at Rs. 72 each, which includes premium of Rs 62 each, against conversion of unsecured loans.





**CONSOLIDATED STATEMENT OF RELATED PARTY TRANSACTION**

ANNEXURE - Y

(Amt. in lakh Rs.)

Names of the related parties with whom transaction were carried out during the years and description of relationship:

- |      |   |  |
|------|---|--|
| i)   | Key Management Personnel  | 1.Mr. Radheshyam Shivchand Sharma<br>2.Mrs. Anjana Radheshyam Sharma<br>3. Mr.Shivchand Sharma   |
| ii)  | Relative of Key Management Personnel with whom the company has entered into the transactions during the period of Restatement   | Raman Sharma HUF<br>Mr. Narendra Sharma<br>Mr.Raman Sharma<br>Mr. Rohit Sharma<br>Mrs. Gayatri Sharma<br>Mrs. Priti Sharma<br>Ms. Vedika Shama<br>Mrs. Dropadi Sharma<br>Radheshyam S Sharma HUF<br>Shivchand Sharma HUF<br>Parth Façade Solutions Pvt.Ltd |
| iii) | Enterprise having significant influence and/or Same Key Management Personnel or their relatives with whom the company has entered into transactions during the period of restatement: | Innovators Façade Solutions Pvt.Ltd<br>Innovators Façade Solutions (Mumbai) Pvt.Ltd<br>Innovators Façade Solutions (Bangaluru) Pvt.Ltd.<br>Jolly Multitrade Pvt.Ltd  |

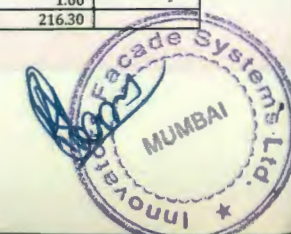
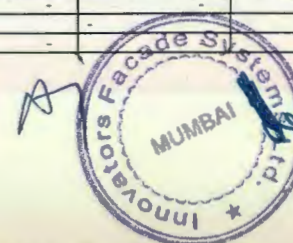
1. Transaction with Companies/Entity owned or Significantly influenced by Director/KMP

(Amt. in Lakhs Rs.)

Sr. No.	Nature of Transaction	Nature of Transaction	Period/ Year ended					
			31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
	Mr. Radheshyam Shivchand Sharma	Directors Remuneration	24.66	32.88	29.61	29.64	-	-
	Mrs. Anjana Radheshyam Sharma	Directors Remuneration	12.44	16.58	14.87	14.78	-	-
	Raman Sharma HUF	Factory Construction Work Contract	-	-	-	-	-	59.83
	Mr. Narendra Sharma	Salaries	6.59	6.76	7.39	14.78	13.81	14.71
	Mr.Raman Sharma	Salaries	17.48	18.83	20.87	20.78	20.71	-
	Mr. Rohit Sharma	Salaries	9.76	10.91	11.75	11.57	10.83	-
	Mrs. Gayatri Sharma	Salaries	6.14	1.00	4.39	8.78	7.44	8.88
	Mrs. Priti Sharma	Salaries	12.44	14.24	14.87	14.79	14.71	14.71
	Ms. Vedika Shama	Salaries	3.44	-	-	-	-	-
	Mr.Shivchand Sharma	Salaries	-	-	-	-	15.00	15.00
	Mrs. Anjana Radheshyam Sharma	Salaries	-	-	-	-	-	14.71
	Mrs. Dropadi Sharma	Salaries	-	-	-	-	10.80	10.80
			-	-	-	-	-	-
	Mr. Narendra Sharma	Office Rent	1.08	1.44	0.48	1.20	4.32	2.88
	Mr.Raman Sharma	Office Rent	1.44	1.92	1.44	1.80	5.76	-
	Mr. Shivchand sharma	Office Rent	1.44	1.92	2.88	1.08	1.44	1.44
	Mrs. Dropadi Sharma	Office Rent	1.80	2.40	3.36	1.56	2.88	1.44
	Mrs. Priti Sharma	Office Rent	0.72	0.96	1.44	1.80	5.76	1.44
	Mr. Rohit Sharma	Office Rent	1.26	-	-	-	-	-
	Mrs. Anjana Radheshyam Sharma	Office Rent	-	-	0.96	2.40	-	4.32
	Mr. Radheshyam Shivchand Sharma	Office Rent	-	-	-	0.72	-	-
			-	-	-	-	-	-
	Parth Façade Solutions Pvt.Ltd	Advance Given to Suppliers	-	-	2.51	-	-	101.99
			-	-	-	-	-	-
	Parth Façade Solutions Pvt.Ltd	Installation Charges Paid / Contract Execution Exp.	497.83	625.90	-	-	-	29.50
			-	-	-	-	-	-
	Raman Sharma HUF	Installation Charges Paid	-	-	-	-	-	48.70
			-	-	-	-	-	-
	Innovators Façade Solutions Pvt.Ltd	Work contract sales & job Work	-	644.55	768.90	-	-	-
			-	-	-	-	-	-
	Innovators Façade Solutions (Mumbai) Pvt.Ltd	Unsecured Loan taken	-	-	-	-	729.54	1.00
	Parth Façade Solutions Pvt.Ltd		-	-	-	-	-	216.30



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Innovators Façade Solutions Pvt.Ltd		-	-	1,500.00	97.79	1.00	-
Jolly Multitrade Pvt.Ltd		-	-	37.00	284.00	-	416.76
Mr. Radheshyam Shivchand Sharma		51.00	2.00	142.36	60.74	16.50	152.80
Mr. Narendra Sharma		-	-	-	-	15.24	41.62
Mr.Raman Sharma		8.18	16.00	16.50	75.00	45.59	92.37
Mr. Rohit Sharma		-	-	5.36	120.63	2.00	60.00
Mrs. Priti Sharma		-	-	-	3.99	170.96	30.31
Ms. Vedika Sharma		-	-	46.00	-	15.00	-
Mr. Shivchand sharma		-	-	-	-	69.06	1.77
Mrs. Dropadi Sharma		-	-	-	-	25.91	19.52
Gayatri Sharma		-	-	-	-	15.00	1.59
Mrs. Anjana Radheshyam Sharma		64.00	39.84	24.79	219.35	295.50	85.48
Radheshyam S Sharma HUF		-	-	45.00	25.00	-	-
Shivchand Sharma HUF		-	-	20.00	-	-	-
Raman S Sharma HUF		-	-	46.00	60.00	-	-
Innovators Façade Solutions (Mumbai) Pvt.Ltd	Unsecured Loan Repaid	0.25	1.28	-	1.04	-	-
Jolly Multitrade Pvt.Ltd		0.25	0.70	37.25	18.39	0.04	0.50
Parth Façade Solutions Pvt.Ltd		-	-	-	-	101.99	-
Mr. Narendra Sharma		-	-	-	62.44	0.46	0.51
Mr. Radheshyam Shivchand Sharma		30.67	16.33	77.50	124.33	18.60	6.03
Mr.Raman Sharma		9.08	16.05	15.55	216.88	24.88	24.00
Mr. Rohit Sharma		2.81	0.42	1.20	120.63	2.00	60.00
Mr. Shivchand sharma		-	-	-	98.04	1.71	0.34
Mrs. Dropadi Sharma		-	-	-	66.53	1.11	0.02
Mrs. Gayatri Sharma		-	-	-	102.35	0.24	-
Mrs. Priti Sharma		-	-	-	64.12	110.83	32.76
Ms. Vedika Sharma		-	-	46.00	18.35	0.48	-
Mrs. Anjana Radheshyam Sharma		12.00	18.71	27.20	215.07	235.17	65.90
Radheshyam S Sharma HUF		0.10	-	40.00	25.00	-	-
Shivchand Sharma HUF		-	-	20.00	-	-	-
Raman S Sharma HUF		-	-	46.00	60.00	-	-
Innovators Façade Solutions Pvt.Ltd	Advance From Customers	-	465.39	-	-	-	-
Jolly Multitrade Pvt. Ltd	Allotment of Equity Shares against Loan	-	-	-	1,500.01	-	-
Parth Façade Solutions Pvt.Ltd	Unsecured Loan Received back	-	-	-	101.99	-	-
Innovators Façade Solutions Pvt.Ltd	Sales From Work Contract & Façade Materials(including unbilled revenue)	600.53	547.78	-	-	-	-
Innovators Façade Solutions Pvt.Ltd	Job work Charges (Income)	-	96.77	-	-	-	-

#### B. Balance outstanding of Related Parties

Name of the Party	12/31/2017	3/31/2017	3/31/2016	3/31/2015	3/31/2014	3/31/2013
<b>Unsecured Loan Payable</b>						
Innovators Façade Solutions (Mumbai) Pvt.Ltd	727.98	728.23	729.50	729.50	1.00	-
Innovators Façade Solutions Pvt.Ltd	1,500.00	1,500.00	1,500.00	97.75	1.00	-
Jolly Multitrade Pvt.Ltd	183.80	184.05	184.75	185.00	1,077.67	1,419.44
Parth Façade Systems Pvt Ltd	-	-	-	-	35.00	-
Mr. Radheshyam Shivchand Sharma	201.87	181.54	195.86	131.00	194.59	196.69
Mr. Narendra Sharma	-	-	-	-	62.44	47.65
Ms. Priti Sharma	-	-	-	-	60.12	-
Mr.Raman Sharma	-	0.90	0.95	-	141.88	121.17
Mrs. Anjana Radheshyam Sharma	168.72	116.72	95.59	98.00	93.72	33.39
Mr. Rohit Sharma	0.93	3.74	4.16	-	-	-
Radheshyam S Sharma HUF	4.90	5.00	5.00	-	-	-
Mr. Vedika Sharma	-	-	-	-	18.35	3.83
Mrs. Gayatri Sharma	-	-	-	-	102.35	87.59
Mr. Shivchand sharma	-	-	-	-	98.04	30.69
Mrs. Dropadi Sharma	-	-	-	-	66.53	41.73
<b>Trade Receivable</b>						
Innovators Façade Solutions Pvt.Ltd	-	-	113.00	-	-	-



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<b>Unbilled Revenue Outstanding</b>	-	-	-	-	-	-
Innovators Façade Solutions Pvt.Ltd	500.53	-	-	-	-	-
<b>Loans and Advances Outstanding</b>						
Innovators Façade Solutions (Mumbai) Pvt.Ltd	284.00	284.00	284.00	284.00		
Innovators Façade Solutions Pvt.Ltd	-	-	-	-	160.00	160.00
Innovators Façade Solutions (Bangaluru) Pvt.Ltd.	0.95	-	-	-	-	-
<b>Trade Payables</b>						
Parth Façade Solutions Pvt.Ltd	-	70.08	-	-	-	-
<b>Other Receivable(Advance against salary &amp; rent)</b>						
Mr. Raman Sharma	-	3.53	1.05	-	-	0.42
Mrs. Gayatri Sharma	-	0.24	-	-	-	-
<b>Advance to Suppliers</b>						
Parth Façade Solutions Pvt.Ltd	35.91	-	2.51	-	101.99	-
<b>Advance from Customers</b>						
Innovators Façade Solutions Pvt.Ltd	1,130.77	465.39	-	-	-	-
<b>Other Payable</b>						
Parth Façade Solutions Pvt.Ltd	-	-	-	-	12.42	-
Jolly Multitrade Pvt.Ltd - Deposit Received	-	-	-	-	341.73	-
Mrs. Anjana Sharma	4.86	3.88	4.28	1.83	-	1.62
Mr. Narendra Sharma	2.76	1.68	7.00	3.37	-	1.08
Mr. Radheshyam S Sharma	3.98	2.27	0.81	3.18	-	0.60
Mr. Rohit Sharma	11.65	7.11	8.52	-	(0.46)	-
Mr. Raman Sharma	6.26	4.97	3.24	3.54	0.21	0.60
Mr. Shivchand Sharma	-	0.25	0.32	1.08	(0.20)	-
Mrs. Dropadi Sharma	3.16	6.14	4.48	1.56	-	0.60
Mrs. Gayatri Sharma	-	-	0.76	1.57	-	-
Mrs. Priti Sharma	4.42	5.35	3.01	3.72	0.49	0.60

Note : Related parties were identified by the management of the company and relied upon by the peer Auditor





**CONSOLIDATED STATEMENT OF CAPITALISATION**

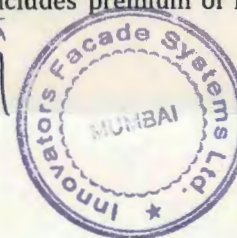
**ANNEXURE - Z**

**(Amt. in lakh Rs.)**

<b>Particulars</b>	<b>Pre Issue 31-12-2017</b>	<b>Post Issue</b>
Debt		
Short Term Debt		3,323.42
Long Term Debt		2,088.93
Total Debt		5,412.35
Shareholders' Fund (Equity)		
Share Capital		1,320.70
Reserves & Surplus		7,175.41
Less: Miscellaneous Expenses not w/off		-
Total Shareholders' Fund (Equity)		8,496.11
Long Term Debt/Equity		0.25
Total Debt/Equity		0.64

**Notes:**

1. Short term Debts represent which are expected to be paid/payable within 12 months and excludes installment of term loans repayable within 12 months.
2. Long term Debts represent debts other than Short term Debts as defined above but includes installment of term loans repayable within 12 months grouped under other current liabilities
3. The figures disclosed above are based on restated statement of Assets and Liabilities of the Company as at 31/12/2017.
4. The Company has made Preferential allotment of 15,32,258 Equity shares at Rs. 62 each which includes Share Premium of Rs. 52/- on 07th March 2018 to non promoters. Further Company has allotted 1389000 Equity shares dated 24-feb - 2018 to promoter or promoter group company at Rs. 72 each, which includes premium of Rs 62 each, against conversion of unsecured loans.



## RESTATED CONSOLIDATED SUMMARY STATEMENT OF CONTINGENT LIABILITIES

(Amt. in lakh Rs.)

Particulars	As at					
	31-12-2017	31-03-2017	31-03-2016	31-03-2015	31-03-2014	31-03-2013
Contingent liabilities in respect of:						
Claims against the company not acknowledged as debts	-	-	-	-	-	-
Guarantees given on Behalf of the Company	3,017.81	2,436.03	1,317.67	2,100.03	2,537.55	2,109.30
Guarantees given on Behalf of the Subsidiary Company	-	-	-	-	-	-
Disputed Income Tax Liabilities	-	-	-	483.08	483.08	-
Disputed VAT Liabilities	9.72	9.72	9.72	9.72	9.72	-
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2006-07	3.38	3.38	3.38	3.38	3.38	3.38
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2011-12	16.24	16.24	16.24	16.24	16.24	16.24
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	6.89	6.89	6.89	6.89	6.89	6.89
Outstanding TDS Defaults for (Earlier Years)	39.50	39.50	39.50	39.50	39.50	39.50
Outstanding TDS Defaults for FY 2015-16	1.91	1.91	1.91	-	-	-
Outstanding TDS Defaults for FY 2016-17	4.88	4.88	-	-	-	-
Outstanding TDS Defaults for FY 2017-18	0.15	-	-	-	-	-
Commitments (to the extent not provided for)	-	-	-	-	-	-
Estimated amount of contracts remaining to be executed on capital account and not provided	-	-	-	-	-	-
Uncalled liability on shares and other investments partly paid	-	-	-	-	-	-
Other commitments	-	-	-	-	-	-
<b>Total</b>	<b>3,100.48</b>	<b>2,518.55</b>	<b>1,395.31</b>	<b>2,658.84</b>	<b>3,096.36</b>	<b>2,175.31</b>

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.

2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.





## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

*You should read the following discussion of our financial condition and results of operations together with our Restated Consolidated Financial Statements which are included in this Red Herring Prospectus. The following discussion and analysis of our financial condition and results of operations are based on our Restated Consolidated Financial Statements for the period ended December 31, 2017 and for the years ended March 31, 2017, March 31, 2016 and March 31, 2015, including the related notes and reports, included in this Red Herring Prospectus is prepared in accordance with requirements of the Companies Act and restated in accordance with the SEBI Regulations, which differ in certain material respects from IFRS, U.S. GAAP and GAAP in other countries. Our Consolidated Financial Statements, as restated have been derived from our audited statutory financial statements. Accordingly, the degree to which our Restated Consolidated Financial Statements will provide meaningful information to a prospective investor in countries other than India is entirely dependent on the reader's level of familiarity with Indian GAAP, Companies Act, SEBI Regulations and other relevant accounting practices in India.*

*This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those described under "Risk Factors" and "Forward Looking Statements" beginning on pages 21 and 20, respectively, and elsewhere in this Red Herring Prospectus.*

*Our Fiscal ends on March 31 of each year. Accordingly, all references to a particular Fiscal are to the 12 months ended March 31 of that year.*

### OVERVIEW

Incorporated in 1999, our Company, "Innovators Façade Systems Limited" is engaged in designing, engineering, fabrication and installation of façade systems. We believe in offering total solutions to our customers with respect to their requirement of façade installation in complex projects. We specialise in technically demanding facades. We offer various range of products to meet the demands of our customers. With an operating history of more than eighteen years, we have developed a brand image for ourselves in the façade industry.

Our Company is promoted by Radheshyam Sharma and Jolly Multitrade Private Limited. Our Promoter Radheshyam Sharma has an experience of more than two decades in the facade industry. He is the guiding force behind the strategic decisions of our Company and under his guidance we have been able to successfully execute our business strategies over the years. With his dedication and commitment along with support of the employees, our Company has been able to consistently grow over the years as evidenced by the growth in our total revenue from Rs. 7,833.22 lakhs in FY 2012-13 to Rs. 10,235.96 lakhs in FY 2016-17 as per our Restated Standalone Financial Statements. It is the vision of our Promoters to be a globally recognised and respected innovative structure enveloping solution providers.

Our manufacturing facility is situated at Wada, Maharashtra and is spread over 1,25,000 square feet. We execute end to end fabrication of our product i.e. from designing of facades to dispatching. Our product basket ranges from glazing /curtain walls , high end doors & windows , skylights , canopies, louver, stone cladding, metal cladding, roofing, & others. We believe in qualitative manufacturing and offer facades which are resistant against UV rays, acidic rain, dust, noise and others. The registered office of our Company is situated at Mumbai and we have 5 branch offices across India to aid our operations. We have a widespread presence and are executing projects in various states such as Goa, Haryana, Karnataka, Tamil Nadu and Uttar Pradesh . At present, our major contracts are being executed in the state of Maharashtra.

Customer satisfaction has been one of our key goals since inception. Over the year, we have executed around 200 projects and had long standing reputed clients across the construction industry. We have offered our services for varied type of construction projects including residential buildings, commercial complexes, IT Parks, airports, retail and pharma projects. Our recognised list of clients include M/s. Hiranandani Realtors Pvt. Ltd., M/s. Relcon Infraprojects Limited, M/s. Larsen & Toubro Limited, M/s. Grauer & Weil (I) Limited etc. among others. We have also developed relations with some of the recognised suppliers in

our industry to fulfil our raw material supplies. Our Company has been ISO 9001: 2015 certified for design, marketing, fabrication and installation of our products. We believe in gaining customer satisfaction through process enhancements and constant innovation in our services.

For our innovative solutions and services we have been awarded with Certificate of Excellence by Construction Week India Awards 2012, certificate of appreciation by Construction Week India Awards 2015. We have also been acknowledged by our clients for our services at various occasions in the past, for example we have been conferred with Certificate of Achievement for achieving more than 9000 sq.mt. Aluminium structure and façade work without any loss time injury during the construction of a project executed between November 2014 to October 2015 by L&T Construction. As on the date of the RHP, we are member of IGBC Council – Green Building.

From FY 2012-13 to FY 2016-17, as per our Restated Standalone Financial Statements, i) our total revenue has shown growth from Rs. 7,833.22 lakhs to Rs. 10,235.96 lakhs, representing a CAGR of 6.91% ii) our EBITDA has shown growth from Rs. 795.79 lakhs to Rs. 1,150.14 lakhs, representing a CAGR of 9.64% iii) our profit after tax was Rs. 232.48 lakhs in FY 2013 and 186.01 lakhs in FY 2017. Our restated total revenue, EBITDA and profit after tax for the nine months ended December 31, 2017 was Rs. 12,630.01 lakhs, Rs. 1,721.63 lakhs and Rs. 575.49 lakhs respectively, with an EBITDA margin of 13.63% and PAT margin of 4.56%.

### **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD**

In the opinion of the Board of Directors of our Company, since the date of the last consolidated financial statements disclosed in this Red Herring Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. The members of our company approved proposal of Board of Directors to convert company from Private Limited to Public Limited in the meeting held on January 29, 2018.
2. The Board of our Company has approved to raise funds through initial public offering in the meeting held on February 16, 2018. The members of our company approved proposal of Board of Directors to raise funds through initial public offering in the extra ordinary general meeting held on February 17, 2018.
3. The members of our Company approved in their meeting held on February 17, 2018 to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital of the company and free reserve, that is to say, reserves not set apart for any specific purposes, provided that the total outstanding amount so borrowed, shall not at any time exceed the limit of Rs. 200.00 crores.
4. The members of our company approved proposal of Board of Directors to increase authorized capital of company from Rs. 1,700.00 lakhs to Rs. 2,100.00 Lakhs in the meeting held on February 21, 2018.
5. Further issue of 13,89,000 Equity Shares by way of conversion of unsecured loan to equity shares of face value of Rs. 10/- fully paid up at an issue price of Rs 72/- per equity share on February 24, 2018.
6. Further issue of 15,32,258 Equity Shares of face value of Rs. 10/- fully paid up at a issue price of Rs 62/- per equity share on March 07, 2018.

### **FACTORS AFFECTING OUR RESULTS OF OPERATIONS**

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factors*" beginning on page 21 of this Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Our bidding and execution capability
- Cost of raw material, labour and inputs

- Availability of cost effective funding sources
- Competition from existing and new entrants
- Technological changes
- General economic and demographic changes
- Changes in laws and regulations that apply to the industry in which we operate

## **SIGNIFICANT ACCOUNTING POLICIES**

### **1. Basis of preparation of financial statements**

The Restated Consolidated Summary Statement of Assets and Liabilities of the Company as on December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, and the Restated Consolidated Summary Statement of Profit and Loss and Restated Summary Consolidated Statements of Cash Flows for the period ended on December 31, 2017 and for the year ended on March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the annexure thereto (collectively, the “Restated Consolidated Financial Statements” or “Restated Consolidated Summary Statements”) have been extracted by the management from the Audited Financial Statements of the Company for the period ended December 31, 2017 and for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the Companies Act, including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014).

### **2. Principles of Consolidation:**

The Consolidated restated Financial Statements comprise of the financial statements of Innovators Façade Systems Private Limited and its subsidiary M/s Kapindra Multitrade Private Limited, which are consolidated in accordance with Accounting Standard 21 on Consolidated Financial Statements.

The Consolidated Financial Statements relate to Innovators Façade Systems Private Limited (‘The Company’) and its Subsidiary have been prepared on the following basis:

- a. The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions.
- b. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company’s separate financial statements.
- c. The excess of cost to the Company of its investments in the subsidiary over its portion of equity of subsidiary at the dates they become subsidiary is recognized in the financial statements as goodwill/capital reserve as the case may be.
- d. The excess of Company’s portion of equity of the subsidiary over the cost to the Company of its investments at the dates it become subsidiary is recognized in the financial statements as capital reserve.
- e. Minority Interest’s share of net profit of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.

### **3. Fixed Assets**

Fixed assets are stated at historical cost less accumulated depreciation and impairment losses. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.



Subsequent expenditures related to an item of tangible asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

#### **4. Depreciation**

Depreciation on Fixed Assets has been provided on 'Written Down Value Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013. The Company has calculated depreciation through WDV method upto 31.03.2014 as per Schedule XIV of Companies Act 1956.

#### **5. Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

#### **6. Impairment of assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of amount.

#### **7. Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### **8. Inventories**

- i) Raw Material are valued at lower of Cost or net realizable value and Stores & Spares are valued at cost.
- ii) Work in Progress and Finished Goods are valued at lower of cost or net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition

#### **9. Revenue recognition**

- i) Revenue from fixed price construction contracts is recognized on the percentage of completion method, measured in proportion of the percentage of cost incurred-to-date to the total estimated contract cost.
- ii) Revenue in respect of sales is recognized on the basis of actual execution of work contracts or as and when work contracts is certified and project is completed
- iii) Unbilled Revenue is the part of work executed but not billed on the last day of Balance Sheet due to contractual obligation.
- iv) Interest income is recognized on time proportion basis.

- v) Other income is accounted for on accrual basis in accordance with Accounting Standards (AS) 9- “Revenue Recognition”.

#### **10. Foreign currency transactions**

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.
- iv) The premium in respect of forward exchange contract is amortized over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognized in the Statement of Profit & Loss.

#### **11. Employee benefits**

Defined-contribution plans:

- i) The company has no policy of encashment and accumulation of leave. Therefore, no provision of leave Encashment is required.
- ii) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- iii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet

#### **12. Segment accounting**

##### **(i) Business Segment**

- (a) The business segment has been considered as the primary segment.
- (b) The Company’s primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- (c) The Company’s primary business includes design, engineering, fabrication, supply and installation of facade systems, and accordingly this is the only segment as envisaged in Accounting Standard 17 ‘Segment Reporting’. Disclosure for Segment reporting is not applicable.

##### **(ii) Geographical Segment**

The Company operates in one Geographical Segment namely “within India” and hence no separate information for geographic segment wise disclosure is required.

#### **13. Accounting for taxes on income**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

- (i) Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.
- (ii) Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

#### **14. Contingent liabilities and provisions**

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made.

Contingent Liability is disclosed for

- a) Possible obligation which will be confirmed only by future events not wholly within the control of the Company or
- b) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.
- c) Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **15. Earnings per share:**

In determining the Earnings Per share, the company considers the net profit after tax which does not include any post tax effect of any extraordinary / exceptional item. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

#### **16. Cash flow:**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

### **DISCUSSION ON RESULT OF OPERATION**

The following discussion on results of operations should be read in conjunction with the restated consolidated financial results of our Company for the period ended December 31, 2017 and financial years ended March 2017, 2016 and 2015.

#### **OVERVIEW OF REVENUE & EXPENDITURE**

**Revenues:** Our revenue comprises of revenue from operations and other income.

##### ***Revenue from operations:***

Our revenue from operations mainly comprises of revenue from installation of façade systems at various project sites. It also consists of revenue from jobwork charges, service charges and sale of scrap.

##### ***Other Income:***

Our other income mainly comprised of interest on fixed deposits. Based on specific events, we have also accounted interest on income tax refund, profit on sale of fixed assets, foreign exchange fluctuation, insurance claim received, liabilities no longer required written back, sales tax refund and miscellaneous income as other income in the past financial periods.

### Expenditure

Our total expenditure primarily consists of comprise of cost of works contract, employee benefit expenses, finance cost, depreciation and amortizations expenses and other expenses.

**Cost of works contract:** Cost of works contract consists of cost of consumption of raw material such as glass, aluminum profiles, mild steel, GI sheet, sealant, aluminum composite panels, gasket & hardwares, etc. It also includes other direct/production expenses such as anodizing & coating charges, installation charges, transportation charges, fabrication costs, loading & unloading charges, scaffolding & equipment hire charges, performance & test charges, other execution costs, etc.

### Employee benefits expenses

Our employee benefit expenses consists of salaries & incentives, directors remuneration, contribution to PF and other funds, staff welfare expense, recruitment and training expense and provision for gratuity.

### Finance Costs

Our finance costs comprises of interest on bank borrowings, other interest charges and other borrowing costs such as bank guarantee and other charges.

### Depreciation

Tangible and intangible assets are depreciated and amortised over periods corresponding to their estimated useful lives. See “Significant Accounting Policies –Depreciation” above on page 204 of this Red Herring Prospectus.

### Other Expenses

Our other expenses primarily include administrative and other expenses such as conveyance & travelling expenses, rent and maintenance expenses, advertisement and sales promotion expenses, miscellaneous expenses, legal & professional charges, vehicle maintenance & fuel expenses, repairs & maintenance expenses, communication expenses, electricity charges, insurance charges, security charges among others.

### Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company’s restated consolidated financial statements, in each case stated in absolute terms and as a percentage of total revenue:

*Amount (Rs. In Lakhs)*

Particulars`	For the period ended December 31, 2017	For the Year ended March 31,		
		2017	2016	2015
<b>Total Revenue:</b>				
Revenue from operations	12,588.61	10,023.51	9,243.30	9,121.76
As a % of Total Revenue	99.67%	97.92%	97.93%	99.10%
Other income	41.40	212.45	195.58	83.16
As a % of Total Revenue	0.33%	2.08%	2.07%	0.90%
<b>Total Revenue</b>	<b>12,630.01</b>	<b>10,235.96</b>	<b>9,438.88</b>	<b>9,204.92</b>
<b>Expenses:</b>				
Cost of works contract	8,169.72	9,397.06	6,688.33	6,911.45
As a % of Total Revenue	64.68%	91.80%	70.86%	75.08%
Changes in inventories of work in progress	1,453.15	(1,913.20)	603.64	(103.01)
As a % of Total Revenue	11.51%	(18.69)%	6.40%	(1.12)%

Particulars`	For the period ended December 31, 2017	For the Year ended March 31,		
		2017	2016	2015
Employee benefit expenses	901.17	1,004.85	811.10	787.12
As a % of Total Revenue	7.14%	9.82%	8.59%	8.55%
Finance costs	672.68	618.98	597.36	561.36
As a % of Total Revenue	5.33%	6.05%	6.33%	6.10%
Depreciation and amortization expense	176.94	248.70	204.68	247.16
As a % of Total Revenue	1.40%	2.43%	2.17%	2.69%
Other expenses	384.46	599.55	281.06	330.18
As a % of Total Revenue	3.04%	5.86%	2.98%	3.59%
<b>Total Expenses</b>	<b>11,758.11</b>	<b>9,955.96</b>	<b>9,186.17</b>	<b>8,734.28</b>
As a % of Total Revenue	93.10%	97.26%	97.32%	94.89%
<b>Profit before exceptional, extraordinary items and tax</b>	<b>871.90</b>	<b>280.00</b>	<b>252.71</b>	<b>470.64</b>
As a % of Total Revenue	6.90%	2.74%	2.68%	5.11%
Exceptional items	-	-	-	-
<b>Profit before extraordinary items and tax</b>	<b>871.90</b>	<b>280.00</b>	<b>252.71</b>	<b>470.64</b>
As a % of Total Revenue	6.90%	2.74%	2.68%	5.11%
Extraordinary items	-	-	-	-
<b>Profit before tax</b>	<b>871.90</b>	<b>280.00</b>	<b>252.71</b>	<b>470.64</b>
PBT Margin	6.90%	2.74%	2.68%	5.11%
<b>Tax expense :</b>				
(i) Current tax	310.09	109.05	95.44	172.23
(ii) Deferred tax	(13.56)	(11.05)	(8.60)	(15.32)
(iii) MAT Credit	-	-	-	-
<b>Total Tax Expense</b>	<b>296.53</b>	<b>98.00</b>	<b>86.84</b>	<b>156.92</b>
% of total revenue	2.35%	0.96%	0.92%	1.70%
<b>Net profit after tax before minority interest</b>	<b>575.37</b>	<b>182.00</b>	<b>165.87</b>	<b>313.73</b>
% of total revenue	4.56%	1.78%	1.76%	3.41%
Share of Profit/(Loss) transferred to Minority Interest	(0.00)	(0.00)	(0.00)	(0.00)
% of total revenue	(0.00)%	(0.00)%	(0.00)%	(0.00)%
<b>Profit for the period/ year</b>	<b>575.37</b>	<b>182.00</b>	<b>165.87</b>	<b>313.73</b>
% of total revenue	4.56%	1.78%	1.76%	3.41%

## REVIEW OF NINE MONTH ENDED DECEMBER 31, 2017

### Revenue from operations

Our revenue from operations was Rs 12,588.61 lakhs which was about 99.67% of the total revenue for the period of nine months ended December 31, 2017. The revenue from operations consisted of revenue of Rs. 12,471.72 lakhs from installation of façade systems at our various ongoing project sites at Haryana, Maharashtra, Tamil Nadu, Hyderabad, etc. We have mainly executed commercial projects and projects for hotel industry during this period. Our revenue from operations for the nine months period ended December 31, 2017 also consisted of revenue from service charges of Rs. 82.79 lakhs and sale of scrap of Rs. 34.10 lakhs.

### Other Income

Our other income was Rs 41.40 lakhs which is 0.33% of our total revenue. Our other income comprised of income from interest on fixed deposit of Rs. 40.04 lakhs; profit on sale of fixed assets of Rs. 1.17 lakhs and foreign exchange fluctuation gain of Rs. 0.19 lakhs.

### Expenditure



Our total expenditure primarily consists of cost of works contract, changes in inventories of work in progress, finance cost, employee benefit expenses, depreciation and other expenses.

### **Direct Expenditure**

Our direct expenditure was Rs 9622.87 lakhs which is 76.19% of our total revenue for the nine months period ended December 31, 2017. Our direct expenditure can be divided as follows:

#### ***Costs of works contracts***

Our costs of works contracts amounted to Rs. 8,169.72 lakhs which was 64.68% of our total revenue for the nine months ended December 31, 2017. It consisted of costs of raw materials consumed of Rs. 6,838.37 lakhs and direct/production expenses of Rs. 1,331.35 lakhs. Our raw material expenditure mainly consists of cost of consumption of glass, ACP, aluminum profiles, sealant, GI sheet, mild steel, gasket & hardwares, etc. required in our manufacturing process whereas our direct/production expenses mainly included anodizing & coating charges of Rs. 333.97 lakhs, installation charges of Rs. 294.64 lakhs, transportation charges of Rs. 101.15 lakhs, fabrication costs of Rs. 146.64 lakhs, loading & unloading charges of Rs. 142.20 lakhs, scaffolding & equipment hire charges of Rs. 117.85 lakhs, performance & test charges of Rs. 38.00 lakhs, other execution costs of Rs. 156.91 lakhs, among others.

#### ***Changes in inventories of work in progress***

Our changes in inventories of work in progress amounted to Rs. 1,453.15 lakhs which was 11.51% of our total revenue for the nine months ended December 31, 2017. This was due to lower level of work in progress inventory maintained at our end.

### **Employee benefits expense**

Our employee benefits expense was Rs 901.17 lakhs which is 7.14% of our total revenue for the period ended December 31, 2017 and primarily comprise of director's remuneration of Rs. 37.10 lakhs, salaries and incentives of Rs. 803.90 lakhs, contribution to PF and other funds of Rs. 37.71 lakhs, staff welfare expense of Rs. 15.13 lakhs, recruitment and training expenses of Rs. 0.74 lakhs and provision for gratuity of Rs. 6.59 lakhs.

### **Finance Costs**

Our finance costs was Rs 672.68 lakhs which is 5.33% of our total revenue for the period ended December 31, 2017 and mainly includes interest on bank borrowings of Rs. 299.74 lakhs, other interest charges of Rs. 17.90 lakhs and bank guarantee and other charges of Rs. 355.05 lakhs.

### **Depreciation**

Depreciation expenses was Rs 176.94 lakhs which is 1.40% of our total revenue for the period ended December 31, 2017 and mainly includes depreciation on tangible assets like building, plant and machinery, vehicles, etc.

### **Other Expenses**

Other expenses was Rs 384.46 lakhs which is 3.04% of our total revenue for the period ended December 31, 2017 which mainly includes administrative and selling expenses such as conveyance and travelling expenses of Rs. 89.81 lakhs, rent & maintenance expenses of Rs. 53.54 lakhs, miscellaneous expenses of Rs. 42.40 lakhs, advertisement and sales promotion expenses of Rs. 41.86 lakhs, legal & professional fees of Rs. 38.24 lakhs, vehicle maintenance & fuel expenses of Rs. 26.84 lakhs, repair & maintenance – other expenses of Rs. 22.80 lakhs among others.

### **Profit before tax**

Our Profit before tax was Rs. 871.90 lakhs which is 6.90% of our total revenue for the period of nine months ended December 31, 2017. The increase in our profit margins was attributed to execution of certain premium contracts with better margins, optimum utilization of human resources, reduction in finance cost due to reduction in interest rates and reduction in BG & LC issuance charges. Our other expenses also decreased due to reduction in sundry balances written off, rates & taxes, legal & professional fees among others.

## **Taxation expense**

Our taxation expense for the period ended December 31, 2017 was Rs. 296.53 lakhs which is 2.35% of our total revenue for the nine months ended December 31, 2017. It comprised of current taxation of Rs. 310.09 lakhs and deferred tax benefit of Rs. 13.56 lakhs.

## **Net profit after tax before minority interest**

Due to the abovementioned reasons, our Net profit after tax before minority interest was Rs. 575.37 lakhs which is 4.56% of our total revenue for the period of nine months ended December 31, 2017.

## **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016**

### **Total Revenue**

Our total revenue increased by 8.44% to Rs. 10,235.96 lakhs for the financial year 2016-17 from Rs. 9,438.88 lakhs for the financial year 2015-16 due to the factors described below:

**Revenue from operations:** Our revenue from operations increased by 8.44% to Rs. 10,023.51 lakhs for the financial year 2016-17 from Rs. 9,243.30 lakhs for the financial year 2015-16. The increase was mainly due to increase in our business operations due to advancement in execution in our existing works contracts and obtaining of new contracts. Further we have also received job work charges of Rs. 96.77 lakhs in FY 2016-17 which was offset by decrease in sale of scrap income by Rs. 3.82 lakhs.

**Other income:** Our other income increased by 8.62% to Rs. 212.45 lakhs for the financial year 2016-17 from Rs.195.58 lakhs for the financial year 2015-16. This was mainly due to receipt of interest on income tax refund of Rs. 69.61 lakhs, foreign exchange fluctuation gain of Rs. 0.56 lakhs. The increase was offset by decrease in sales tax refund of Rs. 34.93 lakhs, interest on fixed deposit of Rs. 6.80 lakhs, insurance claim received of Rs. 4.30 lakhs and liabilities no longer required written back by Rs. 7.28 lakhs.

### **Total Expenses**

Our total expenses increased by 8.38% to Rs. 9,955.96 lakhs for the financial year 2016-17 from Rs.9,186.17 lakhs for the financial year 2015-16, due to the factors described below:

### **Direct Expenditure**

Our direct expenditure increased by 2.63% from Rs. 7,291.96 lakhs in FY 2015-16 to Rs. 7,483.87 lakhs in FY 2016-17. The direct expenditure can be divided into:

**Costs of works contracts:** Our costs of works contracts increased by 40.50% from Rs. 6,688.33 lakhs in FY 2015-16 to Rs. 9,397.06 lakhs in FY 2016-17. Our costs of raw material consumed increased from Rs. 5,084.46 lakhs in FY 2015-16 to Rs. 7,644.37 lakhs in FY 2016-17. The increase in raw material consumption was due to increase in our business operations. Our direct/production expenses increased from Rs. 1,603.87 lakhs in FY 2015-16 to Rs. 1,752.69 lakhs in FY 2016-17 due to increase in anodizing coating charges of Rs. 203.46 lakhs, fabrication cost of Rs. 215.41 lakhs, transportation charges of Rs. 76.17 lakhs, performance & test charges of Rs. 63.51 lakhs, other execution cost of Rs. 35.66 lakhs and loading and unloading charges of Rs. 32.45 lakhs. The increase was offset by decrease in installation charges of Rs. 391.68 lakhs and scaffolding & equipment hire charges of Rs. 86.16 lakhs.

**Changes in inventories of work in progress:** Our changes in inventories of work in progress was (416.95)% to Rs. (1,913.20) lakhs for the financial year 2016-17 from Rs. 603.64 lakhs for the financial year 2015-16. This was due to higher level of work in progress inventory maintained at our end.

**Employee benefits expenses:** Our employee benefit expenses increased by 23.89% to Rs. 1,004.85 lakhs for the financial year 2016-17 from Rs. 811.10 lakhs for the financial year 2015-16. The increase was mainly due to increase in salaries & incentives by Rs. 175.98 lakhs, directors remuneration by Rs. 4.98 lakhs, contribution to provident and other fund by Rs. 1.66 lakhs, staff welfare expenses by Rs. 7.67 lakhs and provision for gratuity by Rs. 3.81 lakhs. This was offset by slight decrease in recruitment & training expenses by Rs. 0.35 lakhs. Increase in our salary & wages was mainly due to increase in number of employees as well as increase in salaries and wages of employees.

**Finance costs:** Our finance costs increased by 3.62% to Rs. 618.98 lakhs for the financial year 2016-17 from Rs. 597.36 lakhs for the financial year 2015-16. The increase was mainly on account of increase in bank guarantee and other charges by Rs. 80.45 lakhs. This was offset by decrease in interest on bank borrowings by Rs. 28.33 lakhs and decrease in other interest expenses by Rs. 30.49 lakhs. Decrease in interest expense was primarily due to lower utilization of our borrowings and decrease in interest rate.

**Depreciation and amortisation expense:** Our depreciation and amortization expense increased by 21.51 % to Rs. 248.70 lakhs for the financial year 2016-17 from Rs. 204.68 lakhs for the financial year 2015-16. Our gross block increased to Rs 2,757.87 lakhs in the financial year 2016-17 from Rs. 2,529.20 lakhs in the financial year 2015-16.

**Other expenses:** Our other expenses increased by 113.32% to Rs.599.55 lakhs for the financial year 2016-17 from Rs. 281.06 lakhs for the financial year 2015-16. The increase was mainly due to sundry balances w/off of Rs. 95.42 lakhs, legal & professional charges by Rs 51.52 lakhs, rates & taxes by Rs. 38.62 lakhs, rent & maintenance expenses by Rs. 32.40 lakhs, conveyance & travelling expenses by Rs. 25.98 lakhs, vehicle maintenance & fuel expenses by Rs 23.72 lakhs among others in the financial year 2016-17. However, the increase was offset by slight decrease in commission & brokerage expenses by Rs. 1.34 lakhs and repairs & maintenance -machinery charges by Rs 0.58 lakhs in the financial year 2016-17.

**Profit before tax:** Our profit before tax increased by 10.80% to Rs. 280.00 lakhs for the financial year 2016-17 from Rs. 252.71 lakhs for the financial year 2015-16. The increase was mainly due to increase in our business operations.

**Tax expenses:** Our tax expenses increased by 12.85% to Rs. 98.00 lakhs for the financial year 2016-17 from Rs. 86.84 lakhs for the financial year 2015-16 which was due to increase in current tax expense by Rs 13.61 lakhs. This was offset by an increase in deferred tax benefit of Rs. 2.45 lakhs in FY 2016-17.

**Net profit after tax before minority interest:** Our profit after tax before minority interest increased by 9.72% to Rs.182.00 lakhs for the financial year 2016-17 from Rs.165.87 lakhs for the financial year 2015-16 due to reasons mentioned above

## **COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015**

### **Total Revenue**

Our total revenue increased by 2.54% to Rs. 9,438.88 lakhs for the financial year 2015-16 from Rs. 9,204.92 lakhs for the financial year 2014-15 due to the factors described below:

**Revenue from operations:** Our revenue from operations increased by 1.33% to Rs. 9,243.30 lakhs for the financial year 2015-16 from Rs. 9,121.76 lakhs for the financial year 2014-15. The increase was mainly due to slight increase in revenue from installation of façade systems i.e. by Rs. 129.50 lakhs which was offset by decrease in sale of scrap income by Rs. 7.96 lakhs. As explained by our management, during FY 2015-16, there was a downturn in real estate sector and consequently our Industry also faced adverse market conditions and hence we were only able to expand our revenue from operations marginally.

**Other income:** Our other income increased by 135.18% to Rs. 195.58 lakhs for the financial year 2015-16 from Rs.83.16 lakhs for the financial year 2014-15. This was mainly due to liabilities no longer required of Rs. 90.78 lakhs being written back, receipt of sales tax refund of Rs. 34.93 lakhs. The increase was offset by decrease in interest on fixed deposits by Rs. 11.02 lakhs, insurance claim receipts by Rs. 1.58 lakhs and absence of profit on sale of fixed assets in FY 2015-16 as against a profit of Rs. 0.68 lakhs in FY 2014-15.

### **Total Expenses**

Our total expenses increased by 5.17% to Rs. 9,186.17 lakhs for the financial year 2015-16 from Rs.8,734.28 lakhs for the financial year 2014-15, due to the factors described below:

### **Direct Expenditure**

Our direct expenditure increased by 7.10% from Rs. 6,808.45 lakhs in FY 2014-15 to Rs. 7,291.96 lakhs in FY 2015-16. The direct expenditure can be divided into:

**Costs of works contracts:** Our costs of works contracts decreased by 3.23% to Rs. 6,688.33 lakhs in FY 2015-16 from Rs. 6,911.45 lakhs in FY 2014-15. Our costs of raw material consumed decreased to Rs. 5,084.46 lakhs in FY 2015-16 from Rs. 5,168.89 lakhs in FY 2014-15. Our raw material consumption decreased slightly in FY 2015-16 due to stagnant growth in our business operations in the said year. Our direct/production expenses decreased to Rs. 1,603.87 lakhs in FY 2015-16 from Rs. 1,742.57 lakhs in FY 2014-15 due to decrease in anodizing coating charges of Rs. 133.34 lakhs, transportation charges of Rs. 105.92 lakhs, performance & test charges of Rs. 31.72 lakhs and installation charges of Rs. 12.42 lakhs. The decrease was offset by increase in fabrication cost of Rs. 29.36 lakhs, loading & unloading charges of Rs. 9.86 lakhs, scaffolding & equipment hire charges of Rs. 51.70 lakhs and other execution cost of Rs. 53.78 lakhs.

**Changes in inventories of work in progress:** Our changes in inventories of work in progress was (686.01)% to Rs. 603.64 lakhs for the financial year 2015-16 from Rs. (103.01) lakhs for the financial year 2014-15. This was due to lower level of work in progress inventory maintained at our end.

**Employee benefits expenses:** Our employee benefit expenses increased by 3.05% to Rs. 811.10 lakhs for the financial year 2015-16 from Rs. 787.12 lakhs in FY 2014-15. The increase was mainly due to slight increase in salaries & incentives by Rs. 19.79 lakhs, directors' remuneration by Rs. 0.06 lakhs, contribution to provident and other fund by Rs. 6.52 lakhs, staff welfare expenses by Rs. 0.22 lakhs and recruitment & training expenses by Rs. 0.81 lakhs. This was partially offset by decrease in provision for gratuity expenses by Rs. 3.42 lakhs.

**Finance costs:** Our finance costs increased by 6.41% to Rs. 597.36 lakhs for the financial year 2015-16 from Rs. 561.36 lakhs for the financial year 2014-15. The increase was mainly on account of increase in bank guarantee and other charges by Rs. 18.64 lakhs and other interest charges by Rs. 22.63 lakhs. This was offset by decrease in interest on bank borrowings by Rs. 5.27 lakhs. Increase in finance costs was due to increase in our borrowings.

**Depreciation and amortisation expense:** Our depreciation and amortization expense decreased by 17.19 % to Rs. 204.68 lakhs for the financial year 2015-16 from Rs. 247.16 lakhs for the financial year 2014-15.

**Other expenses:** Our other expenses decreased by 14.88% to Rs. 281.06 lakhs for the financial year 2015-16 from Rs. 330.18 lakhs for the financial year 2014-15. The decrease was mainly due to decrease in conveyance & travelling expenses by Rs. 33.64 lakhs, rent & maintenance expenses by Rs. 14.75 lakhs, rates & taxes by Rs. 13.06 lakhs, sundry balance written off by Rs. 12.44 lakhs among others in FY 2015-16. The decrease was offset by increase in repairs & maintenance – others by Rs. 12.17 lakhs, miscellaneous expenses by Rs. 13.09 lakhs, repairs & maintenance – machinery by Rs. 6.15 lakhs among others in FY 2015-16.

**Profit before tax:** Our profit before tax decreased by 46.30% to Rs. 252.71 lakhs for the financial year 2015-16 from Rs. 470.64 lakhs for the financial year 2014-15. The decrease was mainly due to adverse market conditions of real estate during that period and also we have taken projects with low margin (but secured payments) and did not increase the top line which resulted into our fixed cost remaining constant and decrease in profitability.

**Tax expenses:** Our tax expenses decreased by 44.66% to Rs. 86.84 lakhs for the financial year 2015-16 from Rs. 156.92 lakhs for the financial year 2014-15 which was due to decrease in current tax expense by Rs 76.79 lakhs and decrease in deferred tax benefit by Rs. 6.72 lakhs.

**Net profit after tax before minority interest:** Our profit after tax before minority interest decreased by 47.13% to Rs.165.87 lakhs for the financial year 2015-16 from Rs.313.73 lakhs for the financial year 2014-15 due to reasons mentioned above

#### **Other Key Ratios**

The table below summaries key ratios in our Restated Financial Statements for the financial years ended March 31, 2017, 2016, 2015 and for the period ended December 31, 2017:

Particulars	For the period ended December 31, 2017	For the year ended March 31,		
		2017	2016	2015
Fixed Asset Turnover Ratio	8.97*	6.55	5.96	5.31
Debt Equity Ratio	0.98	1.05	1.08	0.77
Current Ratio	1.61	1.69	1.67	1.55
Inventory Turnover Ratio	3.74*	4.43	7.76	8.01

\*Not annualised

**Fixed Asset Turnover Ratio:** This is defined as revenue from operations divided by net fixed assets, based on Restated Consolidated Financial Statements.

**Debt Equity Ratio:** This is defined as total debt divided by total shareholder funds. Total debt is the sum of long-term borrowings, short-term borrowings and current maturities of long term debt, based on Restated Consolidated Financial Statements.

**Current Ratio:** This is defined as current assets divided by current liabilities, based on Restated Consolidated Financial Statements.

**Inventory Turnover Ratio:** This is defined as revenue from operations divided by average inventory. Average inventory is computed by dividing the sum of opening inventory and closing inventory by two, based on Restated Consolidated Financial Statements.

### Cash Flow

The table below summaries our cash flows from our Restated Consolidated Financial Information for the financial years 2017, 2016, 2015 and for the period ended December 31, 2017:

(Rs. in lakhs)

Particulars	For the period ended December 31, 2017	For the year ended March 31,		
		2017	2016	2015
Net cash (used in)/ generated from operating activities	603.48	913.40	707.91	(1,209.55)
Net cash (used in)/ generated from investing activities	(45.60)	(169.89)	(1,544.25)	158.98
Net cash (used in)/ generated from financing activities	(468.96)	(505.14)	1,300.62	293.12
Net increase/ (decrease) in cash and cash equivalents	88.92	238.37	464.28	(757.48)
Cash and Cash Equivalents at the beginning of the period	850.22	611.85	147.56	905.04
Cash and Cash Equivalents at the end of the period	939.14	850.22	611.85	147.56

### Operating Activities

Period Ended December 31, 2017

Our net cash flow generated from operating activities was Rs. 603.48 lakhs for period ended December 31, 2017. Our operating profit before working capital changes was Rs. 1,686.89 lakhs for the period ended December 31, 2017 which was primarily adjusted by income tax paid of Rs. 116.00 lakhs, decrease in inventories by Rs 113.50 lakhs, increase in trade receivables by Rs. 782.52 lakhs, increase



in short-term loans and advances by Rs. 160.76 lakhs, increase in other current assets by Rs. 1328.54 lakhs, increase in trade payables by Rs. 373.26 lakhs, increase in other current liabilities by Rs. 829.49 lakhs, increase in short term provisions by Rs. 0.06 lakhs, decrease in long term provisions by Rs 1.94 lakhs and increase in other non-current assets by Rs 9.98 lakhs.

#### *Financial year 2016-17*

Our net cash flow generated from operating activities was Rs. 913.40 lakhs for the financial year 2016-17. Our operating profit before working capital changes was Rs. 1,101.96 lakhs for the financial year 2016-17 which was primarily adjusted by payment of income tax of Rs 180.42 lakhs, increase in inventories by Rs 2,323.67 lakhs, decrease in trade receivables by Rs. 370.69 lakhs, increase in short-term loans and advances by Rs. 49.60 lakhs, decrease in other current assets by Rs 771.15 lakhs, increase in trade payables by Rs. 205.82 lakhs, increase in other current liabilities by Rs. 540.93 lakhs, decrease in short term provisions by Rs. 0.53 lakhs, decrease in long term provisions by Rs 1.42 lakhs and decrease in other non-current assets by Rs 117.65 lakhs.

#### *Financial year 2015-16*

Our net cash flow generated from operating activities was Rs. 707.91 lakhs for the financial year 2015-16. Our operating profit before working capital changes was Rs. 998.43 lakhs for the financial year 2015-16, which was primarily adjusted by payment of income tax of Rs 110.11 lakhs, decrease in inventories by Rs. 180.05 lakhs, increase in trade receivables by Rs. 681.79 lakhs, increase in short-term loans and advances by Rs. 16.55 lakhs, increase in other current assets by Rs 149.75 lakhs, decrease in trade payables by Rs 612.35 lakhs, increase in other current liabilities by Rs. 310.50 lakhs, increase in short term provisions by Rs. 0.27 lakhs, decrease in long term provisions by Rs 0.27 lakhs and decrease in other non-current assets by Rs 789.50 lakhs.

#### *Financial year 2014-15*

Our net cash used in operating activities was Rs. 1,209.55 lakhs for the financial year 2014-15. Our operating profit before working capital changes was Rs. 1,214.55 lakhs for the financial year 2014-15, which was primarily adjusted by payment of income tax of Rs. 208.32 lakhs, increase in inventories by Rs 286.11 lakhs, increase in trade receivables by Rs. ,1697.83 lakhs, decrease in short-term loans and advances by Rs. 178.90 lakhs, decrease in other current assets by Rs 1,415.58 lakhs, increase in trade payables by Rs. 290.83 lakhs, decrease in other current liabilities by Rs. 772.55 lakhs, decrease in short term provisions by Rs. 107.03 lakhs, decrease in long term provisions by Rs. 1.62 lakhs and increase in other non-current assets by Rs 1,235.96 lakhs.

### ***Investing Activities***

#### *Period Ended December 31, 2017*

Our net cash used in investing activities was Rs. 45.60 lakhs for the period ended December 31, 2017. This was primarily on account of purchase of fixed assets of Rs. 52.27 lakhs and repayment of loans and advances of Rs 36.87 lakhs which was offset by sale of fixed assets of Rs 3.50 lakhs and interest income of Rs. 40.04 lakhs.

#### *Financial year 2016-17*

Our net cash used in investing activities was Rs. 169.89 lakhs for the financial year 2016-17. This was primarily on account of purchase of fixed assets of Rs. 228.67 lakhs which was partially offset by interest income of Rs. 58.78 lakhs.

#### *Financial year 2015-16*

Our net cash used in investing activities was Rs. 1,544.25 lakhs for the financial year 2015-16. This was primarily on account of purchase of fixed assets of Rs. 36.72 lakhs, investments made during the years of Rs 1,560.41 lakhs, loans and advances made of Rs 12.69 lakhs. The increase was slightly offset by interest income of Rs. 65.57 lakhs.

#### *Financial year 2014-15*

Our net cash generated from investing activities was Rs. 158.98 lakhs for the financial year 2014-15. This was primarily on account of sale of fixed assets of Rs 1.82 lakhs, repayment of loans and advances of Rs 132.12 lakhs and interest income of Rs. 76.60 lakhs. This was partially offset by purchase of fixed assets of Rs. 51.56 lakhs.

### ***Financing Activities***

#### *Period Ended December 31, 2017*

Our net cash used in financing activities for period ended December 31, 2017 was Rs. 468.96 lakhs primarily consisting of repayment of long term borrowings of Rs 166.87 lakhs and interest paid of Rs. 672.68 lakhs. This was partially offset by increase in short term borrowings of Rs 370.59 lakhs,

#### *Financial year 2016-17*

Our net cash used in financing activities for the financial year 2016-17 was Rs. 505.14 lakhs primarily consisting of increase in short term borrowings of Rs 48.10 lakhs, increase in long term borrowings of Rs 65.74 lakhs and interest paid of Rs. 618.98 lakhs.

#### *Financial year 2015-16*

Our net cash flow generated from financing activities for the financial year 2015-16 was Rs. 1,300.62 lakhs primarily consisting of increase in short term borrowings of Rs 599.38 lakhs, increase in long term borrowings of Rs 1,298.60 lakhs and interest paid of Rs. 597.36 lakhs.

#### *Financial year 2014-15*

Our net cash flow generated from financing activities for the financial year 2014-15 was Rs. 293.12 lakhs primarily consisting of proceeds from issue of share capital of Rs 1,500.01 lakhs, increase in short term borrowings of Rs 288.51 lakhs, decrease in long term borrowings of Rs. 934.05 lakhs and interest paid of Rs. 561.36 lakhs.

### ***Financial Indebtedness***

As on December 31, 2017, the total outstanding borrowings of our Company aggregated to Rs 6,412.43 lakhs which includes long-term borrowings of Rs. 2,989.64 lakhs, short-term borrowings of Rs.3,323.42 lakhs and current maturities of long term debt of Rs.99.37 lakhs as per our Restated Consolidated Financial Statements. For further details, refer chapter titled “*Financial Indebtedness*” beginning on page 224 of this Red Herring Prospectus.

<b>Particulars</b>	<b>Amount (Rs. in lakhs)</b>
<b>Long Term Borrowings</b>	
<i>Secured</i>	
- Banks & Financial Institutions	191.45
<i>Unsecured</i>	
- Loan From Directors & their relatives	376.42
- Loan From related body corporates	2,411.77
- Loan from others	10.00
<b>Sub Total (A)</b>	<b>2,989.64</b>
<b>Short Term Borrowings</b>	
<i>Secured</i>	
- Cash Credit	3,172.89
<i>Unsecured</i>	
- Loan from others	150.53
<b>Sub Total (B)</b>	<b>3,323.42</b>
<b>Current Maturities of Long Term Borrowings (C)</b>	<b>99.37</b>
<b>Total (A)+(B)+(C)</b>	<b>6,412.43</b>

In the event, any of our lenders declare an event of default, this could lead to acceleration of our repayment obligations, termination of one or more of our financing agreements or force us to sell our assets, any of which could adversely affect our business, results of operations and financial condition.

### ***Related Party Transactions***

Related party transactions with certain of our promoters, directors and their entities and relatives primarily relates to remuneration payable, loans & advances given and taken and Issue of Equity Shares. For further details of such related parties under AS18, refer chapter titled “*Financial Statements*” beginning on page 205 of this Red Herring Prospectus.

### ***Contingent Liabilities***

We have the following contingent liabilities as of December 31, 2017, as per our Restated Consolidated Financial Statements:

<b>Particulars</b>	<b>Amount (Rs. in lakhs)</b>
Guarantees given on Behalf of the Company	3,017.81
Disputed VAT Liabilities	9.72
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2006-07	3.38
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2011-12	16.24
Outstanding Tax Demand with Respect to Income Tax Assessment year - 2012-13	6.89
Outstanding TDS Defaults for (Earlier Years)	39.50
Outstanding TDS Defaults for FY 2015-16	1.91
Outstanding TDS Defaults for FY 2016-17	4.88
Outstanding TDS Defaults for FY 2017-18	0.15
<b>Total</b>	<b>3,100.48</b>

### ***Off-Balance Sheet Items***

We do not have any other off-balance sheet arrangements, derivative instruments or other relationships with any entity that have been established for the purposes of facilitating off-balance sheet arrangements.

### ***Qualitative Disclosure about Market Risk***

#### **Financial Market Risks**

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk. We are exposed to interest rate risk, inflation and credit risk in the normal course of our business.

#### **Interest Rate Risk**

Our financial results are subject to changes in interest rates, which may affect our debt service obligations and our access to funds.

#### **Effect of Inflation**

We are affected by inflation as it has an impact on the raw material cost, wages, etc. In line with changing inflation rates, we rework our margins so as to absorb the inflationary impact.

#### **Credit Risk**

We are exposed to credit risk on monies owed to us by our customers. If our customers do not pay us promptly, or at all, we may have to make provisions for or write-off such amounts.

#### **Reservations, Qualifications and Adverse Remarks**

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 205 of this Red Herring Prospectus, there have been no reservations, qualifications and adverse remarks.

**Details of Default, if any, Including Therein the Amount Involved, Duration of Default and Present Status, in Repayment of Statutory Dues or Repayment of Debentures or Repayment of Deposits or Repayment of Loans from any Bank or Financial Institution**

Except as disclosed in chapter titled “*Financial Statements*” beginning on page 205 of this Red Herring Prospectus, there have been no defaults in payment of statutory dues or repayment of debentures and interest thereon or repayment of deposits and interest thereon or repayment of loans from any bank or financial institution and interest thereon by the Company during the period April 1, 2015 up to December 31, 2017.

**Material Frauds**

There are no material frauds, as reported by our statutory auditor, committed against our Company, in the last five Fiscals or during the period ended December 31, 2017.

**Unusual or Infrequent Events or Transactions**

As on date, there have been no unusual or infrequent events or transactions including unusual trends on account of business activity, unusual items of income, change of accounting policies and discretionary reduction of expenses.

**Significant Economic Changes that Materially Affected or are Likely to Affect Income from Continuing Operations**

Indian rules and regulations as well as the overall growth of the Indian economy have a significant bearing on our operations. Major changes in these factors can significantly impact income from continuing operations.

There are no significant economic changes that materially affected our Company’s operations or are likely to affect income from continuing operations except as described in chapter titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus.

**Known Trends or Uncertainties that have had or are expected to have a Material Adverse Impact on Sales, Revenue or Income from Continuing Operations**

Other than as described in the section titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus and in this chapter, to our knowledge there are no known trends or uncertainties that are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

**Future Changes in Relationship between Costs and Revenues, in Case of Events Such as Future Increase in Labour or Material Costs or Prices that will Cause a Material Change are known**

Other than as described in chapter titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus and in this section, to our knowledge there are no known factors that might affect the future relationship between cost and revenue.

**Extent to which Material Increases in Net Sales or Revenue are due to Increased Sales Volume, Introduction of New Products or Services or Increased Sales Prices**

Changes in revenue in the last three financial year’s are as explained in the part “*Financial Year 2016-17 compared with financial year 2015-16 and Financial Year 2015-16 Compared With Financial Year 2014-15*” above.

**Total Turnover of Each Major Industry Segment in Which the Issuer Operates**

Our business is limited to a single reportable segment.

**Competitive Conditions**

We have competition with Indian and international manufacturers and our results of operations could be affected by competition in the facade industry in India and international market in the future. We expect competition to intensify due to possible new entrants in the market, existing competitors further expanding their operations and our entry into new markets where we may compete with well-established

unorganized companies / entities. This we believe may impact our financial condition and operations. For details, please refer to the chapter titled “Risk Factors” beginning on page 21 of this Red Herring Prospectus.

### **Increase in income**

Increases in our income are due to the factors described above in in this chapter under “*Significant Factors Affecting Our Results of Operations*” and chapter titled “*Risk Factors*” beginning on page 21 of this Red Herring Prospectus.

### **Status of any Publicly Announced New Products or Business Segments**

Except as disclosed elsewhere in the Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

### **Significant Dependence on a Single or Few Suppliers or Customers**

Significant proportion of our revenues have historically been derived from a limited number of customers. The % of Contribution of our Company’s customer and supplier vis a vis the total revenue from operations and purchase respectively as March 31, 2017 is as follows:

	<b>Customers</b>	<b>Suppliers</b>
Top 5 (%)	72.62	58.74
Top 10 (%)	93.97	74.59

### **Seasonality of Business**

Our business and operations are affected by seasonal factors. In particular, the monsoon season in the second quarter of each Fiscal may restrict our ability to carry on activities related to our projects and fully utilize our resources. For further details please refer to the chapter titled “Risk Factors” beginning on page 21 of the RHP.



## FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from banks and others for conducting its business. Set forth is a brief summary of our Company's secured and unsecured borrowings as on December 31, 2017 as per our restated standalone financials together with a brief description of certain significant terms of such financing arrangements.

### SECURED BORROWINGS

**1. Term Loan of Rs. 500.00 lakhs from Oriental Bank of Commerce as sanction letter dated January 29, 2013**

Nature of Facility	Term Loan
Limit	Rs. 500.00 lakhs
Rate of Interest	3.25% (Bank spread) over Base rate (present Base rate of bank is 10.40 %) plus term premium of 0.50% which works out at 14.15% p.a at present with monthly rests, subject to changes in Base rate/ Spread announced by the Bank and change in policies by RBI. Penal interest at 2% p.a over and above the rate on overdrawn portion shall be applicable
Margin	25%
Security	<ul style="list-style-type: none"> <li>• Extension of charge over land and building at Wada with construction of shed at a total cost of 425.00 lakhs</li> <li>• Hypothecation of machinery and allied equipments purchased at a total cost of Rs.277.00 lakhs</li> </ul>
Repayment schedule	84 monthly Installment of RS.5.95 lakhs
Amount Outstanding as on December 31, 2017	Rs 211.59 lakhs

**2. Cash Credit Facility of Rs.2000.00 lakhs from Oriental Bank of Commerce as per Sanction Letter dated November 15, 2016**

Nature of Facility	Cash Credit
Limit	Rs. 2000 Lakhs
Rate of Interest	3.50% (Bank spread) over MCLR rate (present MCLR rate of bank is 9.40%) which works out be 12.90% at present with monthly rests ,subject to change in BR/spread from time to time.
Tenor	Repayable on demand
Margin	25%
Security	Pari-pasu first charge on hypothecation of stocks of raw materials, stock in process, finished goods, stores and spares and receivables with syndicate bank. DP shall be allowed for book debts upto 180 days only.
Amount Outstanding as on December 31, 2017	Rs 1961.62 lakhs

**3. Cash Credit Facility of Rs.1200.00 lakhs from Indian Bank as per Sanction Letter dated August 08, 2017**

Nature of Facility	Cash Credit
Limit	Rs. 1200Lakhs
Rate of Interest	3.00% (Bank spread) over MCLR rate (present MCLR rate of bank is 8.50%) which works out be 11.50% at present with monthly rests ,subject to change in BR/spread from time to time.
Tenor	Repayble on demand
Margin	25%
Security	Pari-pasu first charge on hypothecation of stocks of raw materials, stock in process, finished goods, stores and spares and receivables with syndicate bank. DP shall be allowed for book debts upto 180 days only.
Amount Outstanding as on December 31, 2017	Rs 1211.27 lakhs

**4. Sanctioned Term loan from Relaince Capital Limited against hypothecation of of equipment as per sanction letter dated March 23, 2017\***

Nature of Facility	Term Loan against hypothecation of equipments
Limit	Rs.200 Lakhs
Rate of Interest	The applicable rate of interest will be 13.00% and same will be floating basis and subject to revsion from tiem to time.
Tenor	48 months
Repayment	Monthly instalments of Rs. 5.36 lakhs subject to revision from time to time.
Purpose	To purchase the security /equipments as mentioned below in the Security template.
Security	<ul style="list-style-type: none"> <li>One unit of profile machining center having model no SBZ 140 proposed to be financed and valued at Rs. 200.89 lakhs inclusive of all taxes as per the proforma invoie by Elumatec</li> <li>Two units of 400KVA/320 KVA greaves make CPCB-II DG set having model no 12V14TAG23 proposed to be financed and valued at rs. 41.76 lakhs inclusive of all taxes as per the proforma invoie by laxmi technologies</li> <li>One unit of ACE make 12 tons capacity articulated hydraulic crane proposed to eb financed and valued at rs. 12.99 lakhs inclusive of all taxes as per the proforma invoice by Action Construction Equipment limited</li> <li>One unit of 200 tons of hydraulic press machine proposed to be finance and valued at Rs 15.94 lakhs inclusive of all the taxes as per the proforma invoice issued by Rajeshri Enterprises.</li> </ul>

Nature of Facility	Term Loan against hypothecation of equipments
	<ul style="list-style-type: none"> <li>One unit of notching saw machine having model no ALFA proposed to be finance and valued at Rs 16.51lakhs inclusive of all the taxes as per the proforma invoice issued by LGF Sysmac India Private Limited</li> </ul>

\*As on December 31, 2017 we have not disbursed the sanctioned amount from the said loan hence the outstanding amount is nil.

#### 5. Non fund Based

Nature of Facility	Letter of credit
<b>Standby Letter of credit (sublimit to BG) of Rs225.00 lakhs from Oriental bank of Commerce sanction letter dated November 15, 2016</b>	
Limit	Rs 225.00 lakhs
Margin	20% in the shape of un-encumbered duly discharged FDRs/CDRs
Security	As applicable to other working capital limits
<b>Letter of Credit (import/inland) Facility of Rs.1600.00 lakhs from Oriental Bank of Commerce as per sanction letter dated November 15, 2016</b>	
Limit	Rs 1600.00 lakhs
Sub limit	Rs. 150.00 lakhs buyers credit as submit as LC
Margin	15% in the shape of un-encumbered duly discharge FDRs/CDRs.(along with interest accrued thereon)
Security	<ul style="list-style-type: none"> <li>Documents of title to goods in case of L/C on DP basis</li> </ul> <p>Hypothecation charge over the goods in case of L/C on DA basis and the documents shall be delivered against trust receipt</p>
<b>Inland/Foreign Bank Guarantee (performance/Financial) of Rs 3500.00 lakhs from Oriental Bank of Commerce sanction letter dated November 15, 2016</b>	
Limit	Rs. 3500.00 lakhs Foreign Bank Guarantee to be Restricted upto Rs. 700.00 lakhs
Margin	<ul style="list-style-type: none"> <li>Financial:20%</li> <li>Performance:15%</li> </ul> <p>Margin shall be kept in the shape of unencumbered duly discharged FDRs/CDRs. Interest on FDRs/CDRs shall not be realized during the currency of guarantee facility</p>
Security	Counter guarantee of the borrower
Amount outstanding as on December 31, 2017	Rs.3017.81

#### Restrictive Covenants:

- To maintain deposits (unsecured loans) by family members, friends and relatives or directors/partners at estimated/projected level during the currency of the bank's advance

- That the names of borrower or its directors/partners or guarantor do not figure in any list of defaulters circulated by RBI or any bank and financial institution nor the name of partners/directors appear in caution list issued by RBI/CIBIL/ECGC etc.
- To declare dividend only after obtaining approval from the bank {in case of default in payment of interest/instalments of term loan}
- Not to obtain any financial assistance from any other source with express approval of the bank in writing
- Not to pay any consideration, in whatever form, to the guarantors/guaranteeing directors, either directly or indirectly(except without prior approval of the bank) for guaranteeing the credit limits sanctioned by the bank{similar undertaking shall also be obtained from the guarantors
- Not to effect any change in promoter directors or in the core management team nor any merger/acquisition/amalgamation shall be done without express permission of the bank in writing.
- Not to effect finance to associate concerns during the currency of the bank's advance without the bank's prior written consent.
- Not to effect any adverse change in the company capital structure.
- Not to implement any scheme of expansion/modernization/diversification/renovation (except normal capex) or sell any fixed assets during any accounting year, except under such scheme ,which has already been approved by the bank.
- Not to invest in shares/dentures or lend or advance funds to or place deposits with any other concern expect normal trade credit or security deposit in the normal course of business or advance to employees.
- Not to effect any upward change in the remuneration payable to the directors either in the form of sitting fees or otherwise.
- Not to create any further charge, lien or encumbrance over the assets and properties of the company/firm, charged/ to be charged to the bank, in favour of any other bank, financial institution, company, firm or person.
- To confine its entire banking business relating to activity including deposit, bill business, foreign exchange business to our bank/the member banks of the consortium/JLA (as the case may be). In case of multiple banking arrangement, pro-rata share of the banking business shall be routed through our bank.

**6. Loan of Rs. 11.61 Lakhs From ICICI Bank as per Sanction letter dated April 9, 2013.**

Nature of Facility	Auto Premium Loan
Loan Amount	Rs. 11.61 Lakhs
Rate of Interest	11.26%
Tenure	60 months
Amount Outstanding as on December 31,2017	Rs 0.84 lakhs

**7. Loan of Rs. 70.00 Lakhs From ICICI Bank as per Sanction letter dated August 30, 2016.**

Nature of Facility	Auto Premium Loan
Loan Amount	70.00
Rate of Interest	9.36%
Tenure	60 months
Amount Outstanding as on December 31,2017	Rs. 54.11 lakhs

**8. Loan of Rs. 12.11 Lakhs From ICICI Bank as per Sanction letter dated August 30, 2016.**

Nature of Facility	Auto Premium Loan
--------------------	-------------------

Loan Amount	12.11
Rate of Interest	9.40%
Tenure	60 months
Amount Outstanding as on December 31,2017	Rs 9.37 lakhs

**9. Loan of Rs. 10.50 Lakhs From Kotak Mahindra Prime Limited as per Sanction letter dated March 30, 2015.**

Nature of Facility	Auto Premium Loan
Loan Amount	Rs. 10.50 Lakhs
Rate of Interest	9.40%
Tenure	60 months
Amount Outstanding as on December 31,2017	Rs. 5.48 lakhs

**UNSECURED BORROWINGS**

**10. Business Loan of Rs. 50.00 Lakhs From Deutsche Bank as per Sanction letter dated June 20, 2015.**

Nature of Facility	Auto Premium Loan
Loan Amount	Rs 50.00 lakhs
Rate of Interest	13.20 %
Guarantee	Personal guarantee of Radheshyam Sharma and Anjana Sharma
Amount Outstanding as on December 31,2017	Rs 9.43 lakhs

Sr.No.	Name of Lender	Loan Amount (Rs. in Lakhs)
1.	Radheshyam Sharma*	201.87
2.	Rohit Sharma	0.93
3.	R.S. Sharma (HUF)	4.90
4.	Anjana Sharma*	168.72
5.	Bondwell Corporate Advisors Pvt. Ltd.	150.53
6.	Innovators Facade Solutions Pvt. Ltd	1500.00
7.	Innovators Facade Solutions (Mumbai) Pvt. Ltd.*	727.98
8.	Jolly Multitrade Pvt. Ltd.*	183.80

\* However as on February 24, 2018 unsecured loans of certain related parties amounting to Rs. 1,000.08 lakhs has been converted into Equity Share Capital.



## **SECTION VI – LEGAL AND OTHER INFORMATION**

### **OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS**

Except, as stated in this section and mentioned elsewhere in this Red Herring Prospectus there are no litigations including, but not limited to suits, criminal proceedings, civil proceedings, actions taken by regulatory or statutory authorities or legal proceedings, including those for economic offences, tax liabilities, show cause notice or legal notices pending against our Company, Directors, Promoters, Subsidiaries, Group Companies or against any other company or person/s whose outcomes could have a material adverse effect on the business, operations or financial position of the Company and there are no proceedings initiated for economic, civil or any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (a) of Part I of Schedule V of the Companies Act, 2013) other than unclaimed liabilities of our Company, and no disciplinary action has been taken by SEBI or any stock exchange against the Company, Directors, Promoters, Subsidiaries or Group Companies.

Except as disclosed below there are no i) litigation or legal actions, pending or taken, by any Ministry or department of the Government or a statutory authority against our Promoters during the last five years; (ii) direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action; (iii) pending proceedings initiated against our Company for economic offences; (iv) default and non-payment of statutory dues by our Company; (v) inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last five years against our Company and Subsidiaries including fines imposed or compounding of offences done in those five years; or (vi) material frauds committed against our Company in the last five years.

Except as stated below there are no Outstanding Material Dues (as defined below) to creditors; or (ii) outstanding dues to small scale undertakings and other creditors.

Our Board, in its meeting held on March 09, 2018 determined that outstanding dues to creditors in excess of 1% of total revenue as per our Company's Consolidated restated financials for the last audited financial statements shall be considered as material dues ("Material Dues").

Pursuant to SEBI ICDR Regulations, all other pending litigations except criminal proceedings, statutory or regulatory actions and taxation matters involving our Company, Promoters, Directors and Group Companies, would be considered 'material' for the purposes of disclosure as determined by our Board, in its meeting held on March 09, 2018 if:

- i) the aggregate amount involved in such individual litigation exceeds 1% of the consolidated profit after tax of the Company, as per the last audited financial statements; or
- ii) where the decision in one litigation is likely to affect the decision in similar litigations, even though the amount involved in such single litigation individually may not exceed 1% of the consolidated profit after tax- of the Company as per the last consolidated audited financial statements, if similar litigations put together collectively exceed 1% of the consolidated profit after tax of the Company; or
- iii) litigations whose outcome could have a material impact on the business, operations, prospects or reputations of the Company and the Board or any of its committees shall have the power and authority to determine the suitable materiality threshold for the subsequent financial years on the aforesaid basis or any other basis as may be determined by the Board or any of its committees.

Accordingly, we have disclosed all outstanding litigations involving our Company, Promoters, Directors and Group Companies which are considered to be material. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has an adverse effect on the operations or performance of our Company.

Unless otherwise stated to contrary, the information provided is as of date of this Red Herring Prospectus.

### **LITIGATIONS INVOLVING OUR COMPANY**

## LITIGATIONS AGAINST OUR COMPANY

### **Criminal Litigations**

Nil

### **Civil Proceedings**

Nil

### **Taxation Matters**

## INCOME TAX PROCEEDINGS

### **1. FOR A.Y. 2006-07**

The Income Tax Department's website under the head 'Response to Outstanding Tax Demand' displays an outstanding demand raised on May 21, 2016 under Section 220(2) of the Income Tax Act, 1961 (hereinafter referred to as the "Act") and a demand notice dated August 16, 2017 under Section 245 of the Act against Innovators Façade Systems Limited for an outstanding demand amounting to **Rs. 3,38,830/-**. The amount is currently outstanding.

### **2. FOR AY 2009-10**

The Assistant Commissioner of Income Tax, Circle-2, Thane (hereinafter referred to as the "Assessing Officer") passed an assessment order dated December 02, 2013 for AY 2009-10 and an order dated December 04, 2013 for AY 2010-11 against Innovators Facades Systems Limited (hereinafter referred to as the "Assessee"). The Joint Commissioner of Income Tax, Range-2, Thane (hereinafter referred to as the "Joint Commissioner") passed an assessment order dated March 05, 2013 against the Assessee. The Assessing Officer issued notice of demand under Section 156 of the Income Tax Act, 1961 (hereinafter referred to as the "Act") to the Assessee wherein it stated that a sum of Rs. 36,96,000/- was payable by the Assessee for AY 2011-12. The Assessee had preferred an appeal for the aforesaid impugned orders before the Office of Commissioner of Income Tax (Appeals) – 1 (hereinafter referred to as the "Appellate Authority"). Since the ground of appeals of all three impugned orders were common, the order of the appeal was combined. The Appellate Authority passed an assessment order dated September 18, 2015 wherein it stated that the Assessee was not able to establish genuineness of the purchases shown from various parties amounting to Rs. 10,69,87,060/- for the three assessment years namely 2009-10, 2010-11 and 2011-12 and hence addition of Rs. 3,40,64,343, Rs. 6,28,80,474 and Rs. 1,00,42,243 respectively was confirmed and accordingly the appeals were dismissed. Aggrieved by the impugned order passed by the Appellate Authority, the Assessee filed an appeal bearing reference no. 5450,5451 and 5452/Mum/2015 against the same before the Income Tax Appellate Tribunal (hereinafter referred to as the "Appellate Tribunal"). The Appellate Tribunal passed an order dated July 20, 2016 wherein it allowed the appeals in part. Subsequently, the proceedings for the AY 2009-10 were re-opened and a new assessment order dated December 30, 2016 was passed by the Assessing Officer wherein it assessed the income of the Assessee for AY 2009-10 at Rs. 2,50,41,530 i.e. addition of Rs. 99,00,000 was made in the returned income. The Assessee filed an appeal against the impugned order before the Commissioner of Appeals. The matter is currently pending. A penalty order dated under Section 271 (1)(c) of the Act for AY 2009-10 was passed by the Assessing Authority on March 31, 2017 wherein it levied a penalty of Rs. 2,31,570/- on the Assessee. Consequently, notice of demand under Section 156 of the Act was issued by the Assessing Officer stating that **Rs. 2,31,570/-** is payable by the Assessee. The matter is currently pending.

### **3. FOR AY 2010-11**

The Assistant Commissioner of Income Tax, Circle-2, Thane (hereinafter referred to as the "Assessing Officer") passed an assessment order dated December 02, 2013 for AY 2009-10 and an order dated December 04, 2013 for AY 2010-11 against Innovators Facades Systems Limited (hereinafter referred to as the "Assessee"). The Joint Commissioner of Income Tax, Range-2, Thane (hereinafter referred to as the "Joint Commissioner") passed an assessment order dated March 05, 2013 against the Assessee. The Assessing Officer issued notice of demand under Section 156 of the

Income Tax Act, 1961 (hereinafter referred to as the “**Act**”) to the Assessee wherein it stated that a sum of Rs. 36,96,000/- was payable by the Assessee for AY 2011-12. The Assessee had preferred an appeal for the aforesaid impugned orders before the Office of Commissioner of Income Tax (Appeals) – 1 (hereinafter referred to as the “**Appellate Authority**”). Since the ground of appeals of all three impugned orders were common, the order of the appeal was combined. The Appellate Authority passed an assessment order dated September 18, 2015 wherein it stated that the Assessee was not able to establish genuineness of the purchases shown from various parties amounting to Rs. 10,69,87,060/- for the three assessment years namely 2009-10, 2010-11 and 2011-12 and hence addition of Rs. 3,40,64,343, Rs. 6,28,80,474 and Rs. 1,00,42,243 respectively was confirmed and accordingly the appeals were dismissed. Aggrieved by the impugned order passed by the Appellate Authority, the Assessee filed an appeal bearing reference no. 5450,5451 and 5452/Mum/2015 against the same before the Income Tax Appellate Tribunal (hereinafter referred to as the “**Appellate Tribunal**”). The Appellate Tribunal passed an order dated July 20, 2016 wherein it allowed the appeals in part. Subsequently, a penalty order dated under Section 271 (1)(c) of the Act for AY 2010-11 was passed by the Assessing Authority on March 31, 2017 wherein it levied a penalty of Rs. 4,48,381/- on the Assessee. Consequently, notice of demand under Section 156 of the Act was issued by the Assessing Officer stating that **Rs. 4,48,381/-** is payable by the Assessee. The matter is currently pending.

#### 4. **FOR AY 2011-12**

The Assistant Commissioner of Income Tax, Circle-2, Thane (hereinafter referred to as the “**Assessing Officer**”) passed an assessment order dated December 02, 2013 for AY 2009-10 and an order dated December 04, 2013 for AY 2010-11 against Innovators Facades Systems Limited (hereinafter referred to as the “**Assessee**”). The Joint Commissioner of Income Tax, Range-2, Thane (hereinafter referred to as “the Joint Commissioner”) passed an assessment order dated March 05, 2013 against the Assessee. The Assessing Officer issued notice of demand under Section 156 of the Income Tax Act, 1961 (hereinafter referred to as “the Act”) to the Assessee wherein it stated that a sum of Rs. 36,96,000/- was payable by the Assessee for AY 2011-12. The Assessee had preferred an appeal for the aforesaid impugned orders before the Office of Commissioner of Income Tax (Appeals) – 1 (hereinafter referred to as “the Appellate Authority”). Since the ground of appeals of all three impugned orders were common, the order of the appeal was combined. The Appellate Authority passed an assessment order dated September 18, 2015 wherein it stated that the Assessee was not able to establish genuineness of the purchases shown from various parties amounting to Rs. 10,69,87,060/- for the three assessment years namely 2009-10, 2010-11 and 2011-12 and hence addition of Rs. 3,40,64,343, Rs. 6,28,80,474 and Rs. 1,00,42,243 respectively was confirmed and accordingly the appeals were dismissed. Aggrieved by the impugned order passed by the Appellate Authority, the Assessee filed an appeal bearing reference no. 5450,5451 and 5452/Mum/2015 against the same before the Income Tax Appellate Tribunal (hereinafter referred to as “the Appellate Tribunal”). The Appellate Tribunal passed an order dated July 20, 2016 wherein it allowed the appeals in part. Subsequently, a penalty order dated under Section 271 (1)(c) of the Act for AY 2011-12 was passed by the Assessing Authority on March 31, 2017 wherein it levied a penalty of Rs. 66,715/- on the Assessee. Consequently, notice of demand under Section 156 of the Act was issued by the Assessing Officer stating that **Rs. 66,715/-** is payable by the Assessee. The Assessee has filed an appeal against the order dated July 20, 2016 for AY 2011-12 before the High Court of Judicature at Bombay (hereinafter referred to as the “**Court**”). The matter is currently pending.

5. The Income Tax Department’s website under the head ‘Response to Outstanding Tax Demand’ displays an outstanding demand raised on December 04, 2013 under Section 143(1)(a) of the Income Tax Act, 1961 (hereinafter referred to as the “**Act**”) and a demand notice dated August 16, 2017 under Section 245 of the Act against Innovators Façade Systems Limited for an outstanding demand amounting to **Rs. 16,23,967/-**. The amount is currently outstanding.

#### 6. **AY 2012-13**

The Income Tax Department’s website under the head ‘Response to Outstanding Tax Demand’ displays an outstanding demand raised on March 09, 2015 under Section 143(3) of the Income Tax

Act, 1961 (hereinafter referred to as the “Act”) and a demand notice dated August 16, 2017 under Section 245 of the Act against Innovators Façade Systems Limited (hereinafter referred to as the “Assessee Company”) for an outstanding demand amounting to **Rs. 6,89,200/-**. The amount is currently outstanding.

### **TDS MATTERS**

#### **7. AY 2008-09 to AY 2012-13 (Combined matter-pertaining to TDS)**

The Deputy Commissioner of Income Tax (hereinafter referred to as “the Assessing Authority”) issued a notice dated August 04, 2015 to Innovators Façade Systems Limited (hereinafter referred to as the “Assessee Company”) under Section 221(1) of the Income Tax Act, 1961 (hereinafter referred to as the “Act”) for a demand of **Rs. 43,36,000.92/-** for being the Assessee in default in making a payment of demand raised under Section 201(1)/201(1A) of the Act along with interest under Section 220(2) of the Act. A reply had been filed by the company vide letter dated November 02, 2015 stating that no TDS is payable and that they were unable to rectify the data as they were unable to download justification and conso file for the period from AY 2007-08 to AY 2012-13. The Assessee Company was unable to rectify the data on TRACES and hence requested to provide TDS (conso) and Justification file from AY 2008-09 to AY 2012-13. Subsequently, the Assessing Authority issued a notice dated January 13, 2016 to the Assessee Company stating that total demand of Rs. 42,29,282, to which the Assessee Company replied, requesting the Assessing Authority to provide the conso & justification file for AY 2007-08 to AY 2012-13 which they were unable to receive. The Assessing Authority issued another notice to the Assessee Company stating that the Assessee Company was liable for interest on late payment of TDS amount to Rs. 46,24,180. Another notice dated November 14, 2017 was issued by the Assessing Authority to the Assessee Company stating that the amount of **Rs. 46,24,180/-** was outstanding on TRACES and it also stated a list of certain documents to be submitted. The matter is currently pending.

#### **8. FOR AY 2016-17**

The Commissioner of Income Tax, TDS, Pune, (hereinafter referred to as the “Assessing Authority”) issued a show cause notice dated January 08, 2018 through communication reference number 08012018/00015/LP under section 279 (1) read with Sec 271B (a) of the Income Tax Act (hereinafter referred to as the “Act”) to Innovators Façade Systems Limited (hereinafter referred to as the “Assessee Company”) stating that a proposal has been received from the Assessing Officer seeking sanction for launching prosecution under Section 276B of the Act against the default committed by them in FY 2016-17 as the Assessee Company had made a short payment/late payment of Tax Deducted at Source (T.D.S.). The notice also stated that an opportunity of being heard was being accorded to the Assessee Company to show cause as to why necessary sanction should not be granted for launching prosecution under Section 276B of the Act. A reply has been filed against the same on January 21, 2018. The matter is currently pending.

### **VALUE ADDED TAX PROCEEDINGS**

#### **9. FOR AY 2007-08**

Proceedings under Section 64 of the Maharashtra Value Added Tax Act, 2002 were initiated against Innovators Façade Systems Limited (hereinafter referred to as the “Assessee Company”) and it was concluded that set off claimed by the Assessee Company on non-genuine sale/purchase transactions were liable for disallowance under Section 48(5) of the Act as no purchase of goods was involved in these transactions. Hence an order dated July 01, 2016 was passed by the Assistant Commissioner of Sales Tax (hereinafter referred to as the “Assessing Officer”) wherein it was stated that the Assessee Company was liable to pay Rs. 4,53,30,167. Consequently, a demand notice under Section 32 of the Act was issued by the Assessing Officer to the Assessee Company stating that **Rs. 4,53,30,167/-** was payable by the Assessee Company. The matter is currently pending.

#### **10. FOR AY 2010-11**

Proceedings under Section 64 of the Maharashtra Value Added Tax Act, 2002 were initiated against Innovators Façade Systems Limited (hereinafter referred to as the “Assessee Company”) and it

was concluded that set off claimed by the Assessee Company on non-genuine sale/purchase transactions were liable for disallowance under Section 48(5) of the Act as no purchase of goods was involved in these transactions. Hence an order dated July 01, 2016 was passed by the Assistant Commissioner of Sales Tax (hereinafter referred to as the “**Assessing Officer**”) wherein it was stated that the Assessee Company was liable to pay Rs. 2,62,56,119/-. Consequently, a demand notice under Section 32 of the Act was issued by the Assessing Officer to the Assessee Company stating that **Rs. 2,62,56,119/-** was payable by the Assessee Company. The Assessee Company has filed an appeal against the impugned order before the Deputy Commissioner of Sales Tax (Appeals) (hereinafter referred to as the “**Appellate Authority – 1**”) and has also applied for a grant of stay against the recovery of amount payable as per the aforesaid order on December 05, 2017. The matter is currently pending.

#### 11. FOR AY 2011-12

Innovators Façade Systems Private Limited (hereinafter referred as “**Petitioner**”) is a works contractor. The Petitioner imported the goods which includes interstate purchase and goods received on stock transfer on the strength of way bills and executed works contracts. The Petitioner submitted statement of import of purchase of Rs. 95,55,961/- and interstate purchase of Rs. 11,31,737/- and goods received on stock of transfer for Rs. 13,44,822/- and contends that figure of such purchase be excluded from the contractual transfer price. The Sales Tax Officer assessed contractual transfer price at Rs. 1,96,82,913/- and arrived taxable contractual transfer price as per provision laid down under section 18(3) of the west Bengal value added tax act 2003, 2003. The Sales Tax Officer however allowed input tax credit of Rs. 3,17,585/-. The Petitioner not carry forward input tax credit and also not adjust any input tax credit with central sales tax payable. The Sales Tax Officer levied interest of **Rs. 2,18,119/-**. The Sales Tax Officer determined the purchase amount of Rs. 1,20,32,520/- and conclude that purchase amount is deducted from the contractual transfer price is not entertained and taxable contractual transfer price as determined by the Sales Tax Officer. The Sales Tax Officer also upheld the deduction towards labour, service and other like charges and percentage of total value of contract taxable at the rate of 4% and 12.5%. The determination of taxable contractual transfer price has been upheld by Sales Tax Officer and no further input tax credit has been allowed. The Sales Tax Officer did not change the interest amount. The Sales Tax Officer confirmed the impugned order dated August 20, 2013. The Petitioner aggrieved by an order of Sales Tax Officer order dated August 26, 2014 bearing reference no. A/DH/EZ/78/2013-14/VAT, had filed an appeal before the President of West Bengal Commercial Taxes Appellate and Revisional Board. The matter is currently pending.

### CST PROCEEDINGS

#### 12. FOR AY 2007-08

Assistant Commissioner of Sales Tax (hereinafter referred to as “**Assessing Authority**”) issued a notice dated July 01, 2016 under Rule 9-A of the Central Sales Tax (Bombay) Rules, 1957 (hereinafter referred to as the “**CST (Bom.) Rules**”) against Innovators Façade Systems Limited (hereinafter referred to as the “**Assessee Company**”) stating that central sales tax payable was **Rs. 9,44,301/-**. The Assessee Company has filed an appeal dated December 05, 2017 before the Deputy Commissioner of Sales Tax (Appeals) (hereinafter referred to as “the Appellate Authority”) against the impugned notice and has also applied for a grant of stay against the recovery of amount payable as per the aforesaid notice. The matter is currently pending.

### SERVICE TAX PROCEEDINGS

#### 13. FOR AY 2014-15

A service tax enquiry was initiated against Innovators Façade Systems Limited (hereinafter referred to as the “**Assessee Company**”) by the Directorate General of Central Excise Intelligence vide the show cause notice F. No. DGCEI/MZU/I&IS'B/12(4)10/2016/7332 dated November 30, 2016 under Section 14 of the Central Excise Act, 1944 read with Section 83 of the Finance Act, 1994 for furnishing the documents as mentioned in the enquiry letter. The Assessee has already filed a reply for the same and furnished the required documents. The matter is currently pending.



**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Proceedings against Our Company for economic offences/securities laws/ or any other law**

Nil

**Penalties in Last Five Years**

Nil

**Pending Notices against our Company**

Nil

**Past Notices to our Company**

Nil

**Disciplinary Actions taken by SEBI or stock exchanges against Our Company**

Nil

**Defaults including non-payment or statutory dues to banks or financial institutions**

Nil

**Details of material frauds against the Company in last five years and action taken by the Companies.**

Nil

**LITIGATIONS FILED BY OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

**1. INNOVATORS FAÇADE SYSTEMS PRIVATE LIMITED V/S ERA INFRA ENGINEERING LIMITED (INDORE AIRPORT)**

Innovators Façade Systems Private Limited (hereinafter referred to as “**Claimant**”) and Era Infra Engineering Limited (hereinafter referred to as “**Respondent**”) entered into a contract for construction of structure glazing and facade work at Indore Airport vide original work order No. EIHL/HO/WO/09-10/0002/1306/00045 dated September 26, 2009. The Claimant was awarded the contract for amount of Rs. 10,09,45,520/-. In accordance with the original work order dated September 26, 2009, the Claimant submitted the bank guarantee dated October 03, 2009 towards mobilization advance amounting to Rs. 50,00,000. The team employed by the Respondent lacked professional competency which delayed the release of the work-front and the work did not commence on time. After continuous notification by claimant to the Respondent about the problems which were causing great difficulty in the execution of the project the original work order was subsequently amended by work order No. INFRA-03/HO/WO/11-12/EM002/1306/00067 dated March 01, 2012 and increased the total value of contract to Rs.12,46,39,301.26/-.

The date of completion originally agreed was October 26, 2010 but the project was successfully completed and handed over to the Respondent on April 17, 2012. The Respondent delayed the release of the payments due to Claimant which forced the Petitioner to write a letter to Airport Authority of India (AAI) to intervene regarding non-payment of dues and requested the Respondent to clear the

said dues at the earliest. After a meeting between the Claimant and the Respondent the matter stood unresolved. An arbitration petition no. ARB.P. 296/2016 was filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi at New Delhi, Ordinary Original Civil Jurisdiction, (hereinafter referred to as the “**Delhi High Court**”) for appointment of an Arbitrator. The Delhi High Court passed an order dated October 04, 2016 and referred the matter to Delhi International Arbitration Centre (hereinafter referred to as “**DIAC**”). Thereafter a Statement of Claim (case no. DAC/1324/10-16 in Arbitration Petition No. 296 of 2016) was filed by the Claimant before DIAC. The total value of dispute amounted to **Rs. 3,87,43,936/- along with interest @ 18% p.a.** towards the unpaid dues and other legally sustainable claims of the Claimant. A Statement of Defence, Counter Claim and Additional Counter Claim on behalf of Respondent has been filed before Delhi International Arbitration Centre on May 22, 2017, May 22, 2017 and June 03, 2017 respectively. The Claimant is yet to file rejoinder and reply to counter claims. The next date of hearing is April 07, 2018. The matter is currently pending.

## **2. INNOVATORS FAÇADE SYSTEMS PRIVATE LIMITED V/S ERA INFRA ENGINEERING LIMITED (RAIPUR)**

Innovators Façade Systems Private Limited (hereinafter referred to as the (“**Claimant**”) and Era Infra Engineering Limited (hereinafter referred to as “**Respondent**”) entered into a work contract for construction of structure glazing and façade work at Raipur Airport through original work order No. EIEL/HO/WO/09-10/0002/1187/00016 dated August 04, 2009 and further amended work order No. EIL/HO/WO/RAIPUR-9-10/0002/1187/00016/3 dated December 27, 2011 for work at site. The total amount of work contract awarded was Rs. 7,81,50,090/-. The Claimant completed the work as per the work order and upto satisfaction of Respondent. The Respondent was liable to pay an outstanding amount of Rs. 62,25,604/- for work completed as per the work order. As no response was given to letters sent by Claimant on earlier dates, a notice dated December 12, 2014 was issued to Respondent as per Clause 2.6 of Annexure II of the work order for appointment of a sole Arbitrator for adjudication of any dispute(s) or claim(s) arising out the abovementioned contract within 14 days of receipt of the notice. The Respondent submitted reply through letter dated January 09, 2015 appointing Mr. V.K. Walia (hereinafter referred to as “**Arbitrator**”) The Claimant submitted his Statement of Claim dated March 14, 2015 for recovering the **Rs. 62,25,604/- outstanding amount along with rate on interest of 18% from the date of award till realization.** After which Respondent filed a Statement of Defense/Counter claim dated July 23, 2015 for **an amount of Rs. 1,01,073/- along with 18% p.a. interest till the date of realization and cost of the arbitration expenses.** Further an Additional Statement of Claims dated December 19, 2015 for a total amount of **Rs. 3,32,15,189/- plus interest for damages** incurred was filed by the Claimant. A Statement of Defense/Counter claim on behalf of the Respondent to the amended statement of Claim was filed on January 07, 2017 to strike off the pleadings of Claimant in its additional statement of Claim. A Rejoinder/Reply on behalf of the Claimant to the Statement of Defence/ Counter Claim submitted by Respondent was filed on December 19, 2017. Subsequently, Rejoinder/Reply on behalf of the Claimant to the Statement of Defence/ Counter-claim of the Respondent to the Amended Statement of Claim dated December 19, 2015, was submitted to the Arbitrator on March, 07, 2017. Further, the date of hearing will be decided by the Arbitrator after pronouncement of Judgment by National Company Law Tribunal (NCLT) in case of Union bank Vs Respondent which is on March 28, 2018. The matter is currently pending.

## **3. INNOVATORS FAÇADE SYSTEMS PRIVATE LIMITED V/S AIRPORT AUTHORITY OF INDIA (KOLKATA AIRPORT)**

Innovators Façade Systems Private Limited (hereinafter referred to as “**Petitioner**”) and Airport Authority of India (hereinafter referred to as “**Respondent**”) entered into contract for the External ACP cladding, check in Island and Glass Canopy for New Integrated Passenger Terminal Building at NSCBI at the Airport Kolkata vide work order No. AAI/KOL-Proj/ SME (C)/Acp- Canopy/ 2011-2012/ 1 dated November 14, 2011. The work completed by the Petitioner on March 30, 2013 amounted to Rs. 13,97,43,800. A petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 with the High Court of Delhi at New Delhi, Arbitration petition (comm) no ARB.P. 211/2017, for appointment of a Sole Arbitrator to adjudicate the disputes arising out of a contract and for claiming **Rs. 3,15,23,613 along with interest @ 18% p.a.** towards unpaid dues and other legally

sustainable claims in accordance with the work order. A Statement of Claim by Claimant is yet to be filed. The matter is currently pending.

#### **4. INNOVATORS FAÇADE SYSTEMS & ANR V/S SUNIL SHANKAR KHARAT & ORS.**

A Writ Petition No. 35582 of 2016 dated December 2016 was filed in the High Court of Judicature at Bombay, wherein the parties to the petition were Innovators Façade Systems Private Limited (hereinafter referred to as "**Petitioner - 1**"), Managing Director of Innovators Façade Systems Private Limited (hereinafter referred to as "**Petitioner - 2**"), Sunil Shankar Kharat (hereinafter referred to as "**Respondent - 1**"), Controlling Authority under the Payment of Gratuity Act, 1972 (hereinafter referred to as "**Respondent - 2**"), The State of Maharashtra (hereinafter referred to as "**Respondent No. 3**"). Petitioner - 1 and Petitioner - 2 (hereinafter collectively referred to as "**Petitioners**"). Petitioner - 2 is Managing Director of the Petitioner - 1. The Respondent - 1 was working with the Petitioner - 1 and has retired from service on January 06, 2012. The Respondent - 2 & Respondent - 3 are state within the meaning under article 12 of the Constitution of India. By the present writ petition, the Petitioners are challenging the order dated November 23, 2016 passed by the Appellate Authority in appeal no. 2 of 2016 and order dated January 01, 2016 passed by the Controlling Authority under the Payment of Gratuity Act in Application no. 25 of 2012. The petitioners state and submit that the petitioners opposed the said application by filing their written statement. In the written statement it was specific case of the Petitioners states and submits that the Respondent - 1 had filed an application under section 7 of the Payment of Gratuity Act, 1972 (hereinafter referred to as the said "**Act**") seeking a direction to the Petitioners to pay the gratuity amount of Rs. 1,12,000/- with 10% interest per year on the said amount. It was the contention of the Respondent no.1 that he was working with the Petitioners since April, 1998 as a Purchase Assistant in Purchase Department and the last drawn salary was Rs. 16,000/- per month.

The Petitioners states that it is further contention of the Respondent no.1 that he has performed his duty continuously for 13 years and 7 months and he tendered his resignation in the month of January, 2010. It is also the contention of the Respondent no.1 that he had sent various reminders to the Petitioners demanding his gratuity amount, however, the Petitioners did not reply to the same and hence the Respondent no.1 filed an application under section 7 of the said act. The Petitioners state and submit that he Petitioners opposed the said application by filing their written statement. In the written statement it was specific case of the Petitioners that the Respondent - 1 has not completed five years of continuous service with the petitioners and hence he is not entitled/eligible to claim gratuity amount as he joined the service vide appointment letter dated April 7, 2008 w.e.f April 1, 2008 and he resigned on January 06, 2012, which clearly shows that he has not completed a mandatory five years' service with the petitioners to become eligible for the gratuity amount. The Petitioners also submitted various documents to show that the Respondent no.1 has completed five-year service. The petitioners also submitted various documents to show that the Respondent no.1 has not completed five year service. The Petitioners submit that the application filed by the Respondent - 1 was also barred by law of limitation as the same was not filed within 90 days from the date of cause of action. The said requirement is mandatory as per Rule 10 of the said act and therefore prayed for dismissal of the application. The petitioners also filed written submissions before the said authority. The Petitioners states and submits that the after hearing both the parties, the Respondent - 2 allowed the said application by order dated January 01, 2016 and directed the petitioners to pay gratuity amount of Rs. 1,07,907/- along with 10% interest from the date of filing of the said application till realization of the said amount. The Petitioners being aggrieved and dissatisfied by the said order preferred an appeal before the Appellate Authority under section 7(7) of he said act, however, the said appeal also came to be rejected by order dated November 23, 2016. The appellate court modified the order of controlling authority and directed the Petitioner to **pay sum of Rs. 97,892/- with 10% interest**. The matter is with High Court of Bombay and currently pending.

#### **5. INNOVATORS FAÇADE SYSTEMS LIMITED, RADHESHYAM SHARMA AND ANJANA SHARMA V. REGISTRAR OF COMPANIES, MUMBAI**

Innovators Façade Systems Limited (hereinafter referred to as the "**Petitioner - 1**"), Radheshyam Sharma (hereinafter referred to as the "**Petitioner -2**") and Anjana Sharma (hereinafter referred to as the "**Petitioner - 3**") filed an application dated April 25, 2018 under Section 621A of the Companies

Act, 1956 read with Section 441 of the Companies Act, 2013 (hereinafter referred to as “Act”) before National Company Law Tribunal, Mumbai Bench for compounding of offence of the Section 212 of the Companies Act, 1956 read with Section 129 (3) of the Act and Rules. As per Section 212 of the Companies Act 1956, holding companies is required to attach a copy of their balance sheet, profit and loss account, etc. of each subsidiary. The Ministry of Corporate Affairs had given general exemption to the Companies from attaching financials of each of its subsidiaries companies if the holding company prepares consolidated financial statement. The Company has not prepared and filed consolidated financials for FY 2012-13 and FY 2013-14. Due to violation of the provisions of Section 212 of the Companies Act, 1956, the officers of the Company are liable for default. The matter is currently pending.

**6. INNOVATORS FAÇADE SYSTEMS LIMITED, RADHESHYAM SHARMA AND ANJANA SHARMA V. REGISTRAR OF COMPANIES, MUMBAI**

Innovators Façade Systems Limited (hereinafter referred to as the “Petitioner - 1”), Radheshyam Sharma (hereinafter referred to as the “Petitioner -2”) and Anjana Sharma (hereinafter referred to as the “Petitioner – 3”) filed an application dated April 25, 2018 under Section 621A of the Companies Act, 1956 read with Section 441 of the Companies Act, 2013 (hereinafter referred to as the “Act”) before National Company Law Tribunal, Mumbai Bench for compounding of offence under Section 383A(1) of the Companies Act, 1956 read with Section 203 of the Act and Rules made thereunder. The paid-up share capital of the Company as on March 31, 2007 was at Rs. 1,00,00,000/-. The Company made further allotment of equity shares whereby the paid-up share capital was increased to Rs. 2,71,00,000/-. Later the Company allotted further equity shares by which the paid-up share capital of the Company is Rs. 13,20,70,080/-. As per the provisions of limitation provided under Section 383A(1) of the Companies Act, 1956 and Rules made thereunder, it was required to appoint a Whole Time Company Secretary by the Company, since the paid-up share capital during FY 2007-2008 and FY 2008-09 was falling under the limitations provided for compulsory appointment of a whole time company secretary. The offence has been continued during FY 2008-09 to FY 2017-18 under the Companies Act, 1956 and the Companies Act, 2013 and rules made thereunder. Due to violation of Section 383A(1) of the Companies Act, 1956 and Section 203 of the Act, the officers of the Company are liable for such default. The matter is currently pending.

**Taxation Matters**

NIL

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law**

Nil

**LITIGATIONS INVOLVING DIRECTOR/S OF OUR COMPANY**

**LITIGATIONS AGAINST DIRECTOR/S OF OUR COMPANY**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

## **Taxation Matters**

*Radheshyam Sharma is a Promoter as well as Director of our Company. Jolly Multi Trade Private Limited is Corporate Promoter of our Company. For litigation pertaining to them, kindly refer the head "LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY"*

### **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

### **Past Penalties imposed on our Directors**

Nil

### **Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law**

Nil

### **Directors on list of wilful defaulters of RBI**

Nil

## **LITIGATIONS FILED BY DIRECTOR/S OF OUR COMPANY**

### **Criminal Litigations**

Nil

### **Civil Proceedings**

Nil

### **Taxation Matters**

Nil

### **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

## **LITIGATIONS INVOLVING PROMOTER/S OF OUR COMPANY**

### **LITIGATIONS AGAINST OUR PROMOTER/S**

### **Criminal Litigations**

Nil

### **Civil Proceedings**

Nil

### **Taxation Matters**

## **INCOME TAX PROCEEDINGS OF RADHESHYAM SHARMA**

### **1. FOR AY 2005-06**

An assessment order dated December 26, 2007 was passed by the Income Tax Officer, Ward 2(3), Thane (hereinafter referred to as the "Assessing Officer") under Section 143(3) of the Income tax Act, 1961 (hereinafter referred to as the "Act") against Radheshyam Sharma (hereinafter referred to as the "Assessee") wherein certain additions were made in the income of the Assessee for AY 2005-06. An appeal bearing reference no. THN/CIT(A)-II/Wd.2(3)/THN/319/2007-08 was filed by the Assessee against the impugned order before the Commissioner of Income Tax (Appeals)-II (hereinafter referred to as the "Appellate Authority"). The Appellate Authority passed an order under Section 143(3) of the Act dated January 15, 2013 wherein it partly allowed the appeal. No



appeal has been filed for the same. The matter is currently pending. An order under Section 271-E of the Act was passed by the Joint Commissioner of Income Tax, Range-2 (hereinafter referred to as the “Assessing Officer – 2”) against the Assessee on August 29, 2013 wherein it levied a penalty of Rs. 4,50,000 on the Assessee. Consequently, a notice of demand under Section 156 of the Act was issued to the Assessee by the Assessing Officer – 2 stating that **Rs. 4,50,000/-** is payable by the Assessee.

## **2. FOR AY 2007-08**

The Income Tax Department’s website under the head ‘Response to Outstanding Tax Demand’ displays an outstanding demand raised on February 21, 2009 under Section 143(1) of the Income Tax Act, 1961 (hereinafter referred to as the “Act”) under Section 245 of the Act against Radheshyam Sharma (hereinafter referred to as the “Assessee”) for an outstanding demand amounting to **Rs. 21,885/-**. The amount is currently outstanding.

## **3. FOR AY 2009-10**

The Income Tax Department’s website under the head ‘Response to Outstanding Tax Demand’ displays an outstanding demand raised on March 04, 2011 under Section 143(1) (a) of the Income Tax Act, 1961 (hereinafter referred to as the “Act”) under Section 245 of the Act against Radheshyam Sharma (hereinafter referred to as the “Assessee”) for an outstanding demand amounting to **Rs. 4,920/-**. The amount is currently outstanding.

## **VALUE ADDED TAX (VAT) PROCEEDINGS**

### **4. FOR AY 2012-13**

Radheshyam Sharma (hereinafter referred to as the “Assessee”) received a draft audit report vide memo no-3845 dated December 18, 2017 issued by Sales Tax Officer (hereinafter referred to as the “Assessing Authority”) for the period April 01, 2012 to March 31, 2013 under Section 43A of the West Bengal Value Added Tax Act 2003 for difference of Contractual Transfer Price (CTP) between returns submitted and bill value in F-18A. The matter is currently pending.

### **5. FOR AY 2014-15**

Directorate of Commercial taxes issued a notice of demand of tax assessed under Section 46/Section 48, penalty imposed under sub-section (2) of Section 46, late fee determined under Section 53A and interest determined/ re-determined under Section 50/ Section 51 of the West Bengal Value Added Tax Act, 2003 (hereinafter referred to as the “Act”) bearing Assessment Case No. 2014-2015/CIR/57/VA/20 against Radheshyam Sharma (hereinafter referred to as the “Assessee”) for **Rs.12,40,125.07/-**. The amount is currently outstanding.

## **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

### **Past Penalties imposed on our Promoters**

Nil

### **Proceedings initiated against our Promoters for Economic Offences/securities laws/ or any other law**

Nil

### **Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter in last five years**

Nil

### **Penalties in Last Five Years**

Nil

**Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past.**

Nil

**Adverse finding against Promoter for violation of Securities laws or any other laws**

Nil

**LITIGATIONS FILED BY OUR PROMOTER/S**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**LITIGATIONS INVOLVING OUR GROUP COMPANIES**

**LITIGATIONS AGAINST OUR GROUP COMPANIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**Past Penalties imposed on our Group Companies**

Nil

**Proceedings initiated against our Group Companies for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies**

Nil

**Adverse finding against Group Companies for violation of Securities laws or any other laws**

Nil

**LITIGATIONS FILED BY OUR GROUP COMPANIES**

**Criminal Litigations**

Nil

## **Civil Proceedings**

Nil

## **Taxation Matters**

Nil

## **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

## **LITIGATIONS INVOLVING OUR SUBSIDIARY COMPANIES**

### **LITIGATIONS AGAINST OUR SUBSIDIARY COMPANIES**

#### **Criminal Litigations**

Nil

#### **Civil Proceedings**

Nil

#### **Taxation Matters**

### **INCOME TAX PROCEEDINGS OF KAPINDRA MULTI TRADE PRIVATE LIMITED (“SUBSIDIARY”)**

#### **1. FOR AY 2008-09**

The Income Tax Department’s website under the head ‘Response to Outstanding Tax Demand’ displays an outstanding demand raised on March 30, 2016 under Section 147 of the Income Tax Act, 1961 (hereinafter referred to as the “Act”) under Section 245 of the Act against Kapindra Multi Trade Private Limited (hereinafter referred to as the “Assessee Company”) for an outstanding demand amounting to **Rs. 2,280/-**. The amount is currently outstanding.

#### **2. FOR AY 2010-11**

An assessment order dated December 22, 2017 was passed by the Income Tax Officer, Ward 2(5) (hereinafter referred to as the “Assessing Officer”) against Kapindra Multi Trade Private Limited (hereinafter referred to as the “Assessee Company”) wherein the Assessing Officer declared the total income of the Assessee Company at Rs. 2,50,11,910 as against Rs. 11,910 returned by the Assessee Company. Consequently, a notice of demand under Section 156 of the Income Tax Act, 1961 (hereinafter referred to as “the Act”) was issued by the Assessing Authority stating that **Rs. 1,49,06,720/-** is payable by the Assessee Company. The matter is currently pending. A notice under Section 274 read with Section 271(1)(c) of the Act dated December 22, 2017 was issued by the Assessing Officer to the Assessee Company wherein it requested the Assessee Company to show cause as to why order imposing penalty shall not be made under Section 271(1)(c) of the Act. The matter is currently pending.

## **Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

#### **Past Penalties imposed on our Subsidiaries**

Nil

#### **Proceedings initiated against our Subsidiaries for Economic Offences/securities laws/ or any other law**

Nil

**Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Subsidiaries**

Nil

**Adverse finding against Subsidiaries for violation of Securities laws or any other laws**

Nil

**LITIGATIONS BY OUR SUBSIDIARIES**

**Criminal Litigations**

Nil

**Civil Proceedings**

Nil

**Taxation Matters**

Nil

**Recent Development/Proceeding under Finance Act, 2016 in respect of Income Declaration Scheme, 2016 and The Income Declaration Scheme Rules, 2016**

Nil

**OTHER MATTERS**

Nil

**DETAILS OF ANY INQUIRY, INSPECTION OR INVESTIGATION INITIATED UNDER PRESENT OR PREVIOUS COMPANIES LAWS IN LAST FIVE YEARS AGAINST THE COMPANY OR ITS SUBSIDIARIES**

Nil

**OUTSTANDING LITIGATION AGAINST OTHER COMPANIES OR ANY OTHER PERSON WHOSE OUTCOME COULD HAVE AN ADVERSE EFFECT ON OUR COMPANY**

Nil

**MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET**

Except as mentioned under the chapter — “Management Discussion and Analysis of Financial Condition and Result of Operation” on page 206 of this Red Herring Prospectus, there have been no material developments, since the date of the last audited balance sheet.

**OUTSTANDING DUES TO SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS**

As of December 31, 2017, our Company had 12 creditors, to whom a total amount of Rs. 6730.05 lakhs was outstanding. As per the requirements of SEBI Regulations, our Company, pursuant to a resolution of our Board dated March 9, 2018, considered creditors to whom the amount due exceeds Rs. 126.30 lakhs which is 1% of total revenue as per our Company’s Consolidated restated financials for the last audited financial statements for the purpose of identification of material creditors. Based on the above, the following are the material creditors of our Company.

<b>Creditors</b>	<b>Amount (Rs. in Lakhs)</b>
3A Composites India Pvt. Ltd.	163.95
ACE Metals Pvt. Ltd.	905.75
Ajay Industries	255.76
Bhoruka Extrusions Pvt Ltd	877.61
Europan Metals Pvt. Ltd.	778.34

<b>Creditors</b>	<b>Amount (Rs. in Lakhs)</b>
FG Glass Industries Pvt. Ltd.	180.91
Global Aluminium Pvt. Ltd.	375.51
Inesh Accerro Limited	476.44
Pankaj Metals	1081.99
Shiv Shakti Float Glasses Pvt. Ltd.	190.58
Sun Power Trading Pvt. Ltd.	473.78
Volition Trading Pvt. Ltd.	969.43
<b>Total</b>	<b>6730.05</b>

Further, none of our creditors have been identified as micro enterprises and small scale undertakings by our Company based on available information. For complete details about outstanding dues to creditors of our Company, please see website of our Company [www.innovators.in](http://www.innovators.in).

Information provided on the website of our Company is not a part of this Red Herring Prospectus and should not be deemed to be incorporated by reference. Anyone placing reliance on any other source of information, including our Company's website, [www.innovators.in](http://www.innovators.in), would be doing so at their own risk.



## GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government/RBI, various Government agencies and other statutory and/ or regulatory authorities required for carrying on our present business activities and except as mentioned under this heading, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Red Herring Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our business of manufacturing, engineering, designing and installation of all types of façade systems, we require various approvals and/ or licenses under various laws, rules and regulations. For further details in connection with the applicable regulatory and legal framework, please refer to the chapter titled “Key Industry Regulations and Policies” on page 162 of this Red Herring Prospectus.

The Company has its business located at:

**Registered Office:** 204, B-65, sector-1, Shanti Nagar, Mira Road East, Thane – 401107, Maharashtra, India

### **Manufacturing Unit, Warehouse and Raw Material Storage:**

1. G. No. 404/B Part, Chinchghar, Tal Wada Dist. Thane - 421303
2. G No. 429, Chinchghar, Tal Wada, Dist. Thane

### **Branch Offices (Functional):**

**Branch 01-Uttar Pradesh:** 219 South Civil line, Muzzafarnagar (U.P.) 232003

**Branch 02- Tamil Nadu:** M-2/4, Shop no -3, Anna Nagar, Trichy, Tiruchirapalli - 620026

**Branch 03- Bangalore Karnataka:** Survey no 208/2, Marasur Village, Kasaba Hobli, Anekal Taluka, Bangalore -562106

**Branch 04-Haryana:** 249/11 Pathanwara, Sohana, Haryana-122001

**Branch 05- Goa:** 261/D, GMC Complex, Near Primary School, Bombolin Complex, North Goa, Goa-403202

### **Branches (Non-Functional):**

**Branch 06- West Bengal:**

**Branch 07 – Chandigarh:**

**Branch 08- Rajasthan:**

**Branch 9- Madhya Pradesh:**

**Branch 10- Punjab:**

### **Sales and Corporate Office:**

204, Bldg No. 65: Sector No.: 1, Shanti Nagar, Opp T M T Bus Stop, Station Road, Mira Road (East), Thane 401107

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled ‘Objects of the Issue’ beginning on page no. 105 of this Red Herring Prospectus to the extent that such licenses/approvals may be required for the same.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

## **APPROVALS FOR THE ISSUE**

### **Corporate Approvals:**

1. The Board of Directors have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a resolution passed at its meeting held on February 16, 2018, authorized the Issue, subject to the approval of the shareholders and such other authorities as may be necessary.
2. The shareholders of the Company have, pursuant to Section 62(1)(c) of the Companies Act 2013, by a special resolution passed in the Extra-Ordinary General Meeting/Annual General Meeting held on February 17, 2018 authorized the Issue.

### **In- principle approval from the Stock Exchange**

We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated April 19,2018 bearing reference no. DCS/SME IPO/SS/IP/183/2018-19.

### **Agreements with NSDL and CDSL**

1. The Company has entered into an agreement dated April 04, 2018 with the Central Depository Services (India) Limited (“CDSL”) and the Registrar and Transfer Agent, who in this case is, Link Intime India Private Limited for the dematerialization of its shares.
2. Similarly, the Company has also entered into an agreement dated April 11, 2018 with the National Securities Depository Limited (“NSDL”) and the Registrar and Transfer Agent, who in this case is Link Intime India Private Limited for the dematerialization of its shares.
3. The Company's International Securities Identification Number (“ISIN”) is INE870Z01015 .

## **INCORPORATION AND OTHER DETAILS**

1. The Certificate of Incorporation dated June 8, 1999 issued by the Assistant Registrar of Companies, Maharashtra, Mumbai, in the name of “INNOVATORS ENGINEERS & CONTRACTORS PRIVATE LIMITED”.
2. Fresh Certificate of Incorporation Consequent upon Change of Name issued on July 19, 2005 by the Assistant Registrar of Companies, Mumbai in the name of “INNOVATORS FACADE SYSTEMS PRIVATE LIMITED”
3. Conversion from Private Company to Public company issued on February 15, 2018 by the Registrar of Companies, Mumbai in the name of INNOVATORS FACADE SYSTEMS LIMITED”
4. The Corporate Identification Number (CIN) of the Company is U45200MH1999PLC120229

## **APPROVALS/LICENSES RELATED TO OUR BUSINESS ACTIVITIES**

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

<b>Sr. No.</b>	<b>Description</b>	<b>Authority</b>	<b>Registration No./ Reference No./ License No.</b>	<b>Date of Issue</b>	<b>Date of Expiry</b>
1	Certificate of Importer-Exporter Code (IEC)	Foreign Trade Development Officer, Ministry of Commerce and	0304084476	Feb 25, 2005	In case of change in name/address or

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
		Industry, Government of India			constitution of IEC holder, the IEC holder shall cease to be eligible to Import or Export against the IEC after the expiry of 90 days from the date of such a change unless in the meantime, the consequential changes are effected in the IEC by the concerned licensing authority.
2	Registration Certificate of Establishment (under Rule 6 of Maharashtra Shops and Establishments Act, 1948)	Commissioner of Labour, (under Rule 6 of Maharashtra Shops and Establishments Act, 1948)	1610200310497163	May 16, 2017	May 16, 2020
3	Udyog Aadhar Memorandum/ Entrepreneurs Memorandum for setting micro, small and medium Enterprises Unit	Ministry of Micro, Small and Medium Enterprises, Government of India	MH33B0001379	February 12, 2015	NA
4	License to work a factory	Industrial Safety & Health, Maharashtra	119210	Date of Renewal	December 31 <sup>st</sup> , 2018

Sr. No.	Description	Authority	Registration No./ Reference No./ License No.	Date of Issue	Date of Expiry
	(under Factories Act, 1948 and Rules made thereunder)			March 15, 2016	

#### **TAX RELATED APPROVALS/LICENSES/REGISTRATIONS**

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
1	Permanent Account Number (PAN)	Income Tax Department, Government of India	AAACI7326Q	March 09, 2013	Perpetual
2	Tax Deduction Account Number (TAN)	Income Tax Department through National Securities Depository Limited (NSDL), Ministry of Finance, Government of India	PNEI04146C	March 03, 2011	Perpetual
3	Goods and Service Tax Identification Number (GSTIN)-  Registered Office: Maharashtra (Thane)	Government of Maharashtra and Government of India	27AAACI7326Q1Z2	Date of Issue of Certificate 19/01/2018  Date of Validity- 22/09/2017	NA
4	Goods and Service Tax Identification Number (GSTIN)-  Branch 1: Uttar Pradesh	Government of Uttar Pradesh and Government of India	09AAACI7326Q1Z0	Date of Issue of Certificate – September 23, 2017  Date of Validity- July 01, 2017	NA
5	Goods and Service Tax Identification Number (GSTIN)-	Government of Tamil Nadu and	33AAACI7326Q2Z8	Date of Issue of Certificate – August 31, 2017	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Branch 2: Tamil Nadu	Government of India		Date of Validity- – August 31, 2017	
6	Goods and Service Tax Identification Number (GSTIN)-  Branch 4: Haryana	Government of Haryana and Government of India	06AAACI7326Q1Z6	Date of Issue of Certificate – September 21, 2017  Date of Validity- July 01, 2017	NA
7	Goods and Service Tax Identification Number (GSTIN)-  Branch 5: Goa	Government of Goa and Government of India	30AAACI7326Q1ZF	Date of Issue of Certificate September 08, 2017  Date of Validity- September 08, 2017	NA
8	Goods and Service Tax Identification Number (GSTIN)-  Branch 6- West Bengal (Kolkata)	Government of West Bengal and Government of India	19AAACI7326Q1ZZ	Date of Issue of Certificate- September 24, 2017  Date of Validity-July 01, 2017	NA
9	Goods and Service Tax Identification Number (GSTIN)-  Branch 3- Karnataka (Bangalore)	Government of Karnataka and Government of India	29AAACI7326Q1ZY	Date of Issue of Certificate- July 19, 2017  Date of Validity-July 19, 2017	NA
10	Certificate of Registration (under Maharashtra Value Added Tax Act, 2002 read with Rule 9 of the Maharashtra Value Added Tax Rules, 2005)	Sales Tax Officer (VAT-C-001) Registration Branch, Nallasopara	27770006363V	April 01, 2006	NA



Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Registered Office- Maharashtra (Thane)				
11	Certificate of Registration  (under Uttar Pradesh Value Added Tax Act, 2008 read with any Rule(s), modification (s), amendment (s) made thereunder  Branch 1: Uttar Pradesh	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Uttar Pradesh.	09272902303	April 21, 2007	NA
12	Certificate of Registration  under Haryana Value Added Tax Act, 2003 read with Rule 11 of the Haryana Value Added Tax Rules, 2003)  Branch 4: Haryana	Seal of Assessing Authority, Gurgaon	06711827481	Date of Issue: August 31, 2007  Date of Validity: July 04, 2007	NA
13	Certificate of Registration  (under Punjab Value Added Tax Act, 2005 read with Rule 5 of the Punjab Value Added Tax Rules,)  Branch 07: Chandigarh	Assistant Excise and Taxation Commissioner, U.T., Chandigarh	04430036466	July 20, 2011	NA
14	Certificate of Registration	Joint Commissioner Commercial Taxes	19572119032	January 30, 2012	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	(under Section 24 West Bengal Value Added Tax Act, 2003 read with Rule 6 and 6B of the West Bengal Value Added Tax Rules, 2005)  Branch 06: West Bengal (Kolkata)				
16	Certificate of Registration  (under Punjab Value Added Tax Act, 2005 read with Rule 5 of the Punjab Value Added Tax Rules, 2005)  Branch 10- Punjab	Excise and Taxation Officer, Mohali	03632103879	May 18, 2012	NA
17	Certificate of Registration of Service Tax  (under Chapter V of the Finance Act, 1994 read with the Service Tax Rules, 1994)  Registered Office- Maharashtra (Thane)	Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AAACI7326QST001	Date of Issue - December 9, 2004  Date of last Amendment - October 24, 2011	NA
18	Certificate of Registration Central Sales Tax  (under Rule 5(1) of Central Sales Tax (Registration and Turnover)	Sales Tax Officer (VAT-C-001) Registration Branch, Nallasopara	27770006363C	July 16, 2009	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Rules, 1957) Registered Office: Maharashtra (Thane)				
19	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957) Branch 07: Chandigarh	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Chandigarh	04430036466	July 20,2011  Applicable w.e.f. July 1, 2011	N.A.
20	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957) Branch 9: Madhya Pradesh	Assistant Commercial Tax Officer, Commercial Tax Department, Government of Madhya Pradesh	23621304711	March 25, 2010	NA
21	Certificate of Registration Central Sales Tax (under Rule 5(1) of Central Sales Tax (Registration and Turnover) Rules, 1957) Branch 06: West Bengal (Kolkata)	Assistant Commercial Tax Officer, Commercial Tax Department, Government of West Bengal	19572119032	January 30, 2012	NA
	Certificate of Registration Central Sales Tax (under Section 7(1)/ 7(2) of the Central Sales Tax	Assistant Excise and Taxation Commissioner, S.A.S. Nagar.	03632103879	May 18, 2012	NA

Sr. No.	Authorisation granted	Issuing Authority	Registration No./Reference No./License No.	Date of Issue	Validity
	Act, 1956) Branch 10: Punjab				
23	Central Excise Registration Certificate (under Rule 9 of the Central Excise Rules, 2002)	Assistant Commissioner of Central Excise, Central Board of Excise and Customs, Ministry of Finance, Department of Revenue	AACI7326QXM001	December 24, 2009	NA
24	Professional Tax Enrolment Certificate (PTEC) (under sub-section (2) or sub-section (2A) or sub-section (3) of Section 5 of Maharashtra State Tax on Professional, Trades, Callings and Employments Act, 1975)	Profession Tax Officer, Department of Sales Tax Government of Maharashtra	99812182512P	July 02, 2014  Applicable w.e.f. June 1, 1999	NA
25	Professional Tax Registration Certificate (PTRC) (under sub-section (1) of section 5 of Maharashtra State Tax on Professional, Trades, Callings and Employments Act, 1975)	Profession Tax Officer, Nalasopara, Department of Sales Tax Government of Maharashtra	27770006363P	November 20, 2012	NA

**LABOUR RELATED APPROVALS/REGISTRATIONS**


<b>Sr. No.</b>	<b>Description</b>	<b>Authority</b>	<b>Registration No./Reference No./License No.</b>	<b>Date of Issue</b>
1.	Employees Provident Fund Registration (under Employees' Provident Funds and Miscellaneous Provisions Act, 1952)	Employees Provident Fund Organisation, Ministry of Labour, Government of India	MH/PF/APP/93971/ENI/MD/KNO/10952	December 09, 2005
2	Registration for Employees State Insurance (under Employees State Insurance Act, 1948 )	Employees State Insurance Corporation	35000362180000699	September 25, 2015

**OTHER BUSINESS RELATED APPROVALS**

<b>Sr No.</b>	<b>Description</b>	<b>Authority</b>	<b>Registration Number</b>	<b>Date of Certificate</b>	<b>Date of Expiry</b>
1	ISO 9001: 2015	Bureau Veritas Certification Holding SAS – UK Branch	IND17.5490U/Q	August 11, 2017	August 18, 2020

**INTELLECTUAL PROPERTY RELATED APPROVALS/REGISTRATIONS****TRADEMARKS**



Sr. No.	Trademark	Trademark Type	Class	Applicant	Application No.	Date of Application	Validity/ Renewal	Registration status
1.		INNOVATOR (DEVICE)	42	Innovators Engineers & Contractors Pvt. Ltd.	1249980	November 17, 2003	November 17, 2023	Rectification filed

Our Company has filed an application to get the above trademark transferred in the name of M/s. Innovators Façade Systems Private Limited.

**Company has confirmed that no other applications have been made by the Company nor has it registered any type of intellectual property including trademarks/copyrights/patents etc.**

**PENDING APPROVALS:**

1. Application for change of name of all the above mentioned approvals is not made by the Company.
- 2.

**MATERIAL LICENSES / APPROVALS FOR WHICH THE COMPANY IS YET TO APPLY**

1. GST Registration of various branch offices of the Company is yet to be applied.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

### AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on February 16, 2018 and by the shareholders of our Company by a Special Resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013 passed at the Extraordinary General Meeting of our Company held on February 17, 2018 at registered office of the Company.

### PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Neither our Company nor our Directors, our Promoter, relatives of Promoter, our Promoter Group, and our Group Companies has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors or Group Companies have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors are associated with the securities market in any manner, including securities market related business.

### ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1,000 lakhs but does not exceed Rs 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

#### **We confirm that:**

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the BRLM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled “*General Information*” beginning on page 74 of this Red Herring Prospectus.
2. In, accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company becomes liable to repay it, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Book Running Lead Manager submits the copy of Red Herring Prospectus/ Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Draft Red Herring Prospectus with Stock Exchange and the Registrar of Companies.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled “*General Information*” beginning on page 74 of this Red Herring Prospectus.

5. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.
8. The Distributable Profit of the Company as per the restated standalone financial statements for the period ended December 31, 2017 and year ended March 31, 2017, 2016, 2015, 2014, and 2013 is as set forth below: (Rs in lakhs)

Particulars	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	575.49	186.01	167.64	316.76	269.24	232.48
Net Tangible Assets**	4,693.23	4,131.30	3,956.34	3,797.30	1,985.22	1,715.98
Net Worth***	4,726.93	4,151.44	3,965.44	3,797.80	1,985.22	1,715.98

\*“Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\*“Net tangible assets” are defined as the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India and deferred tax assets (net).

\*\*\*“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

9. The Distributable Profit of the Company as per the consolidated restated financial statements for the period ended December 31, 2017 and year ended March 31, 2017, 2016, 2015, 2014, and 2013 is as set forth below: (Rs in lakhs)

Particulars	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	575.37	182.00	165.87	313.73	268.84	232.06
Net Tangible Assets**	6,512.33	5,950.51	5,779.57	5,622.29	3,813.25	3,544.41
Net Worth***	6,546.03	5,970.66	5,788.66	5,622.79	3,813.25	3,544.41

\*“Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\*“Net tangible assets” are defined as the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India and deferred tax assets (net).

\*\*\*“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

10. The Post-issue paid up capital of the Company shall be at least Rs. 3 crore. The post issue capital of our Company is Rs. [●]
11. The Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories.

12. The Company has not been referred to Board for Industrial and Financial Reconstruction.
13. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
14. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
15. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
16. The Company has a website [www.innovators.in](http://www.innovators.in)

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

#### **DISCLAIMER CLAUSE OF SEBI**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE A DUE DILIGENCE CERTIFICATE AND WHICH SHALL ALSO BE SUBMITTED TO SEBI AFTER REGISTERING THE RED HERRING PROSPECTUS WITH ROC AND BEFORE OPENING OF THE ISSUE**

**“WE, THE UNDER NOTED BOOK RUNNING LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND**

**INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:**

- A. THE DRAFT RED HERRING PROSPECTUS FILED WITH THE EXCHANGE / BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**
- B. ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
- C. THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS**
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS.**
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS.**
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. – NOT APPLICABLE**



8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT RED HERRING PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE, AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
  - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND
  - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE. – NOTED FOR COMPLIANCE
14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. - NOTED FOR COMPLIANCE
16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER AS PER FORMAT SPECIFIED BY THE BOARD (SEBI)

**THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**

**17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.” *COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT RED HERRING PROSPECTUS***

**ADDITIONAL CONFIRMATIONS / CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE**

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.**
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES / ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.**
- (6) WE CONFIRM THAT UNDERWRITING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.**
- (7) WE CONFIRM THAT MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE**

The filing of this Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Book Running Lead Manager any irregularities or lapses in the Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Red Herring Prospectus and Prospectus with the Registrar of Companies, Mumbai, Maharashtra, in terms of Section 26, 30, 32 and 33 of the Companies Act, 2013.

## **DISCLAIMER STATEMENT FROM OUR COMPANY AND THE BOOK RUNNING LEAD MANAGER**

Our Company, our Directors and the Book Running Lead Manager accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at instance of our Company and that anyone placing reliance on any other source of information, including our website [www.innovators.in](http://www.innovators.in) would be doing so at his or her own risk.

### **Caution**

The Book Running Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Book Running Lead Manager and our Company dated March 20, 2018, the Underwriting Agreement dated March 20, 2018 entered into among the Underwriter and our Company and the Market Making Agreement dated March 20, 2018 entered into among the Market Maker, Book Running Lead Manager and our Company.

Our Company and the Book Running Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, etc.

The Book Running Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Book Running Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

**Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Book Running Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.**

## **PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE BOOK RUNNING LEAD MANAGER**

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/CFD/DIL/7/2015 dated October 30, 2015 issued by SEBI, please refer "Annexure A" to this Red Herring Prospectus and the website of the Book Running Lead Manager at [www.pantomathgroup.com](http://www.pantomathgroup.com)

### **DISCLAIMER IN RESPECT OF JURISDICTION**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Red

Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that the Draft Red Herring Prospectus has been filed with BSE SME for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Red Herring Prospectus in each jurisdiction, including India.

#### **DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE**

BSE Limited ("BSE") has given vide its letter dated April 19, 2018 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE Ltd does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its promoter, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

#### **FILING**

The Draft Red Herring Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Red Herring Prospectus shall be filed with SEBI at the SEBI Bhavan, Plot No C4-A, G Block, Bandra Kurla Complex, Bandra East, Mumbai- 400051, Maharashtra. A copy of Red Herring Prospectus along with the documents required to be filed under Section 26 and Section 32 of the Companies Act, 2013 has been delivered to the RoC situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India. A copy of the Prospectus along with the documents required to be filed under Section 26 and Section

32 of the Companies Act, 2013 will be delivered to the RoC situated at 100, Everest, Marine Drive, Mumbai- 400002, Maharashtra, India.

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE SME will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principle approval for using its name in our Red Herring Prospectus *vide* its letter dated April 19, 2018.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within six Working Days from the Issue Closing Date.

## **CONSENTS**

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, Chief Executive Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Book Running Lead Manager, Underwriter, Market Maker, Registrar to the Issue, Public Issue Bank / Banker to the Issue and Refund Banker to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and will be filed along with a copy of the Red Herring Prospectus/ Prospectus with the RoC, as required under Sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus/ Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Red Herring Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Red Herring Prospectus & Prospectus for filing with the RoC.

## **EXPERT TO THE ISSUE**

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report of the Peer Reviewed Auditor on the Restated Financial Statements for the period ended December 31, 2017 and for the financial years ended on March 31, 2017, 2016, 2015, 2014, & 2013 of our Company

## **EXPENSES OF THE ISSUE**

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “*Objects of the Issue*” beginning on page 105 of this Red Herring Prospectus.

## **DETAILS OF FEES PAYABLE**

### **Fees Payable to the Lead Manager**

The total fees payable to the Book Running Lead Manager will be as per the Mandate Letter dated January 16, 2018 issued by our Company to the Book Running Lead Manager, the copy of which is available for inspection at our Registered Office.

### **Fees Payable to the Registrar to the Issue**



The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated March 20, 2018, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send allotment advice by registered post / speed post / under certificate of posting.

#### **Fees Payable to Others**

The total fees payable to the Legal Advisor, Auditor and Advertiser, etc. will be as per the terms of their respective engagement letters if any.

#### **UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION**

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Book Running Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

#### **PREVIOUS RIGHT AND PUBLIC ISSUES SINCE THE INCORPORATION**

We have not made any previous rights and / or public issues since incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

#### **PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH**

Except as stated in the chapter titled “*Capital Structure*” beginning on page 85 of this Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

#### **COMMISSION AND BROKERAGE ON PREVIOUS ISSUES**

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

#### **PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:**

None of the equity shares of our Group Companies are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

#### **PROMISE VERSUS PERFORMANCE FOR OUR COMPANY**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

#### **OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY**

As on the date of this Red Herring Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

#### **STOCK MARKET DATA FOR OUR EQUITY SHARES**

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

#### **MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES**

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and unblocking of funds to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

#### **DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY**

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on March 09, 2018. For further details, please refer to the chapter titled “*Our Management*” beginning on page 180 of this Red Herring Prospectus.

Our Company has appointed Radhika Tibrewala as Compliance Officer and she may be contacted at the following address:

**Radhika Tibrewala**

204, B-65, Sector No 1

Shanti Nagar, Mira Road (East)

Thane- 401107, Maharashtra, India

**Tel:** 022- 28132151

**Fax:** 022- 28132151

**Email:** [cs@innovators.in](mailto:cs@innovators.in)

**Website:** [www.innovators.in](http://www.innovators.in)

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of funds, etc.

#### **CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS**

Except as stated below, there have been no changes in Auditors of our Company in during the last three years preceding the date of this Red Herring Prospectus.

M/s SGO & Co has been appointed as Statutory Auditors in place of M/s Narkar & Co, with effect from September 12, 2015.

#### **CAPITALISATION OF RESERVES OR PROFITS**

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 85 of this Red Herring Prospectus, our Company has not capitalized its reserves or profits during the last five years.

#### **REVALUATION OF ASSETS**

Our Company has not revalued its assets since incorporation.

#### **PURCHASE OF PROPERTY**

Other than as disclosed in this Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus.

Except as stated elsewhere in this Red Herring Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

#### **SERVICING BEHAVIOR**

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

## SECTION VII – ISSUE INFORMATION

### TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, SCRA, SCRR, the Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Red Herring Prospectus, the Abridged Prospectus, Bid cum Application Form, the Revision Form, the CAN/ the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the FIPB, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by SEBI, the RBI, the Government of India, the FIPB, the Stock Exchanges, the RoC and any other authorities while granting their approval for the Issue. SEBI has notified the SEBI Listing Regulations on September 2, 2015, which among other things governs the obligations applicable to a listed company which were earlier prescribed under the Equity Listing Agreement. The Listing Regulations have become effective from December 1, 2015.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official website of the concerned stock exchange for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available.

### RANKING OF EQUITY SHARES

The Equity Shares being issued and transferred in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees upon receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 336 of this Red herring Prospectus.

### MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled “*Dividend Policy*” on page 204 of this Red herring Prospectus.

### FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of Price Band is Rs. [●] per Equity Share and at the higher end of the Price Band is Rs. [●] per Equity Share. The Anchor Investor Allocation Price is Rs. [●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and advertised in all edition of the English national newspaper Business

Standard, all edition of the Hindi national newspaper Business Standard and the Regional newspaper Mumbai Lakshadeep, each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be prefilled in the Bid cum Application Forms available on the websites of the Stock Exchanges.

At any given point of time there shall be only one denomination of Equity Shares.

#### **COMPLIANCE WITH SEBI ICDR REGULATIONS**

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

#### **RIGHTS OF THE EQUITY SHAREHOLDERS**

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive issue for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and / or consolidation / splitting, please refer to the section titled “*Main Provisions of Articles of Association*” beginning on page number 336 of this Red herring Prospectus.

#### **MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT**

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated April 11, 2018 amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated April 04, 2018 amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Issue will be done in multiples of [●] Equity Share subject to a minimum allotment of [●] Equity Shares to the successful applicants.

#### **MINIMUM NUMBER OF ALLOTTEES**

Further in accordance with the Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is



less than 50, no allotment will be made pursuant to this Issue and the monies blocked by the SCSBs shall be unblocked within 4 working days of closure of issue.

## **JURISDICTION**

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be issued or sold within the United States or to, or for the account or benefit of, “U.S. persons” (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being issued and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those issues and sales occur.**

**The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.**

## **JOINT HOLDER**

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

## **NOMINATION FACILITY TO BIDDERS**

In accordance with Section 72 of the Companies Act, 2013 the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

## WITHDRAWAL OF THE ISSUE

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

## BID/ ISSUE OPENING DATE

Bid / Issue Opening Date	Monday, May 14, 2018
Bid / Issue Closing Date	Wednesday, May 16, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	Monday, May 21, 2018
Initiation of Refunds	Tuesday, May 22, 2018
Credit of Equity Shares to demat accounts of Allottees	Wednesday, May 23, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	Thursday, May 24, 2018

*\*Our Company may, in consultation with the BRLM, consider participation by Anchor Investors. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI Regulations.*

The above timetable is indicative and does not constitute any obligation on our Company, and the BRLM. Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchange are taken within 6 Working Days of the Bid/Issue Closing Date, the timetable may change due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delays in receiving the final listing and trading approval from the Stock Exchange. The Commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchange and in accordance with the applicable laws.

Bids and any revision to the same shall be accepted **only between 10.00 a.m. and 5.00 p.m. (IST)** during the Bid/Issue Period. On the Bid/Issue Closing Date, the Bids and any revision to the same shall be accepted between **10.00 a.m. and 5.00 p.m. (IST)** or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders after taking into account the total number of Bids received up to the closure of timings and reported by the Book Running Lead Manager to the Stock Exchanges. It is clarified that Bids not uploaded on the electronic system would be rejected. Bids will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public issue, some Bids may not get

uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the Book Running Lead Manager is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Red Herring Prospectus is Indian Standard Time.

Our Company in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision of the Price Band, the Bid/Issue Period will be extended for at least three additional working days after revision of Price Band subject to the Bid/ Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchange, by issuing a press release and also by indicating the changes on the websites of the Book Running Lead Manager and at the terminals of the Syndicate Member.**

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid cum Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data

#### **MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the issue through the Issue Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our Issue shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the issue through the Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106( R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty)

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be issued or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

#### **MIGRATION TO MAIN BOARD**

Our company may migrate to the Main board of BSE from SME Exchange on a later date subject to the following:

- *If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.*

OR

- *If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid by the Main Board and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.*

#### **MARKET MAKING**

The shares issued and transferred through this Issue are proposed to be listed on the BSE SME (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing on BSE SME. For further details of the market making arrangement please refer to chapter titled “General Information” beginning on page 74 of this Red herring Prospectus.

#### **ARRANGEMENT FOR DISPOSAL OF ODD LOT**

The trading of the equity shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on BSE SME.

#### **AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE**

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

#### **OPTION TO RECEIVE SECURITIES IN DEMATERIALIZED FORM**

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

#### **NEW FINANCIAL INSTRUMENTS**

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

## **APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S**

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

## **RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES**

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 85 of this Red herring Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 336 of this Red Herring Prospectus.

*The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Book Running Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Book Running Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Red herring Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.*



## ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, our post issue face value capital exceeds ten crore rupees but does not exceed twenty five crore . The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the BSE SME). For further details regarding the salient features and terms of such an issue please refer chapter titled “*Terms of the Issue*” and “*Issue Procedure*” on page 267 and 279 of this Red Herring Prospectus.

### Following is the issue structure:

Initial Public Issue of Upto 56,60,800 Equity Shares of face value of Rs. 10/- each fully paid (the ‘Equity Shares’) for cash at a price of Rs. [●] (including a premium of Rs. [●]) aggregating to Rs. [●] lakhs. The Issue comprises a Net Issue to the public of up to 53,72,800 Equity Shares (the “Net Issue”). The Issue and Net Issue will constitute [●] % and [●] % of the post-Issue paid-up Equity Share capital of our Company.

The Issue comprises a reservation of upto 2,88,000 Equity Shares of Rs. 10 each for subscription by the designated Market Maker (“the Market Maker Reservation Portion”).

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares	[●] Equity Shares	Upto 2,88,000 Equity Shares	[●] Equity Shares	[●] Equity Shares
Percentage of Issue Size available for allocation	49.97% of Net the Issue size shall be available for allocation to QIBs. However, up to 5% of net QIB Portion (excluding the Anchor Investor Portion) will be available for allocation proportionately to Mutual Fund only. Upto 59.95% of the QIB Portion may be available for allocation to Anchor Investors and one-third of the Anchor Investors Portion shall be available for allocation to domestic mutual funds only*	Upto 5.09 % of Issue Size	Not less than 15.01 % of Net Issue shall be available for allocation	Not less than 35.02 % of Net Issue shall be available for allocation

Particulars	Qualified Institutional Bidders	Market Maker Reservation Portion	Non Institutional Bidders	Retail Individual Bidders
<b>Basis of Allotment / Allocation if respective category is oversubscribed</b>	<p>Proportionate as follows (excluding the Anchor Investor Portion:-</p> <p>a) upto [●] Equity Shares, shall be available for allocation on a proportionate basis to Mutual Funds only and;</p> <p>b) [●] Equity shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above</p> <p>[●] Equity Shares may be allocated on a discretionary basis to Anchor Investors</p> <p>For further details please refer to the section titled “<i>Issue Procedure</i>” beginning on page 279 of the Red Herring Prospectus</p>	Firm Allotment	Proportionate	Proportionate subject to minimum allotment of [●] equity shares and further allotment in multiples of [●] equity shares each. For further details please refer to the section titled “ <i>Issue Procedure</i> ” beginning on page 279 of the Red Herring
<b>Mode of Bid cum Application</b>	Online or Physical through ASBA Process only (except Anchor Investors)	Through ASBA Process only	All applicants/ bidders shall make the application (Online or Physical through ASBA Process only)	All applicants/ bidders shall make the application (Online or Physical through ASBA Process only)
<b>Minimum Bid Size</b>	Such number of Equity Shares in multiples of [●]	Upto 2,88,000 Equity Shares of face	Such number of Equity Shares in multiples of [●]	Such number of Equity Shares in

<b>Particulars</b>	<b>Qualified Institutional Bidders</b>	<b>Market Maker Reservation Portion</b>	<b>Non Institutional Bidders</b>	<b>Retail Individual Bidders</b>
	Equity Shares such that the Application size exceeds Rs 2,00,000	value of Rs 10/- each	Equity Shares such that the Application size exceeds Rs 2,00,000	multiples of [●] Equity Shares such that the Application size does not exceed Rs 2,00,000
<b>Maximum Bid Size</b>	Not exceeding the size of the Issue subject to regulations as applicable to the Bidder	Upto 2,88,000 Equity Shares of face value of Rs 10/- each	Not exceeding the size of the issue	Such number of Equity Shares in multiples of [●] Equity Shares such that the Application size does not exceed Rs 2,00,000
<b>Mode of Allotment</b>	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
<b>Trading Lot</b>	[●] Equity Shares	Upto 2,88,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations	[●] Equity Shares	[●] Equity Shares
<b>Terms of payment</b>	The entire Bid Amount will be payable at the time of submission of the Bid Form			

1. \* Our Company, in consultation with the BRLM may allocate upto 59.95% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the SEBI (ICDR) Regulations, 2009, as amended. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Price. For further details please refer to the section titled "Issue Procedure" beginning on page 279 of the Red Herring Prospectus;
2. Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form.
3. Subject to valid Bids being received at or above the Issue Price, under-subscription, if any, in any category other than the QIB Category would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company, in

*consultation with the BRLM and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.*

- 4. The QIB Portion includes Anchor Investor Portion, as per the SEBI Regulations. Anchor Investor shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Allocation Price, shall be payable by Anchor Investor Pay-in Date*
- 5. The Issue is being made through the Book Building Process, wherein 49.97% of the Net Issue shall be available for allocation on a proportionate basis to QIBs, provided that our Company, in consultation with the BRLM may allocate upto 59.95% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. Further not less than 15.01% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35.02% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.*

In case of Joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

#### **WITHDRAWAL OF THE ISSUE**

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Book Running Lead Manager through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue for sale of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

**BID/ ISSUE OPENING DATE**

Bid / Issue Opening Date*	Monday, May 14, 2018
Bid / Issue Closing Date	Wednesday, May 16, 2018
Finalisation of Basis of Allotment with the Designated Stock Exchange	Monday, May 21, 2018
Initiation of Refunds	Tuesday, May 22, 2018
Credit of Equity Shares to demat accounts of Allottees	Wednesday, May 23, 2018
Commencement of trading of the Equity Shares on the Stock Exchange	Thursday, May 24, 2018

*\*Our Company may, in consultation with the BRLM may, consider participation by Anchor Investors. The Anchor Investor shall Bid in the Anchor Investor Bid Period i.e. one Working Day prior to the Bid Opening Date.*

Applications and any revisions to the same will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date applications will be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., all trading days of stock exchanges excluding Sundays and bank holidays.

In case of Bids by Non Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10:00 am and 3:00 pm (Indian Standard Time) and uploaded till 4:00 pm on the Bid Closing Date.

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for Investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (“General Information Document”), and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under “Part B – General Information Document”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated in this section and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus.*

*Please note that all the Bidders can participate in the Issue only through the ASBA process. All Bidders shall ensure that the ASBA Account has sufficient credit balance such that the full Bid Amount can be blocked by the SCSB at the time of submitting the Bid. Please note that all Bidders are required to make payment of the full Bid Amount along with the Bid cum Application Form.*

*Bidders are required to submit Bids to the Selected Branches / Offices of the RTAs, DPs, Designated Bank Branches of SCSBs or to the Syndicate Members. The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on <http://www.sebi.gov.in>. For details on designated branches of SCSB collecting the Bid cum Application Form, please refer the above mentioned SEBI link. The list of Stock Brokers, Depository Participants (“DP”), Registrar to an Issue and Share Transfer Agent (“RTA”) that have been notified by Bombay Stock Exchange. to act as intermediaries for submitting Bid cum Application Forms are provided on <http://www.bseindia.com> For details on their designated branches for submitting Bid cum Application Forms, please see the above mentioned BSE website.*

*Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, the ASBA process become mandatory for all investors w.e.f. January 1, 2016 and it allows the registrar, share transfer agents, depository participants and stock brokers to accept Bid cum Application Forms.*

## BOOK BUILDING PROCEDURE

The Issue is being made under Regulation 106(M)(2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The Issue is being made through the Book Building Process wherein 49.97% of the Net Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis provided that Our Company in consultation with the BRLM may allocate up to 59.95% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with SEBI Regulation. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation



on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. In the event the aggregate demand from Mutual Funds is less than as specified above, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids.

Further not less than 15.01% of the Net Issue shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35.02% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLM and the Stock Exchange.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid cum Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid cum Application Form and entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

#### **BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of the BSE ([www.bseindia.com](http://www.bseindia.com)), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid cum Application Form and the Bid cum Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection Centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

<b>Category</b>	<b>Colour of Bid cum Application Form*</b>
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue

Category	Colour of Bid cum Application Form*
Anchor Investors**	As prescribed by the Issuer

\*excluding electronic Bid cum Application Form

\*\* Bid cum Application Forms for Anchor Investors shall be available at the offices of the BRLM

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid cum Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Red Herring Prospectus. The Application Form shall contain information about the Applicant, price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number. ASBA Bidders are required to ensure that the ASBA Account has sufficient credit balance as an amount equivalent to the full Bid Amount can be blocked by the SCSBs at the time of submitting the Bid.

Applicants are required to submit their applications only through any of the Application Collecting Intermediaries

- i. An SCSB, with whom the bank account to be blocked is maintained
- ii. A syndicate member (or sub syndicate member)
- iii. A stock broker registered with a recognized stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) (broker)
- iv. A depository participant (DP) (whose name is mentioned on the website of stock exchange as eligible for this activity)
- v. A registrar to an issue and share transfer agent (RTA) (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgment to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by”

For applications submitted by investors to SCSB	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified
For applications submitted by investors to intermediaries other than SCSBs	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of the stock exchange. Post uploading they shall forward a schedule as per prescribed format along with the application forms to designated branches of respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus, without prior or subsequent notice of such changes to the Applicants.

#### WHO CAN BID?

In addition to the category of Bidders set forth under “*General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue*”, the following persons are

also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and / or industrial research organisations authorised in India to invest in the Equity Shares.

#### MAXIMUM AND MINIMUM APPLICATION SIZE

##### *a) For Retail Individual Bidders:*

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs 2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs. 2,00,000.

##### *b) For Other Bidders (Non-Institutional Bidders and QIBs):*

The Bid cum Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs 2,00,000 for being considered for allocation in the Non-Institutional Portion.

#### INFORMATION FOR THE BIDDERS

- a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid / Issue Opening Date.
- b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre-Issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre-Issue advertisement, our Company and the Book Running Lead Manager shall advertise the Issue Opening Date, the Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the ICDR Regulations.
- c. The Price Band as decided by our Company in consultation with the Book Running Lead Manager is Rs. [●] per Equity Share. The Floor Price of Equity Shares is Rs. [●] per Equity Share and the Cap Price is Rs. [●] per Equity Share and the minimum bid lot is of [●] Equity Shares. Our Company shall also announce the Price Band at least five Working Days before the Issue Opening Date in English and Hindi national newspapers and one regional newspaper with wide circulation.
- d. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the Bid cum Application Forms available on the websites of the stock exchanges.
- e. The Issue Period shall be for a minimum of three Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the Book Running Lead Manager and at the terminals of the members of the Syndicate.

**The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid cum Application Form and entered into the electronic bidding system of the Stock Exchanges by the Syndicate Member does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid cum Application Form is liable to be rejected.**

#### **OPTION TO SUBSCRIBE IN THE ISSUE**

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.

A single Bid cum application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law

#### **AVAILABILITY OF RED HERRING PROSPECTUS AND BID CUM APPLICATION FORM**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date.

#### **APPLICATIONS BY ELIGIBLE NRI'S/RFPI'S ON REPATRIATION BASIS**

Copies of the Bid cum Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid cum Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Issue Opening Date.

#### **PARTICIPATION BY ASSOCIATED/AFFILIATES OF BOOK RUNNING LEAD MANAGER AND SYNDICATE MEMBERS**

The BRLM and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, as on the date of the Red Herring Prospectus associates of the Book Running Lead Manager holds 4,03,226 Equity Shares of our Company aggregating to 3.05% of the total pre issue paid up capital of our Company. Please note that the allotment of Equity Shares to above said associated of PCAPL is in compliance with Regulation 21A of the Securities and Exchange Board of India (Merchant Bankers) Regulations 1992, as amended, and the PCAPL confirms that (i) it has not become a promoter or associate (as defined therein) of the Company.

The BRLM, Syndicate Members and any persons related to the BRLM and Syndicate Members (other than Mutual Funds sponsored by entities related to the BRLM) cannot apply in the Issue under the Anchor Investor Portion. However, the associates and affiliates of the BRLM and the Syndicate Members, if any, may subscribe the Equity Shares in the Offer, either in the Net QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

#### **APPLICATIONS BY ELIGIBLE NRI'S**

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLM and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("NRE") accounts, or Foreign Currency Non-Resident ("FCNR") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("NRO") accounts for the full Bid Amount, at the time of the submission of the Bid cum

Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour).

Eligible NRIs bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents (blue in colour)

### **BIDS BY FPI INCLUDING FIIs**

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI-registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid cum Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after

compliance with know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid cum Application Form for Non-Residents (blue in colour).

#### **BIDS BY SEBI REGISTERED VCFs, AIFs and FVCIs**

The SEBI FVCI Regulations and the SEBI AIF Regulations inter-alia prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the VCF Regulation until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

**Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.**

#### **BIDS BY ANCHOR INVESTORS**

Our Company, in consultation with the BRLM, may consider participation by Anchor Investors in the Issue for upto 59.95% of the QIB Portion in accordance with the SEBI Regulations. Only QIBs as defined in Regulation 2(1)(zd) of the SEBI Regulations and not otherwise excluded pursuant to Schedule XI of the SEBI Regulations are eligible to invest. The QIB Portion will be reduced in proportion to allocation under the Anchor Investor Portion. In the event of under-subscription in the Anchor Investor Portion, the balance Equity Shares will be added to the QIB Portion. In accordance with the SEBI Regulations, the key terms for participation in the Anchor Investor Portion are provided below.

1. Anchor Investor Bid cum Application Forms will be made available for the Anchor Investors at the offices of the BRLM.
2. The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount is atleast Rs 100 million. A Bid cannot be submitted for over 59.95% of the QIB Portion. In case of a Mutual Fund, separate Bids by individual schemes of a Mutual Fund will be aggregated to determine the minimum application size of Rs 100 million.



3. One-third of the Anchor Investor Portion will be reserved for allocation to domestic Mutual Funds.
4. Bidding for Anchor Investors will open one Working Day before the Bid/ Issue Opening Date and be completed on the same day.
5. Our Company, in consultation with the BRLM, will finalise allocation to the Anchor Investors on a discretionary basis, provided that the minimum and maximum number of Allottees in the Anchor Investor Portion will be, as mentioned below:
  - a. where allocation in the Anchor Investor Portion is upto Rs. 1000.00 Lakhs, maximum of 2 (two) Anchor Investors;
  - b. where the allocation under the Anchor Investor Portion is more than Rs. 1000.00 Lakhs but upto Rs. 25,000 Lakhs, minimum of 2 (two) and maximum of 15 (fifteen) Anchor Investors, subject to a minimum Allotment of Rs. 500 Lakhs per Anchor Investor; and
  - c. where the allocation under the Anchor Investor portion is more than Rs. 25,000 Lakhs: (i) minimum of 5 (five) and maximum of 15 (fifteen) Anchor Investors for allocation upto Rs. 25,000 Lakhs; and (ii) an additional 10 Anchor Investors for every additional allocation of Rs. 25,000 Lakhs or part thereof in the Anchor Investor Portion; subject to a minimum Allotment of Rs. 500 Lakhs per Anchor Investor.
6. Allocation to Anchor Investors will be completed on the Anchor Investor Bid/ Issue Period. The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made will be made available in the public domain by the BRLM before the Bid/ Issue Opening Date, through intimation to the Stock Exchange.
7. Anchor Investors cannot withdraw or lower the size of their Bids at any stage after submission of the Bid.
8. If the Issue Price is greater than the Anchor Investor Allocation Price, the additional amount being the difference between the Issue Price and the Anchor Investor Allocation Price will be payable by the Anchor Investors within 2 (two) Working Days from the Bid/Issue Closing Date. If the Issue Price is lower than the Anchor Investor Allocation Price, Allotment to successful Anchor Investors will be at the higher price, i.e., the Anchor Investor Issue Price.
9. At the end of each day of the bidding period, the demand including allocation made to anchor investors, shall be shown graphically on the bidding terminals of syndicate members and website of stock exchange offering electronically linked transparent bidding facility, for information of public.
10. Equity Shares Allotted in the Anchor Investor Portion will be locked in for a period of 30 days from the date of Allotment.
11. The BRLM, our Promoters, Promoter Group or any person related to them (except for Mutual Funds sponsored by entities related to the BRLM) will not participate in the Anchor Investor Portion. The parameters for selection of Anchor Investors will be clearly identified by the BRLM and made available as part of the records of the BRLM for inspection by SEBI.
12. Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion will not be considered multiple Bids.
13. Anchor Investors are not permitted to Bid in the Issue through the ASBA process

#### **BIDS BY MUTUAL FUNDS**

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for

investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid cum Application in whole or in part, in either case, without assigning any reason thereof.

In case of a mutual fund, a separate Bid cum Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

#### **BIDS BY LIMITED LIABILITY PARTNERSHIPS**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any bid without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

#### **BIDS BY INSURANCE COMPANIES**

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by Insurance Companies without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- 1) equity shares of a company: the least of 10.00% of the investee company's subscribed capital (face value) or 10.00% of the respective fund in case of life insurer or 10.00% of investment assets in case of general insurer or reinsurer;
- 2) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- 3) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be. Insurance companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

#### **BIDS UNDER POWER OF ATTORNEY**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof. In addition to the above, certain additional documents are required to be submitted by the following entities:

- a) With respect to Bids by FIIs and Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form.
- b) With respect to Bids by insurance companies registered with the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form.
- c) With respect to Bids made by provident funds with a minimum corpus of Rs. 2500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Bid cum Application Form.
- d) With respect to Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form
- e) Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form, subject to such terms and conditions that our Company and the BRLM may deem fit.

**The above information is given for the benefit of the Bidders. Our Company, the Book Running Lead Manager and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Red Herring Prospectus.**

#### **BIDS BY PROVIDENT FUNDS/PENSION FUNDS**

In case of Bids made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid Cum Application Form. Failing this, the Company reserves the right to accept or reject any bid in whole or in part, in either case, without assigning any reason thereof.

#### **BIDS BY BANKING COMPANY**

In case of Bids made by banking companies registered with RBI, certified copies of: (i) the certificate of registration issued by RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the ASBA Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

Bid cum Application Form, failing which our Company reserve the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "Banking Regulation Act"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for

disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016.

#### **BIDS BY SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making Bid cum applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making Bid cum application in public issues and clear demarcated funds should be available in such account for such Bid cum applications.

#### **ISSUANCE OF A CONFIRMATION NOTE ("CAN") AND ALLOTMENT IN THE ISSUE**

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder

#### **TERMS OF PAYMENT**

##### **Terms of Payment**

The entire Issue price of Rs. [●] per share is payable on Bid cum application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

##### **Payment mechanism for Bidders**

The Bidders shall specify the bank account number in the Bid cum Application Form and the SCSBs shall block an amount equivalent to the Bid cum Application Amount in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the bid cum application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Bidders shall neither withdraw nor lower the size of their bid cum applications at any stage. In the event of withdrawal or rejection of the Bid cum Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the bid cum application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

## **PAYMENT INTO ESCROW ACCOUNT FOR ANCHOR INVESTORS**

All the investors other than Anchor Investors are required to bid through ASBA Mode. Anchor Investors are requested to note the following:

Our Company in consultation with the BRLM, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

In case of resident Anchor Investors: — Innovators Façade Systems Limited Public Issue – Escrow – Anchor Investor –R

In case of Non-Resident Anchor Investors: — Innovators Façade Systems Limited Public Issue – Escrow –Anchor Investor –NR

Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Syndicate, the Escrow Collection Bank and the Registrar to the Issue to facilitate collections from the Anchor Investors.

## **SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC**

- a) Our Company has entered into an Underwriting agreement dated March 20, 2018.
- b) A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 of the Companies Act.

## **PRE- ISSUE ADVERTISEMENT**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

## **ADVERTISEMENT REGARDING ISSUE PRICE AND PROSPECTUS**

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

## **GENERAL INSTRUCTIONS**

### ***Do's:***

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;

6. If the first applicant is not the account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
8. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
13. Ensure that the Demographic Details are updated, true and correct in all respects;
14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
15. Ensure that the category and the investor status is indicated;
16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid cum Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form;
19. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;



20. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
21. Ensure that you have correctly signed the authorization/undertaking box in the Bid cum Application Form, or have otherwise provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid;
22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid cum Application Form; and

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Dont's:***

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid cum Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid cum Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five Bid cum Application Forms per ASBA Account;

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**BIDS AT DIFFERFENT PRICE LEVELS AND REVISION OF BIDS**

- a) Our Company in consultation with the BRLM, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the

Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.

b) Our Company in consultation with the BRLM, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders.

c) The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

d) Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

e) The price of the specified securities offered to an anchor investor shall not be lower than the price offered to other applicants

## **COMMUNICATIONS**

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre Issue or post Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

## **IMPERSONATION**

*Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:*

*“Any person who—*

- a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

*shall be liable for action under Section 447.”*

## **UNDERTAKINGS BY THE COMPANY**

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at SME Platform of Bombay Stock Exchange where the Equity Shares

are proposed to be listed within six working days from Issue Closure date.

3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the Stock exchange/RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period

#### **UTILIZATION OF THE ISSUE PROCEEDS**

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The Book Running Lead Manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

#### **EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL**

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated April 11, 2018 among NSDL, the Company and the Registrar to the Issue;

b. Agreement dated April 04, 2018 among CDSL, the Company and the Registrar to the Issue; The Company's shares bear ISIN no INE870Z01015 .

## **PART B**

### **GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES**

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Red Herring prospectus before investing in the Issue.*

#### **SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)**

This document is applicable to the public issues undertaken *inter-alia* through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders in IPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“SEBI ICDR Regulations, 2009”).

Bidders should note that investment in equity and equity related securities involves risk and Bidder should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by the Issuer with the Registrar of Companies (“RoC”). Bidders should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM to the Issue and on the website of Securities and Exchange Board of India (“SEBI”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders may refer to the section “Glossary and Abbreviations”.

#### **SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE**

##### **2.1 Initial public offer (IPO)**

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP.

##### **2.2 Further public offer (FPO)**

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer. For undertaking an FPO, the Issuer is inter-alia required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and up to twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

### **2.3 OTHER ELIGIBILITY REQUIREMENTS**

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 and the Companies Act, 2013 (the “Companies Act”), The Securities Contracts (Regulation) Rules, 1957 (the “SCRR”), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the BRLM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The Book Running Lead Manager shall submit the copy of Red Herring Prospectus and Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Red Herring Prospectus and Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the BRLM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
- (e) The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.
- (f) The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.

- (g) The Distributable Profit of the Company as per the restated standalone financial statements for the and year ended March 31, 2017, 2016, 2015, 2014, and 2013 is as set forth below:

(Rs in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	186.01	167.64	316.76	269.24	232.48
Net Tangible Assets**	4,131.30	3,956.34	3,797.30	1,985.22	1,715.98
Net Worth***	4,151.44	3,965.44	3,797.80	1,985.22	1,715.98

\*“Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\*“Net tangible assets” are defined as the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India and deferred tax assets (net).

\*\*\*“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

- (h) The Distributable Profit of the Company as per the consolidated restated financial statements for the year ended March 31, 2017, 2016, 2015, 2014, and 2013 is as set forth below:

(Rs in lakhs)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	182.00	165.87	313.73	268.84	232.06
Net Tangible Assets**	5,950.51	5,779.57	5,622.29	3,813.25	3,544.41
Net Worth***	5,970.66	5,788.66	5,622.79	3,813.25	3,544.41

\*“Distributable profits” have been computed in terms section 123 of the Companies Act, 2013.

\*\*“Net tangible assets” are defined as the sum of all net assets of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India and deferred tax assets (net).

\*\*\*“Net Worth” has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any

- (i) The Post-issue paid up capital of the Company shall be at least Rs. 3 crore. The post issue capital of our Company is Rs. [●]
- (j) The Company shall mandatorily facilitate trading in demat securities and will enter into an agreement with both the depositories.
- (k) The Company has not been referred to Board for Industrial and Financial Reconstruction.
- (l) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.
- (m) No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- (n) There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
- (o) The Company has a website [www.innovators.in](http://www.innovators.in)



(p) The company should have track record of at least 3 years

(q)

Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this issue.

Thus Company is eligible for the issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1000 Lakhs. Company also complies with the eligibility conditions laid by the BSE SME for listing of our Equity Shares.

## **2.4 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES**

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built issues**”) or undertake a Fixed Price Issue (“**Fixed Price Issues**”). An issuer may mention Price or Price Band in the Red Herring Prospectus (in case of a fixed price Issue) and Floor price or price band in the Red Herring prospectus (in case of a book built issue) and determine the price at a later date before registering the prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## **2.5 ISSUE PERIOD**

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges and the BRLM and the advertisement in the newspaper(s) issued in this regard

## **2.6 MIGRATION TO MAIN BOARD**

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:

(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any

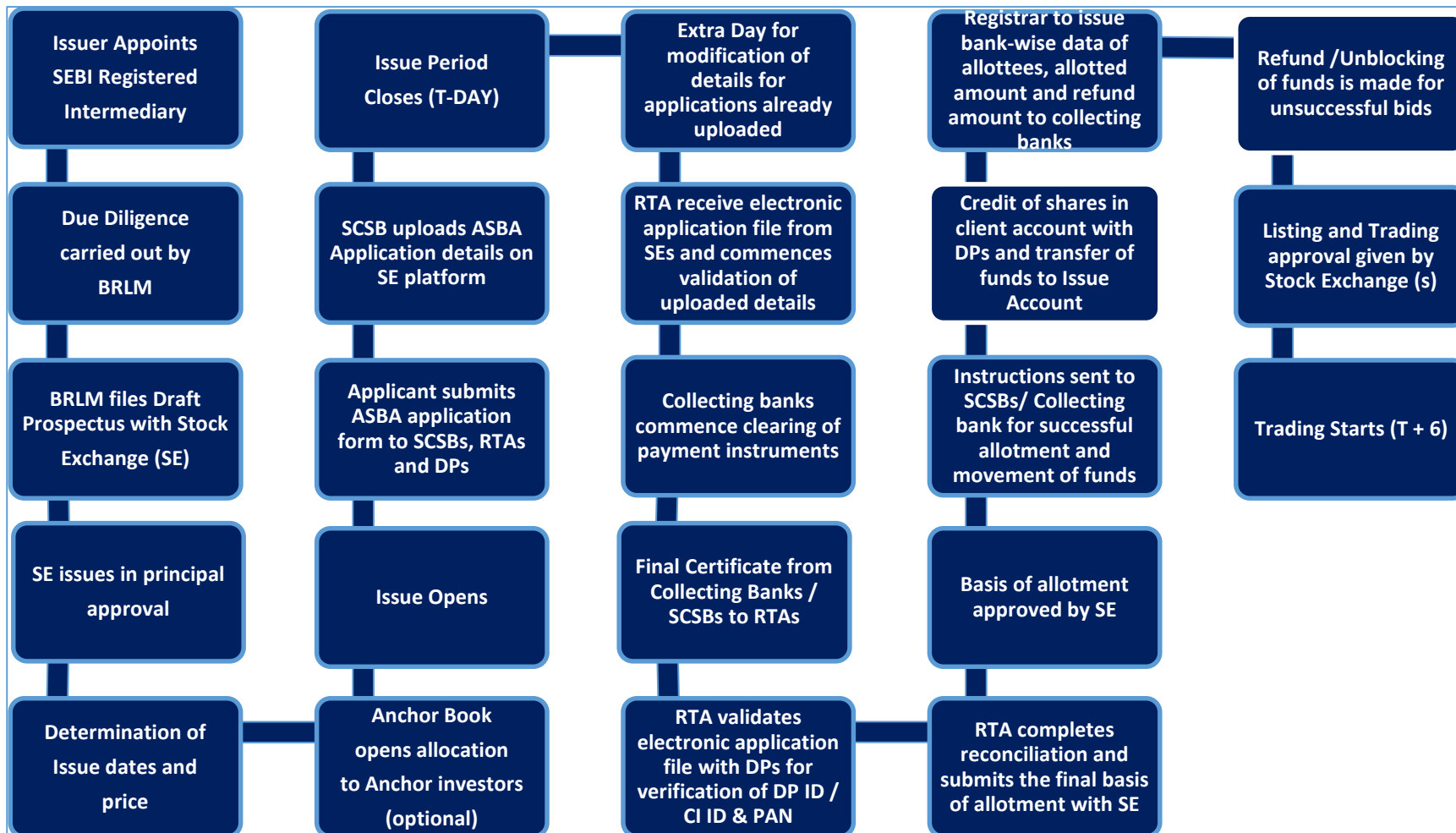
further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favor of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- (b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

## **2.7 FLOWCHART OF TIMELINES**

A flow chart of process flow in Fixed Price and Book Built Issues is as follows



### **SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE**

*Each Bidder should check whether it is eligible to apply under applicable law.* Furthermore, certain categories of Bidders, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders are requested to refer to the RHP for more details.

Subject to the above, an illustrative list of Bidders is as follows:

1. Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors through natural/legal guardian;
2. Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidders should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: Name of Sole or First Bidder: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Bids by HUFs would be considered at par with those from individuals;
3. Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
4. Mutual Funds registered with SEBI;
5. Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
6. Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

## SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified Bid cum Application Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of a member of the Syndicate or any other Designated Intermediary, bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the book running lead manager, members of the Syndicate, Registered Brokers, Designated Intermediaries at Branches of the Bidding Centres, SCSBs and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the DRHP/RHP.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form (Excluding downloaded forms from SE website)
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
Non-Residents and Eligible NRIs, FIIs, FVCIs, etc. applying on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders applying in the reserved category	Not Applicable

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialized subsequent to allotment.

### 4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM/ ASBA FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this BID, the RHP and the Bid cum Application Form/ Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non- resident Bidders are reproduced below:

# R Bid cum Application Form

COMMON BID CUM APPLICATION FORM	<b>INNOVATORS FAÇADE SYSTEMS LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: 204, B-65, Sector No. 1, Shanti Nagar, Mira Road (East), Thane - 401107, Maharashtra, India. Tel. No.: 022-28132151; Fax No.: No. Not Available; E-mail: [ * ]; Website: www.innovator.s.in; CIN No.: U45200MH1999PLC120229	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																																																																																																																			
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For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.		<b>6. INVESTOR STATUS</b> <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Non-Resident Indians (Non-Repatriation basis) - NRI <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> National Investment Funds - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternate Investment Funds - AIF <input type="checkbox"/> Others (Please Specify) - OTH																																																																																																																			
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# NR Bid cum Application ASBA Form

<b>COMMON BID CUM APPLICATION FORM</b>	<b>INNOVATORS FACADE SYSTEMS LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: 204, B-65, Sector No. 1, Shanti Nagar, Mira Road (East), Thane - 401107, Maharashtra, India. Tel. No.: 022-28132151; Fax No.: No. Not Available; E-mail: [ * ]; Website: www.innovator.s.in; CIN NO: U45200MH1999PLC120229	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS																																																																																																																		
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SYNDICATE MEMBER'S STAMP & CODE	BROKER'S / SCSB / CDP / RTA STAMP & CODE	<b>1. NAME &amp; CONTACT DETAILS OF SOLE / FIRST BIDDER</b> Mr. /Ms. /M/s. _____ _____ _____ Age _____ Address _____ _____ Email _____ _____ Tel. No (with STD code) / Mobile _____																																																																																																																		
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#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER

Bidders should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Bidders should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Bidders should note that the contact details mentioned in the Bid cum Application Form/ Application Form may be used to dispatch communications) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (b) **Joint Bids:** In the case of Joint Bids, the Bids should be made in the name of the Bidder whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder would be required in the Bid cum Application Form/ Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Bidder whose name appears in the Bid cum Application Form/ Application Form or the Revision Form and all communications may be addressed to such Bidder and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Bidders is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

Any person who:

- *makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or*
- *makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- *otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,*

***Shall be liable for action under section 447 of the said Act.***

- (d) **Nomination Facility to Bidder:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders should inform their respective DP.

#### 4.1.2 FILED NUMBER 2: PAN NUMBER OF SOLE /FIRST BIDDER

- a) PAN (of the sole/first Bidder) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids on behalf of the Central or State Government, Bids by officials appointed by the courts and Bids by Bidders residing in Sikkim ("PAN Exempted Bidders"). Consequently, all Bidders, other than the PAN Exempted Bidders, are required to disclose their PAN in the Bid cum Application Form, irrespective of the Bid Amount. Bids by the Bidders whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

- c) The exemption for the PAN Exempted Bidders is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- e) Bids by Bidders whose demat accounts have been ‘suspended for credit’ are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and Demographic Details are not provided by depositories.

#### **4.1.3 FIELD NUMBER 3: BIDDERS DEPOSITORY ACCOUNT DETAILS**

- a) Bidder should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form. The DP ID and Client ID provided in the Bid cum Application Form should match with the DP ID and Client ID available in the Depository database, otherwise, the **Bid cum Application Form is liable to be rejected.**
- b) Bidder should ensure that the beneficiary account provided in the Bid cum Application Form is active.
- c) Bidder should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form, the Bidder may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to the Issue.
- d) Bidders are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders’ sole risk.

#### **4.1.4 FIELD NUMBER 4: BID OPTIONS**

- a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Red Herring Prospectus by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- c) **Cut-Off Price:** Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- d) **Minimum Bid Value and Bid Lot:** The Issuer in consultation with the BRLM may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.
- e) **Allotment:** The Allotment of specified securities to each RII shall not be less than the minimum

Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP or the advertisement regarding the Price Band published by the Issuer.

#### **4.1.4.1 Maximum and Minimum Bid Size**

- a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed Rs. 200,000.
- b) In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category (with it not being eligible for Discount), then such Bid may be rejected if it is at the Cut-off Price.
- c) For NRIs, a Bid Amount of up to Rs. 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding Rs. 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- d) Bids by QIBs and NIIs must be for such minimum number of shares such that the Bid Amount exceeds Rs. 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. Non-Institutional Investors and QIBs are not allowed to Bid at Cut off Price.
- e) RII may revise or withdraw their bids until Bid/ Issue Closing Date. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after Bidding and are required to pay the Bid Amount upon submission of the Bid.
- f) In case the Bid Amount reduces to Rs. 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- g) For Anchor Investors, if applicable, the Bid Amount shall be least Rs 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 59.95% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/ Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Issue Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- h) A Bid cannot be submitted for more than the issue size.
  - I) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
  - II) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the issue Price, the number of Equity Shares Bid for by a Bidder at or above the issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

#### **4.1.4.2 Multiple Bids**

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three different price levels in the Bid cum Application Form and such options are not considered as multiple Bids. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate, SCSB or Registered Broker and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- (b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
  - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.
  - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (c) The following Bids may not be treated as multiple Bids:
  - i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
  - ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Portion.

#### **4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.
- (c) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the RHP.

#### **4.1.6 FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Red Herring Prospectus for more details.

- (c) Bidders should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders should ensure that their investor status is updated in the Depository records.

#### **4.1.7 FIELD NUMBER 7: PAYMENT DETAILS**

- i. The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the Bid cum Application Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- ii. Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- iii. Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.
- iv. All Bidders can participate in the Issue only through the ASBA mechanism.
- v. Please note that, providing bank account details in the space provided in the Bid cum Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

##### **4.1.7.1. Payment instructions for Bidders**

- a) Bidders may submit the Bid cum Application Form either
  - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - ii. in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- e) From one ASBA Account, a maximum of five Bid cum Application Forms can be submitted.
- f) Bidders should submit the Bid cum Application Form only at the Bidding Centre i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations
- g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that Bid cum Application Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated



Intermediary, to deposit Bid cum Application Forms.

- h) Bidders bidding directly through the SCSBs should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- l) Upon submission of a completed Bid cum Application Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the Bid cum Application Form in the ASBA Account maintained with the SCSBs
- m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.
- o) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalization on the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- p) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### **4.1.7.2 Payment instructions for Anchor Investors:**

- a. Anchor Investors may submit their Bids with a BRLM.
- b. Payments by Anchor Investors are required to be made through direct credit, RTGS or NEFT
- c. The Escrow Collection Bank shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

#### **4.1.8. FIELD NUMBER 8: Unblocking of ASBA Account**

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may

unlock the excess amount, if any, in the ASBA Account.

- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unlock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.
- (d) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unlock the Bid Amount in the relevant ASBA Account within 6 Working Days of the Bid/Issue Closing Date.

#### **4.1.8.1. Discount (if applicable)**

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (post Discount) is more than two lakh Rupees, the bidding system automatically considers such Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

#### **4.1.8.2. Additional Payment Instructions for NRIs**

The Non-Resident Indians who intend to block funds through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### **4.1.9. FIELD NUMBER 9: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder is required to sign the Bid cum Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder, then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid cum Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid/amount mentioned in the Bid cum Application Form.
- (d) Bidders must note that Bid cum Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

#### **4.1.10. FIELD NUMBER 10: ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) All communications in connection with Bid made in the Issue should be addressed as under:
  - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
  - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders

should contact the relevant Designated Branch of the SCSB.

- iii. Bidders may contact the Company Secretary and Compliance Officer or BRLM in case of any other complaints in relation to the Issue.
  - iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
  - v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
  - vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
  - vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
- (c) The following details (as applicable) should be quoted while making any queries -
- i. Full name of the sole or First Bidder, Bid cum Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
  - ii. name and address of the Designated Intermediary, where the Bid was submitted; or
- For further details, Bidder may refer to the Red Herring Prospectus and the Bid cum Application Form.

#### **4.2. INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Bid/ Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/ Issue period.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:

# Revision Form – R

COMMON BID REVISION FORM	<b>INNOVATORS FAÇADE SYSTEMS LIMITED - INITIAL PUBLIC ISSUE - R</b> Registered Office: 204, B-65, Sector No. 1, Shanti Nagar, Mira Road (East), Thane – 401107, Maharashtra, India. Tel. No.: 022 28132151; Fax No.: No. Not Available; E-mail: [ ]; Website: www.innovator.s.in; CIN NO: U45200MH1999PLC120229	FOR RESIDENT INDIANS INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
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To, The Board of Directors INNOVATORS FAÇADE SYSTEMS LIMITED	<b>BOOK BUILT ISSUE</b> ISIN - INE	Bid Cum Application Form No.
--	---------------------------------------	------------------------------------

SYNDICATE MEMBER'S STAMP & CODE  SUB-BROKER'S/SUB-AGENT'S STAMP & CODE  BANK BRANCH SERIAL NO.	REGISTERED BROKER / SCSB / CDP / RTA STAMP & CODE  ESCROW BANK / SCSB BRANCH STAMP & CODE  SCSB SERIAL NO.	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST BIDDER</b> Mr./Ms./M/s. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ <b>2. PAN OF SOLE / FIRST BIDDER</b> _____ <b>3. BIDDERS DEPOSITORY ACCOUNT DETAILS ■ NSDL ■ CDSL</b> For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.
--	--	---

PLEASE CHANGE MY BID

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [ ] equity shares)	Price per Equity Share (₹) / "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	<input type="checkbox"/>
(OR) Option 2					<input type="checkbox"/>
(OR) Option 3					<input type="checkbox"/>

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [ ] equity shares)	Price per Equity Share (₹) / "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	<input type="checkbox"/>
(OR) Option 2					<input type="checkbox"/>
(OR) Option 3					<input type="checkbox"/>

<b>6. PAYMENT DETAILS</b>	PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT : <input checked="" type="checkbox"/>
Additional Amount Paid (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF

<b>7 A. SIGNATURE OF SOLE / FIRST BIDDER</b>  Date: _____, 2018	<b>7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) _____ 2) _____ 3) _____	<b>SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP</b> (Acknowledging upload of Bid in Stock Exchange system)
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TEAR HERE

INNOVATORS FAÇADE SYSTEMS LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Syndicate Member Broker/SCSB/CDP/RTA	Bid Cum Application Form No.
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DPID / CLID	PAN of Sole / First Bidder	
Additional Amount Blocked (₹ in figures)	ASBA A/c. No.	Stamp & Signature of SCSB Branch
Bank & Branch		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

INNOVATORS FAÇADE SYSTEMS LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1    Option 2    Option 3	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder
No. of Equity Shares			
Bid Price			
Additional Amount Blocked (₹)			
ASBA Bank A/c No.:			
Bank & Branch:			
	Acknowledgment Slip for Bidder		
	Bid Cum Application Form No.		

www.saptrains.com

Revision Form – NR

<b>COMMON BID REVISION FORM</b>	<b>INNOVATORS FAÇADE SYSTEMS LIMITED - INITIAL PUBLIC ISSUE - NR</b> Registered Office: 204, B-65, Sector No. 1, Shanti Nagar, Mira Road (East), Thane - 401107, Maharashtra, India. Tel. No: 022-28132151; Fax No.: No. Not Available; E-mail: [ * ]; Website: www.innovators.in; CIN NO: U45200MH1999PLC120229	FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIs, FIIs FPIs OR FVCIs, ETC APPLYING ON A REPATRIATION BASIS
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To, <b>The Board of Directors</b> INNOVATORS FAÇADE SYSTEMS LIMITED	<b>BOOK BUILT ISSUE</b> ISIN - INE	Bid Cum Application Form No.
---	---------------------------------------	------------------------------

SYNDICATE MEMBER'S STAMP & CODE  SUB-BROKER'S/SUB-AGENT'S STAMP & CODE  BANK BRANCH SERIAL NO.	REGISTERED BROKER / SCSB / CDP / RTA STAMP & CODE  SCSB BRANCH STAMP & CODE  SCSB SERIAL NO.	<b>1. NAME &amp; CONTACT DETAILS OF SOLE/FIRST BIDDER</b> Mr./Ms./M/s. _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ <b>2. PAN OF SOLE / FIRST BIDDER</b> _____ <b>3. BIDDERS DEPOSITORY ACCOUNT DETAILS</b> ■ NSDL ■ CDSL For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.
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PLEASE CHANGE MY BID

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [ * ] equity shares)	Price per Equity Share (₹) / "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	<input type="checkbox"/>
(OR) Option 2					<input type="checkbox"/>
(OR) Option 3					<input type="checkbox"/>

Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of [ * ] equity shares)	Price per Equity Share (₹) / "Cut-off" (In Figures)			
		Bid Price	Retail Discount, if any	Net Price	"Cut-off" (Please ✓ tick)
Option 1	8 7 6 5 4 3 2 1	4 3 2 1	3 2 1	4 3 2 1	<input type="checkbox"/>
(OR) Option 2					<input type="checkbox"/>
(OR) Option 3					<input type="checkbox"/>

<b>6. PAYMENT DETAILS</b>	<b>PAYMENT OPTION : Full Payment</b> <input type="checkbox"/>
Additional Amount Blocked (₹ in Figures) _____ (₹ in words) _____	
ASBA Bank A/c No. _____	
Bank Name & Branch _____	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF

<b>7.A. SIGNATURE OF SOLE / FIRST BIDDER</b>  Date: _____, 2018	<b>7.B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)</b> I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue 1) _____ 2) _____ 3) _____	<b>SYNDICATE MEMBER/BROKER / SCSB / CDP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)</b>
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INNOVATORS FAÇADE SYSTEMS LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Syndicate Member Registered Broker/SCSB/CDP/RTA	Bid Cum Application Form No.
DPID / CLID _____	PAN of Sole / First Bidder _____	
Additional Amount Blocked (₹ in figures) _____ ASBA A/c. No. _____	Stamp & Signature of SCSB Branch	
Bank & Branch _____	_____ _____ _____	
Received from Mr./Ms. _____		
Telephone / Mobile _____ Email _____		

TEAR HERE

www.spptrains.com INNOVATORS FAÇADE SYSTEMS LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - NR	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th></th> <th>Option 1</th> <th>Option 2</th> <th>Option 3</th> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Blocked (₹)</td> <td></td> <td></td> <td></td> </tr> </table>		Option 1	Option 2	Option 3	No. of Equity Shares				Bid Price				Additional Amount Blocked (₹)				<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:50%;">                 Stamp &amp; Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA             </td> <td style="width:50%;">                 Name of Sole / First Bidder             </td> </tr> <tr> <td colspan="2" style="text-align: center;">                 Acknowledgment Slip for Bidder             </td> </tr> <tr> <td>ASBA Bank A/c No. _____</td> <td></td> </tr> <tr> <td>Bank &amp; Branch: _____</td> <td></td> </tr> </table>	Stamp & Signature of Syndicate Member / Registered Broker / SCSB / CDP / RTA	Name of Sole / First Bidder	Acknowledgment Slip for Bidder		ASBA Bank A/c No. _____		Bank & Branch: _____	
	Option 1	Option 2	Option 3																							
No. of Equity Shares																										
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Acknowledgment Slip for Bidder																										
ASBA Bank A/c No. _____																										
Bank & Branch: _____																										
		Bid Cum Application Form No.																								

#### **4.2.1. FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### **4.2.2. FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs may not accept incomplete or inaccurate Revision Form.
- (b) In case of revision, Bid options should be provided by Bidders in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIIs, Employees and Retail Individual Shareholders, such Bidders should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

#### **4.2.3. PAYMENT DETAILS**

- a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for may be adjusted



downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.

- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

#### **4.2.4. FIELD NUMBER 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### **4.3. SUBMISSION OF REVISION FORM/ BID CUM APPLICATION FORM /APPLICATION FORM**

##### **4.3.1. Bidders may submit completed Bid cum Application form / Revision Form in the following manner:-**

<b>Mode of Bid</b>	<b>Submission of Bid cum Application Form</b>
All investors Bids	To the Bid cum Application Collecting Intermediaries as mentioned in the Red herring Prospectus/ Bid cum Application Form
Application by Anchor Investor	To the BRLM at the location specified in the Anchor Investor Application Form

Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.

#### **SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

This being book built issue procedure for fixed price issue is not applicable.

#### **SECTION 6- ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

##### **6.1 SUBMISSION OF BIDS**

- During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the RHP.

##### **6.2 ELECTRONIC REGISTRATION OF BIDS**

- The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data

file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

- b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### **6.3 BUILD UP OF THE BOOK**

- a. Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLM at the end of the Bid/Issue Period.
- b. Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

### **6.4 WITHDRAWAL OF BIDS**

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

### **6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- a) **The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:**
  - 1) the Bids accepted by the Designated Intermediaries,
  - 2) the Bids uploaded by the Designated Intermediaries, and
  - 3) the Bid cum Application Forms accepted but not uploaded by the Designated Intermediaries.
- b) The BRLM and their affiliate Syndicate Members, as the case may be, may reject Bids if all the information required is not provided and the Bid cum Application Form is incomplete in any respect.
- c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLM and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

### **GROUND OF REJECTIONS**

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five Bid cum Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- The amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
- Category not ticked;
- Multiple Bids as defined in the RHP;
- In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Bidder is missing;
- Bid cum Application Forms not delivered by the Bidder within the time prescribed as per the Bid cum Application Forms, Bid/Issue Opening Date advertisement and the RHP and as per the instructions in the RHP and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bid by OCBs;
- Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
- Bids not uploaded on the terminals of the Stock Exchanges; and
- Where no confirmation is received from SCSB for blocking of funds

- Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Details of ASBA Account not provided in the Bid cum Application Form

For details of instructions in relation to the Bid cum Application Form, Bidders may refer to the relevant section the GID.

**BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID CUM APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID CUM APPLICATION FORM IS LIABLE TO BE REJECTED.**

#### **BASIS OF ALLOCATION**

- The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP. For details in relation to allocation, the Bidder may refer to the RHP.
- Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLM and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the RHP.
- Illustration of the Book Building and Price Discovery Process**

Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs 24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

<b>Bid Quantity</b>	<b>Bid Amount (Rs.)</b>	<b>Cumulative Quantity</b>	<b>Subscription</b>
500	24	500	16.67%
1,000	23	1,500	50.00%

1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs. 22.00 in the above example. The Issuer, in consultation with the BRLM, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs. 22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

## **SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE**

This being Book Built Issue, this section is not applicable for this Issue.

## **SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT**

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to RHP. No Retail Individual Investor will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### **7.1 BASIS OF ALLOTMENT**

#### **a. For Retail Individual Bidders**

Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.

The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment, refer below.

#### **b. For Non-Institutional Bidders**

Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non- Institutional Bidders will be made at the Issue Price.

The Issue size less Allotment to QIBs and Retail shall be available for Allotment to Non- Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.

In case the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. For the method of proportionate Basis of Allotment refer below.

**c. For QIBs**

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations 2009 or RHP/Prospectus. Bids received from the QIB Category (net of Anchor Portion) at or above the Issue Price shall be grouped together to determine the total demand under this portion. The Issue size less Allotment to Non Institutional Bidders and Retail shall be available for Allotment to Non- QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price. The Allotment to all the QIB Bidders will be made at the Issue Price. The QIB Portion shall be available for Allotment to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.

Allotment shall be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for 5.00% of the QIB Portion shall be determined as follows:

- In the event that Bids by Mutual Fund exceeds 5.00% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for 5.00% of the QIB Portion.
- In the event that the aggregate demand from Mutual Funds is less than 5.00% of the QIB Portion then all Mutual Funds shall get full Allotment to the extent of valid Bids received above the Issue Price.
- Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds shall be available for Allotment to all QIB Bidders as set out in (b) below;

(b) In the second instance Allotment to all QIBs shall be determined as follows:

- In the event that the oversubscription in the QIB Portion, all QIB Bidders who have submitted Bids above the Issue Price shall be allotted Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter for 49.97% of the QIB Portion.
- Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis, upto a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, along with other QIB Bidders.
- Under-subscription below 5.00% of the QIB Portion, if any, from Mutual Funds, would be included for allocation to the remaining QIB Bidders on a proportionate basis. The aggregate Allotment to QIB Bidders shall not be more than [●] Equity Shares.

**d. ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)**

(a). Allocation of Equity Shares to Anchor Investors at the Anchor Investor Allocation Price will be at the discretion of the Issuer, in consultation with the BRLM, subject to compliance with the following requirements

(i) not more than 59.95% of the QIB Portion will be allocated to Anchor Investors;

(ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

(iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:

- a maximum number of two Anchor Investors for allocation up to Rs. 10 crores;
- a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than Rs. 10 crores and up to Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor; and



- a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than Rs. 250 crores subject to minimum allotment of Rs. 5 crores per such Anchor Investor

(b) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer, in consultation with the BRLM, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(c) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(d) **In the event the Issue Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

e. **Basis of Allotment for QIBs (other than Anchor Investors) and NIIs in case of Over-Subscribed Issue**

In the event of the Issue being Over-Subscribed, the Issuer may finalise the Basis of Allotment in consultation with the SME Platform of Bombay Stock Exchange (The Designated Stock Exchange). The allocation may be made in marketable lots on proportionate basis as set forth hereunder:

- The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).
- The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
  - Each successful Bidder shall be allotted [●] equity shares; and
  - The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- If the proportionate allotment to a Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this RHP.

Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with Bombay Stock Exchange.

The Executive Director / Managing Director of Bombay Stock Exchange Limited - the Designated Stock Exchange in addition to Book Running Lead Manager and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

## **7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES**

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Bankers to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to unblock funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
- Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Red Herring Prospectus/ Prospectus. The Designated Stock Exchange may be as disclosed in the Red Herring Prospectus/ Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the RHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the RHP.

### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

## **8.3 MODE OF REFUND**

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts of unsuccessful Bidders and also for any excess amount blocked on Bidding/Application.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Issue Closing Date may dispatch refunds for all amounts payable to unsuccessful Anchor Investors. The Registrar to the Issue may obtain from the Depositories the Bidders/Applicants' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their DPs. Failure to do so may result in delays in dispatch of refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Bank, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay.

### **8.3.1 Mode of making refunds**

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

## **8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4

Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

## SECTION IX- GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion, who has Bid for an amount of at least Rs. 1000 Lakhs, in accordance with the requirements specified in the SEBI ICDR Regulations
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Upto 59.95% of the QIB Portion, which may be allocated by our Company, in consultation with the BRLM to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price.
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	An account maintained with an SCSB and specified in the Bid cum Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid cum Application Form
ASBA Application Location(s) / Specified Cities	Locations at which ASBA can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata and Ahmedabad
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus.
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited and HDFC Bank Limited.
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under chapter titled “ <i>Issue Procedure</i> ” beginning on page 279 of this Red Herring Prospectus.

<b>Term</b>	<b>Description</b>
Bid	An indication to make an offer during the Bid/Issue Period by a Bidder (other than an Anchor Investor) or on Anchor Investor Bidding Date by an Anchor Investor, pursuant to submission of the Bid cum Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations in accordance with the Red Herring Prospectus and Bid cum Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid cum Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid cum Application Form	An application form, whether physical or electronic, used by Bidders, other than Anchor Investors, to make a Bid and which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Bid/ Issue Opening Date	Except in relation to Anchor Investors, the date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all edition of the English national newspaper Business Standard, all edition of the Hindi national newspaper Business Standard, and Mumbai edition of the regional newspaper Mumbai Lakshadeep, each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI ICDR Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders other than Anchor Investor can submit their Bids, including any revisions thereof.  Provided however that the Bidding/Issue Period shall be kept open for a minimum of three Working Days for all categories of Bidders, other than Anchor Investors.
Bidder	Any prospective investor who makes a Bid/Application pursuant to the terms of the DRHP/RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Building Process	Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made
Book Running Lead Manager or BRLM	The Book Running Lead Manager to the Issue namely Pantomath capital Advisors Private Limited
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid cum application forms to a Registered Broker. The details



<b>Term</b>	<b>Description</b>
	of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of Bombay Stock Exchange.
Business Day	Monday to Friday (except public holiday)
CAN or Confirmation of Allocation Note	In the case of Anchor Investors, CAN shall mean the note or advice or intimation of Allotment of Equity Shares sent to the Anchor Investors to whom Equity Shares have been Allotted
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Bid cum Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at <a href="http://www.sebi.gov.in">http://www.sebi.gov.in</a> or at such other website as may be prescribed by SEBI from time to time
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company and the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non Institutional Bidders are not entitled to Bid at the Cut-off Price.
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (except Anchor Investor) and a list of which is available on <a href="http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html">http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html</a>
Designated CDP Locations	Such centres of the CDPs where Bidders can submit the Bid Cum Application Forms. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid cum Application Forms are available on the website of the Stock Exchange ( <a href="http://www.bseindia.com">www.bseindia.com</a> ) and updated from time to time
Designated Date	The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue.

<b>Term</b>	<b>Description</b>
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated Locations	RTA Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.bseindia.com) and updated from time to time
Designated Exchange	Stock The designated stock exchange as disclosed in the Draft Red herring Prospectus/ Red herring Prospectus/ Prospectus of the issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated March 27, 2018 issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
First/sole Bidder	Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Issue	The Initial Public Issue of up to 56,60,800 Equity Shares of face value of Rs.10 each for cash at a price of Rs. [●] each, aggregating up to Rs.[●] lakhs
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf

<b>Term</b>	<b>Description</b>
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the DRHP/RHP/Prospectus and Bid cum Application Form
NEFT	National Electronic Fund Transfer
Net Issue	Issue less Market maker reservation portion
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid cum Application Form
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors.
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
Other Investors	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Allocation Price. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs.[●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof.  The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/ Issue Opening Date, in all edition of the English national newspaper Business Standard,

<b>Term</b>	<b>Description</b>
	all edition of the Hindi national newspaper Business Standard and Mumbai edition of the regional newspaper Mumbai Lakshadeep, each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 32 of the Companies Act, 2013, and the SEBI ICDR Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited and HDFC Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of Bombay Stock Exchange having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on <a href="http://www.bseindia.com/membership/dynaContent/find_a_broker.htm">http://www.bseindia.com/membership/dynaContent/find_a_broker.htm</a>
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited having registered office at C-101,1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai- 400083, Maharashtra, India
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bid cum Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reservation Portion	The portion of the offer reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations, 2009
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.

<b>Term</b>	<b>Description</b>
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
RTGS	Real Time Gross Settlement
SCSB/ Self Certified Syndicate Banker	Shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries">http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/RecognisedIntermediaries</a> or at such other website as may be prescribed by SEBI from time to time
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Specified Locations	Bidding centres where the Syndicate shall accept Bid cum Application Forms from Bidders, a list of which is available on the website of SEBI ( <a href="http://www.sebi.gov.in">www.sebi.gov.in</a> ) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate Agreement	Agreement dated April 03, 2018 entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Pantomath Stock Brokers Private Limited
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Underwriter	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated March 20, 2018 entered into between the Underwriter and our Company
Working Day	Till Application / Issue closing date: All days other than a Saturday Sunday or a public holiday Post Application / Issue closing date and till the Listing of Equity Shares: All trading days, of stock exchanges excluding Sundays and public holidays, in accordance with the SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 India

## **RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES**

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and Foreign Exchange Management Act, 1999 (“**FEMA**”). While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are the Reserve Bank of India (“**RBI**”) and Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”).

The Government of India, from time to time, has made policy pronouncements on Foreign Direct Investment (“**FDI**”) through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“**DIPP**”), has issued consolidated FDI Policy Circular of 2017 (“**FDI Policy 2017**”), which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2017 will be valid until the DIPP issues an updated circular.

The Reserve Bank of India (“**RBI**”) also issues Master Circular on Foreign Investment in India every year. Presently, FDI in India is being governed by Master Circular on Foreign Investment dated July 01, 2015 as updated from time to time by RBI. In terms of the Master Circular, an Indian company may issue fresh shares to people resident outside India (who is eligible to make investments in India, for which eligibility criteria are as prescribed). Such fresh issue of shares shall be subject to inter-alia, the pricing guidelines prescribed under the Master Circular. The Indian company making such fresh issue of shares would be subject to the reporting requirements, inter-alia with respect to consideration for issue of shares and also subject to making certain filings including filing of Form FC-GPR.

Under the current FDI Policy of 2017, foreign direct investment in micro and small enterprises is subject to sectoral caps, entry routes and other sectoral regulations. At present 100 % foreign direct investment through automatic route is permitted in the sector in which our Company operates. Therefore applicable foreign investment up to 100% is permitted in our company under automatic route.

In case of investment in sectors through Government Route approval from competent authority as mentioned in Chapter 4 of the FDI Policy 2017 has to be obtained by the Company.

The transfer of shares between an Indian resident to a non-resident does not require the prior approval of the RBI, subject to fulfilment of certain conditions as specified by DIPP/RBI, from time to time. Such conditions include: (i) where the transfer of shares requires the prior approval of the Government as per the extant FDI policy provided that: a) the requisite approval of the Government has been obtained; and b) the transfer of shares adheres with the pricing guidelines and documentation requirements as specified by the Reserve Bank of India from time to time.; (ii) where the transfer of shares attract SEBI (SAST) Regulations subject to the adherence with the pricing guidelines and documentation requirements as specified by Reserve Bank of India from time to time.; (iii) where the transfer of shares does not meet the pricing guidelines under the FEMA, 1999 provided that: a) The resultant FDI is in compliance with the extant FDI policy and FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, etc.), reporting requirements, documentation etc.; b) The pricing for the transaction is compliant with the specific/explicit, extant and relevant SEBI regulations/guidelines (such as IPO, Book building, block deals, delisting, exit, open offer/substantial acquisition/SEBI SAST); and Chartered Accountants Certificate to the effect that compliance with the relevant SEBI regulations/guidelines as indicated above is attached to the form FC-TRS to be filed with the AD bank and iv) where the investee company is in the financial sector provided that: a) Any ‘fit and proper/due diligence’ requirements as regards the non-resident investor as stipulated by the respective financial sector regulator, from time to time, have been complied with; and b) The FDI policy and



FEMA regulations in terms of sectoral caps, conditionalities (such as minimum capitalization, pricing, etc.), reporting requirements, documentation etc., are complied with. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time. Investors are advised to confirm their eligibility under the relevant laws before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company. Investors will not offer, sell, pledge or transfer the Equity Shares of our Company to any person who is not eligible under applicable laws, rules, regulations, guidelines. Our Company, the Underwriters and their respective directors, officers, agents, affiliates and representatives, as applicable, accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

#### **Investment conditions/restrictions for overseas entities**

Under the current FDI Policy 2017, the maximum amount of Investment (sectoral cap) by foreign investor in an issuing entity is composite unless it is explicitly provided otherwise including all types of foreign investments, direct and indirect, regardless of whether it has been made for FDI, FPI, NRI/OCI, LLPs, FVCI, Investment Vehicles and DRs under Schedule 1, 2, 3, 6, 7, 8, 9, and 11 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations, 2017. Any equity holding by a person resident outside India resulting from conversion of any debt instrument under any arrangement shall be reckoned as foreign investment under the composite cap.

Portfolio Investment upto aggregate foreign investment level of 49% or sectoral/statutory cap, whichever is lower, will not be subject to either Government approval or compliance of sectoral conditions, if such investment does not result in transfer of ownership and/or control of Indian entities from resident Indian citizens to non-resident entities. Other foreign investments will be subject to conditions of Government approval and compliance of sectoral conditions as per FDI Policy. The total foreign investment, direct and indirect, in the issuing entity will not exceed the sectoral/statutory cap.

#### **i. Investment by FPIs under Portfolio Investment Scheme (PIS):**

With regards to purchase/sale of capital instruments of an Indian company by an FPI under PIS the total holding by each FPI or an investor group as referred in SEBI (FPI) Regulations, 2014 shall not exceed 10 % of the total paid-up equity capital on a fully diluted basis or less than 10% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all FPIs put together shall not exceed 24 % of paid-up equity capital on fully diluted basis or paid-up value of each series of debentures or preference shares or share warrants. The said limit of 10 percent and 24 percent will be called the individual and aggregate limit, respectively. However, this limit of 24 % may be increased up to sectoral cap/statutory ceiling, as applicable, by the Indian company concerned by passing a resolution by its Board of Directors followed by passing of a special resolution to that effect by its general body.

#### **ii. Investment by NRI or OCI on repatriation basis:**

The purchase/sale of equity shares, debentures, preference shares and share warrants issued by an Indian company (hereinafter referred to as “Capital Instruments”) of a listed Indian company on a recognised stock exchange in India by Non-Resident Indian (NRI) or Overseas Citizen of India (OCI) on repatriation basis is allowed subject to certain conditions under Schedule 3 of the FEMA (Transfer or Issue of security by a person resident outside India) Regulations, 2017 i.e.:

- The total holding by any individual NRI or OCI shall not exceed 5 percent of the total paid-up equity capital on a fully diluted basis or should not exceed 5 percent of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian company and the total holdings of all NRIs and OCIs put together shall not exceed 10 percent of the total paid-up equity capital on a fully diluted basis or shall not exceed 10 percent of the paid-up value of each series of debentures or preference

shares or share warrants; provided that the aggregate ceiling of 10 percent may be raised to 24 percent if a special resolution to that effect is passed by the general body of the Indian company.

**iii. Investment by NRI or OCI on non-repatriation basis**

As per current FDI Policy 2017, schedule 4 of FEMA (Transfer or Issue of Security by Persons Resident outside India) Regulations – Purchase/ sale of Capital Instruments or convertible notes or units or contribution to the capital of an LLP by a NRI or OCI on non-repatriation basis – will be deemed to be domestic investment at par with the investment made by residents. This is further subject to remittance channel restrictions.

**The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (“US Securities Act”) or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of “US Persons” as defined in Regulation S of the U.S. Securities Act, except pursuant to exemption from, or in a transaction not subject to, the registration requirements of US Securities Act and applicable state securities laws.**

**Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.**

**Further, no offer to the public (as defined under Directive 2003/71/EC, together with any amendments) and implementing measures thereto, (the “Prospectus Directive”) has been or will be made in respect of the Issue in any member State of the European Economic Area which has implemented the Prospectus Directive except for any such offer made under exemptions available under the Prospectus Directive, provided that no such offer shall result in a requirement to publish or supplement a prospectus pursuant to the Prospectus Directive, in respect of the Issue.**

**Any forwarding, distribution or reproduction of this document in whole or in part may be unauthorised. Failure to comply with this directive may result in a violation of the Securities Act or the applicable laws of other jurisdictions. Any investment decision should be made on the basis of the final terms and conditions and the information contained in this Red Herring Prospectus.**

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Applicants. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

## SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

Sr. No	Particulars	
1.	No regulation contained in Table “F” in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	<b>Table F Applicable.</b>
<b>Interpretation Clause</b>		
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	<b>Act</b>
	(b) “These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	<b>Articles</b>
	(c) “Auditors" means and includes those persons appointed as such for the time being of the Company.	<b>Auditors</b>
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	<b>Capital</b>
	(e) *"The Company” shall mean <b>INNOVATORS FAÇADE SYSTEMS LIMITED</b>	<b>Company</b>
	(f) “Executor” or “Administrator” means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	<b>Executor or Administrator</b>
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	<b>Legal Representative</b>
	(h) Words importing the masculine gender also include the feminine gender.	<b>Gender</b>
	(i) "In Writing" and “Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	<b>In Writing and Written</b>

<b>Sr. No</b>	<b>Particulars</b>	
	(j) The marginal notes hereto shall not affect the construction thereof.	<b>Marginal notes</b>
	(k) "Meeting" or "General Meeting" means a meeting of members.	<b>Meeting or General Meeting</b>
	(l) "Month" means a calendar month.	<b>Month</b>
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	<b>Annual General Meeting</b>
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	<b>Extra-Ordinary General Meeting</b>
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	<b>National Holiday</b>
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	<b>Non-retiring Directors</b>
	(q) "Office" means the registered Office for the time being of the Company.	<b>Office</b>
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	<b>Ordinary and Special Resolution</b>
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	<b>Person</b>
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	<b>Proxy</b>
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1)(a) of the Act.	<b>Register of Members</b>
	(v) "Seal" means the common seal for the time being of the Company.	<b>Seal</b>
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114 of the Act.	<b>Special Resolution</b>
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	<b>Singular number</b>
	(y) "The Statutes" means the Companies Act, 2013 and every other Act for the time being in force affecting the Company.	<b>Statutes</b>
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	<b>These presents</b>
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	<b>Variation</b>
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	<b>Year and Financial Year</b>
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	<b>Expressions in the Act to bear the same meaning in Articles</b>
	<b>CAPITAL</b>	

Sr. No	Particulars	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	<b>Authorized Capital.</b>
	b) The minimum paid up Share capital of the Company shall be Rs. 5,00,000 or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64of the Act.	<b>Increase of capital by the Company how carried into effect</b>
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	<b>New Capital same as existing capital</b>
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	<b>Non Voting Shares</b>
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	<b>Redeemable Preference Shares</b>
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	<b>Voting rights of preference shares</b>
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid;	<b>Provisions to apply on issue of Redeemable Preference Shares</b>

Sr. No	Particulars	
	<p>(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
10.	<p>The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	<b>Reduction of capital</b>
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.</p>	<b>Debentures</b>
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.</p>	<b>Issue of Sweat Equity Shares</b>
13.	<p>The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any</p>	<b>ESOP</b>



Sr. No	Particulars	
	other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	<b>Buy Back of shares</b>
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	<b>Consolidation, Sub-Division And Cancellation</b>
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	<b>Issue of Depository Receipts</b>
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	<b>Issue of Securities</b>
<b>MODIFICATION OF CLASS RIGHTS</b>		
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	<b>Modification of rights</b>
19.	The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	<b>New Issue of Shares not to affect rights attached to existing shares of that class.</b>

Sr. No	Particulars	
20.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	<b>Shares at the disposal of the Directors.</b>
21.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	<b>Power to issue shares on preferential basis.</b>
22.	The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	<b>Shares should be Numbered progressively and no share to be subdivided.</b>
23.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	<b>Acceptance of Shares.</b>
24.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	<b>Directors may allot shares as full paid-up</b>
25.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	<b>Deposit and call etc. to be a debt payable immediately.</b>

Sr. No	Particulars	
26.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	<b>Liability of Members.</b>
27.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	<b>Registration of Shares.</b>
	<b>RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT</b>	
28.	The Board shall observe the restrictions as regards allotment of shares to the public, and as regards return on allotments contained in Sections 39 of the Act	
	<b>CERTIFICATES</b>	
29.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two	<b>Share Certificates.</b>

Sr. No	Particulars	
	<p>Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
30.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/- for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	<p><b>Issue of new certificates in place of those defaced, lost or destroyed.</b></p>
31.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share</p>	<p><b>The first named joint holder deemed Sole holder.</b></p>

Sr. No	Particulars	
	and for all incidentals thereof according to the Company's regulations.	
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	<b>Maximum number of joint holders.</b>
32.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	<b>Company not bound to recognise any interest in share other than that of registered holders.</b>
33.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	<b>Installment on shares to be duly paid.</b>
<b>UNDERWRITING AND BROKERAGE</b>		
34.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	<b>Commission</b>
35.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	<b>Brokerage</b>
<b>CALLS</b>		
36.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	<b>Directors may make calls</b>
37.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	<b>Notice of Calls</b>

Sr. No	Particulars	
38.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	<b>Calls to date from resolution.</b>
39.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	<b>Calls on uniform basis.</b>
40.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	<b>Directors may extend time.</b>
41.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	<b>Calls to carry interest.</b>
42.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	<b>Sums deemed to be calls.</b>
43.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	<b>Proof on trial of suit for money due on shares.</b>



Sr. No	Particulars	
44.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	<b>Judgment, decree, partial payment motto proceed for forfeiture.</b>
45.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	<b>Payments in Anticipation of calls may carry interest</b>
<b>LIEN</b>		
46.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	<b>Company to have Lien on shares.</b>
47.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by	<b>As to enforcing lien by sale.</b>

Sr. No	Particulars	
	transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
48.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	<b>Application of proceeds of sale.</b>
	<b>FORFEITURE AND SURRENDER OF SHARES</b>	
49.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	<b>If call or installment not paid, notice may be given.</b>
50.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	<b>Terms of notice.</b>
51.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be	<b>On default of payment, shares to be forfeited.</b>

Sr. No	Particulars	
	forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	
52.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	<b>Notice of forfeiture to a Member</b>
53.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	<b>Forfeited shares to be property of the Company and may be sold etc.</b>
54.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	<b>Members still liable to pay money owing at time of forfeiture and interest.</b>
55.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	<b>Effect of forfeiture.</b>
56.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	<b>Evidence of Forfeiture.</b>
57.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	<b>Title of purchaser and allottee of Forfeited shares.</b>
58.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a	<b>Cancellation of share certificate in respect of forfeited shares.</b>

Sr. No	Particulars	
	duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	
59.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	<b>Forfeiture may be remitted.</b>
60.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	<b>Validity of sale</b>
61.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	<b>Surrender of shares.</b>
<b>TRANSFER AND TRANSMISSION OF SHARES</b>		
62.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	<b>Execution of the instrument of shares.</b>
63.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	<b>Transfer Form.</b>
64.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an	<b>Transfer not to be registered except on production of instrument of transfer.</b>

Sr. No	Particulars	
	application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	
65.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	<b>Directors may refuse to register transfer.</b>
66.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	<b>Notice of refusal to be given to transferor and transferee.</b>
67.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	<b>No fee on transfer.</b>
68.	The Board of Directors shall have power on giving not less than seven days previous notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	<b>Closure of Register of Members or debentureholder or other security holders.</b>
69.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	<b>Custody of transfer Deeds.</b>
70.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	<b>Application for transfer of partly paid shares.</b>

Sr. No	Particulars	
71.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	<b>Notice to transferee.</b>
72.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<b>Recognition of legal representative.</b>
73.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72of the Companies Act.	<b>Titles of Shares of deceased Member</b>
74.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 56 of the Act.	<b>Notice of application when to be given</b>
75.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy,	<b>Registration of persons entitled</b>



Sr. No	Particulars	
	bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	<b>to share otherwise than by transfer. (Transmission clause).</b>
76.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	<b>Refusal to register nominee.</b>
77.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	<b>Board may require evidence of transmission.</b>
78.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	<b>Company not liable for disregard of a notice prohibiting registration of transfer.</b>
79.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	<b>Form of transfer Outside India.</b>

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80.	No transfer shall be made to any minor, insolvent or person of unsound mind.	<b>No transfer to insolvent etc.</b>
<b>NOMINATION</b>		
81.	<p>i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Companies Act, 2013 shall apply in respect of such nomination.</p> <p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014</p> <p>iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.</p> <p>iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	<b>Nomination</b>
82.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the security, as the case may be; or</p> <p>(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<b>Transmission of Securities by nominee</b>
<b>DEMATERIALISATION OF SHARES</b>		

<b>Sr. No</b>	<b>Particulars</b>	
<b>83.</b>	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	<b>Dematerialisation of Securities</b>
<b>JOINT HOLDER</b>		
<b>84.</b>	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	<b>Joint Holders</b>
<b>85.</b>	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	<b>Joint and several liabilities for all payments in respect of shares.</b>
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	<b>Title of survivors.</b>
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	<b>Receipts of one sufficient.</b>
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	<b>Delivery of certificate and giving of notices to first named holders.</b>
<b>SHARE WARRANTS</b>		
<b>86.</b>	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	<b>Power to issue share warrants</b>
<b>87.</b>	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company, and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company, and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.	<b>Deposit of share warrants</b>

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	<p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	
<b>88.</b>	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	<b>Privileges and disabilities of the holders of share warrant</b>
<b>89.</b>	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	<b>Issue of new share warrant coupons</b>
<b>CONVERSION OF SHARES INTO STOCK</b>		
<b>90.</b>	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	<b>Conversion of shares into stock or reconversion.</b>
<b>91.</b>	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	<b>Transfer of stock.</b>
<b>92.</b>	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	<b>Rights of stock holders.</b>
<b>93.</b>	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	<b>Regulations.</b>
<b>BORROWING POWERS</b>		
<b>94.</b>	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or	<b>Power to borrow.</b>

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	any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	
95.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	<b>Issue of discount etc. or with special privileges.</b>
96.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	<b>Securing payment or repayment of Moneys borrowed.</b>
97.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	<b>Bonds, Debentures etc. to be under the control of the Directors.</b>
98.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	<b>Mortgage of uncalled Capital.</b>
99.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surety for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way	<b>Indemnity may be given.</b>

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	of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	
<b>MEETINGS OF MEMBERS</b>		
<b>100.</b>	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	<b>Distinction between AGM &amp; EGM.</b>
<b>101.</b>	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	<b>Extra-Ordinary General Meeting by Board and by requisition</b>
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	<b>When a Director or any two Members may call an Extra Ordinary General Meeting</b>
<b>102.</b>	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	<b>Meeting not to transact business not mentioned in notice.</b>
<b>103.</b>	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	<b>Chairman of General Meeting</b>
<b>104.</b>	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	<b>Business confined to election of Chairman whilst chair is vacant.</b>
<b>105.</b>	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	<b>Chairman with consent may adjourn meeting.</b>



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	<p>c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	
106.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	<b>Chairman's casting vote.</b>
107.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	<b>In what case poll taken without adjournment.</b>
108.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	<b>Demand for poll not to prevent transaction of other business.</b>
<b>VOTES OF MEMBERS</b>		
109.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands ,upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	<b>Members in arrears not to vote.</b>
110.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	<b>Number of votes each member entitled.</b>
111.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	<b>Casting of votes by a member entitled to more than one vote.</b>
112.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.	<b>Vote of member of unsound mind and of minor</b>

Sr. No	Particulars	
113.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	<b>Postal Ballot</b>
114.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	<b>E-Voting</b>
115.	<p>a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof.</p> <p>b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p>	<b>Votes of joint members.</b>
116.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles	<b>Votes may be given by proxy or by representative</b>
117.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	<b>Representation of a body corporate.</b>
118.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	<b>Members paying money in advance.</b>
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	<b>Members not prohibited if share not held for any specified period.</b>
119.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares,	<b>Votes in respect of shares of deceased or</b>

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	provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	<b>insolvent members.</b>
120.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	<b>No votes by proxy on show of hands.</b>
121.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	<b>Appointment of a Proxy.</b>
122.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	<b>Form of proxy.</b>
123.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	<b>Validity of votes given by proxy notwithstanding death of a member.</b>
124.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.	<b>Time for objections to votes.</b>
125.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	<b>Chairperson of the Meeting to be the judge of validity of any vote.</b>
<b>DIRECTORS</b>		
126.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company	<b>Number of Directors</b>

Sr. No	Particulars	
	may appoint more than fifteen directors after passing a special resolution	
127.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	<b>Qualification shares.</b>
128.	<p>(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	<b>Nominee Directors.</b>
129.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	<b>Appointment of alternate Director.</b>
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	<b>Additional Director</b>
131.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold	<b>Directors power to fill casual vacancies.</b>

Sr. No	Particulars	
	office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	
132.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	<b>Sitting Fees.</b>
133.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	<b>Travelling expenses Incurred by Director on Company's business.</b>
<b>PROCEEDING OF THE BOARD OF DIRECTORS</b>		
134.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	<b>Meetings of Directors.</b>
135.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	<b>Chairperson</b>
136.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	<b>Questions at Board meeting how decided.</b>
137.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	<b>Continuing directors may act notwithstanding any vacancy in the Board</b>
138.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	<b>Directors may appoint committee.</b>

Sr. No	Particulars	
139.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	<b>Committee Meetings how to be governed.</b>
140.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	<b>Chairperson of Committee Meetings</b>
141.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	<b>Meetings of the Committee</b>
142.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	<b>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</b>
<b>RETIREMENT AND ROTATION OF DIRECTORS</b>		
143.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	<b>Power to fill casual vacancy</b>
<b>POWERS OF THE BOARD</b>		
144.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	<b>Powers of the Board</b>
145.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	<b>Certain powers of the Board</b>



Sr. No	Particulars	
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	<b>To acquire any property , rights etc.</b>
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	<b>To take on Lease.</b>
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	<b>To erect &amp; construct.</b>
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	<b>To pay for property.</b>
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	<b>To insure properties of the Company.</b>
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	<b>To open Bank accounts.</b>
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	<b>To secure contracts by way of mortgage.</b>

Sr. No	Particulars	
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	<b>To accept surrender of shares.</b>
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	<b>To appoint trustees for the Company.</b>
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	<b>To conduct legal proceedings.</b>
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	<b>Bankruptcy &amp; Insolvency</b>
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	<b>To issue receipts &amp; give discharge.</b>
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	<b>To invest and deal with money of the Company.</b>
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	<b>To give Security by way of indemnity.</b>
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	<b>To determine signing powers.</b>
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	<b>Commission or share in profits.</b>
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether	<b>Bonus etc. to employees.</b>

Sr. No	Particulars	
	such employee, his widow, children or dependents have or have not a legal claim on the Company.	
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	<b>Transfer to Reserve Funds.</b>
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	<b>To appoint and remove officers and other employees.</b>
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board	<b>To appoint Attorneys.</b>

Sr. No	Particulars	
	the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
(21)	Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	<b>To enter into contracts.</b>
(22)	From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	<b>To make rules.</b>
(23)	To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	<b>To effect contracts etc.</b>
(24)	To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	<b>To apply &amp; obtain concessions licenses etc.</b>
(25)	To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	<b>To pay commissions or interest.</b>
(26)	To redeem preference shares.	<b>To redeem preference shares.</b>
(27)	To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	<b>To assist charitable or benevolent institutions.</b>
(28)	To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.	

Sr. No	Particulars	
	(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	<p>(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p> <p>(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it</p>	

Sr. No	Particulars	
	<p>thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	<b>MANAGING AND WHOLE-TIME DIRECTORS</b>	
146.	<p>a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.</p> <p>b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	<b>Powers to appoint Managing/Wholetime Directors.</b>
147.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	<b>Remuneration of Managing or Wholetime Director.</b>
148.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of</p>	<b>Powers and duties of Managing Director or Whole-time Director.</b>



Sr. No	Particulars	
	<p>the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p> <p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
	<b>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</b>	
149.	<p>a) Subject to the provisions of the Act,—</p> <p>i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p> <p>b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.</p>	<b>Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer</b>
	<b>THE SEAL</b>	
150.	<p>(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.</p> <p>(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.</p>	<b>The seal, its custody and use.</b>

Sr. No	Particulars	
151.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	<b>Deeds how executed.</b>
<b>Dividend and Reserves</b>		
152.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	<b>Division of profits.</b>
153.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	<b>The company in General Meeting may declare Dividends.</b>
154.	<p>a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.</p> <p>b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p>	<b>Transfer to reserves</b>
155.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	<b>Interim Dividend.</b>

Sr. No	Particulars	
156.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	<b>Debts may be deducted.</b>
157.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	<b>Capital paid up in advance not to earn dividend.</b>
158.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	<b>Dividends in proportion to amount paid-up.</b>
159.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	<b>Retention of dividends until completion of transfer under Articles.</b>
160.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	<b>No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.</b>
161.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	<b>Effect of transfer of shares.</b>
162.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	<b>Dividend to joint holders.</b>
163.	<p>a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.</p> <p>b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p>	<b>Dividends how remitted.</b>
164.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	<b>Notice of dividend.</b>
165.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	<b>No interest on Dividends.</b>

Sr. No	Particulars	
<b>CAPITALIZATION</b>		
166.	<p>(1) The Company in General Meeting may, upon the recommendation of the Board, resolve:</p> <p>(a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and</p> <p>(b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	<b>Capitalization.</b>
167.	<p>(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall —</p> <p>(a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and</p> <p>(b) generally to do all acts and things required to give effect thereto.</p> <p>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p>	<b>Fractional Certificates.</b>

Sr. No	Particulars	
	<p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	
<b>168.</b>	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.</p>	<b>Inspection of Minutes Books of General Meetings.</b>
<b>169.</b>	<p>a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.</p> <p>b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.</p>	<b>Inspection of Accounts</b>
<b>FOREIGN REGISTER</b>		
<b>170.</b>	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	<b>Foreign Register.</b>
<b>DOCUMENTS AND SERVICE OF NOTICES</b>		
<b>171.</b>	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	<b>Signing of documents &amp; notices to be served or given.</b>
<b>172.</b>	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	<b>Authentication of documents and proceedings.</b>
<b>WINDING UP</b>		
<b>173.</b>	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other	

Sr. No	Particulars	
	<p>sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>(ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	
	<b>INDEMNITY</b>	
174.	<p>Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.</p>	<b>Directors' and others right to indemnity.</b>



## **SECTION IX – OTHER INFORMATION**

### **MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION**

The following contracts not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of the Red Herring Prospectus which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus will be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at 204, B-65, Sector No 1, Shanti Nagar, Mira Road (East), Thane- 401107, Maharashtra, India from date of filing the Draft Red Herring Prospectus with Stock Exchange to Bid Closing Date on working days from 10.00 a.m. to 5.00 p.m.

#### **Material Contracts**

1. Issue Agreement dated March 20, 2018 between our Company and the BRLM.
2. Registrar Agreement dated March 20, 2018 between our Company and Link Intime India Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated March 20, 2018 between our Company and Underwriter viz. BRLM
4. Market Making Agreement dated March 20, 2018 between our Company, Market Maker and the BRLM
5. Bankers to the Issue Agreement dated March 20, 2018 amongst our Company, the BRLM, Banker(s) to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 11, 2018.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated April 04, 2018.
8. Syndicate Agreement dated April 03, 2018 between our Company, the BRLM and Syndicate Member.
9. Investment Agreement dated March 3, 2018 and an Addendum to the Investment Agreement dated March 26, 2018 by and between M/s Pantomath Fund Managers LLP, M/s Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I, Vijay Kedia and our Company and an Addendum to the Investment Agreement dated April 26, 2018 by and between M/s Pantomath Fund Managers LLP, M/s Pantomath Sabrimala AIF Pantomath Sabrimala SME Growth Fund Series I, Vijay Kedia and our Company.

#### **Material Documents**

1. Certified copies of the updated Memorandum and Articles of Association of our Company along with Certificates of Incorporation as amended from time to time.
2. Resolutions of the Board of Directors dated February 16, 2018 in relation to the Issue and other related matters.
3. Shareholders' resolution dated February 17, 2018 in relation to the Issue and other related matters.
4. Statement of Tax Benefits dated March 12, 2018 issued by our Peer Reviewed Auditor, Mittal & Associates, Chartered Accountants.
5. Report of the Peer Reviewed Auditor, Mittal & Associates, Chartered Accountants, dated March 21, 2018 on the Restated Financial Statements for the period ended December 31, 2017 and financial years ended as on March 31, 2017, 2016, 2015, 2014 & 2013 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial

Officer, Statutory Auditors, Peer Reviewed Auditors, Banker to the Company, Legal Advisor to the offer, the Book Running Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue, Refund Banker to the issue to act in their respective capacities.

7. Copy of approval from BSE Ltd. Limited *vide* letter dated April 19, 2018, to use the name of BSE in this offer document for listing of Equity Shares on BSE SME (SME Platform) of Bombay Stock Exchange Limited.

None of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION BY THE COMPANY

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.

### Signed by all the Directors of our Company

Name and Designation	Signature
Radheshyam Sharma <i>Managing Director</i>	Sd/-
Anjana Sharma <i>Whole Time Director</i>	Sd/-
Shivchand Sharma <i>Non Executive Director</i>	Sd/-
Phoolshankar shrimali <i>Additional Independent Director</i>	Sd/-
Sunil Deshpande <i>Additional Independent Director</i>	Sd/-
Poonam Bhati <i>Additional Independent Director</i>	Sd/-

Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

**Sd/-**  
Radhika Tibrewala  
*Company Secretary & Compliance Officer*

**Sd/-**  
Priti Sharma  
*Chief Financial Officer*

Place: Mumbai

Date:- May 02, 2018

**Annexure A**

**DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED**

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	A and M Jumbo Bags Limited	4.00	65.00	February 12, 2018	70.50	0.85% (-1.07%)	Not Applicable	Not Applicable
2.	Sintercom India Limited	42.55	65.00	February 15, 2018	78.00	15.00% (-3.32%)	Not Applicable	Not Applicable
3.	Mohini Health & Hygiene Limited	20.71	42.00	February 16, 2018	50.40	61.90%(-3.43%)	Not Applicable	Not Applicable
4.	South West Pinnacle Exploration Limited	35.85	78.00	February 19, 2018	93.60	3.72% (-2.45%)	Not Applicable	Not Applicable
5.	Macpower CNC Machines Limited	36.61	140.00	March 22, 2018	149.00	84.54% (4.44%)	Not Applicable	Not Applicable
6.	Benara Bearings and Pistons Limited	33.49	63.00	April 3, 2018	64.00	Not Applicable	Not Applicable	Not Applicable
7.	Soni Soya Products Limited	4.50	25.00	April 12, 2018	26.00	Not Applicable	Not Applicable	Not Applicable
8.	Vera Synthetic Limited	5.34	40.00	April 12, 2018	45.00	Not Applicable	Not Applicable	Not Applicable
9.	S.S. Infrastructure Development Consultants Limited	17.11	40.00	April 12, 2018	42.95	Not Applicable	Not Applicable	Not Applicable
10.	Mahickra Chemicals Limited	5.25	25.00	April 26, 2018	35.00	Not Applicable	Not Applicable	Not Applicable

*Note:*

*Softech Engineers Limited has registered its Red Herring Prospectus with Registrar of Companies for Initial Public Offering.*

*Akshar Spintex Limited has registered its Prospectus with Registrar of Companies for Initial Public Offering.*

Sources: All share price data is from [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case 30<sup>th</sup>/90<sup>th</sup>/180<sup>th</sup> days, scrips are not traded then last trading price has been considered.

As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.

### SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
15-16	*9	54.01	-	-	1	3	2	3	-	1	1	4	3	-
16-17	**24\$	204.56	-	-	5	5	3	8	-	1	5	10	1	6
17-18	***30\$\$	610.90	-	-	4	10	7	9	-	1	2	11	2	4
18-19	****5\$\$\$	65.69	-	-	-	-	-	-	-	-	-	-	-	-

\*The scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited, Patdiam Jewellery Limited and Vidli Restaurants Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015, October 16, 2015 and February 15, 2016 respectively.

\*\*The scripts Ruby Cables Limited, Sysco Industries Limited, Lancer Containers Lines Limited, Yash Chemex Limited, Titaanium Ten Enterprise Limited, Commercial Syn Bags Limited, Shiva Granito Export Limited, Sprayking Agro Equipment Limited, Narayani Steels Limited, Nandani Creation Limited, DRA Consultant Limited, Gretex Industries Limited, Sakar Health Care Limited, Bindal Exports Limited, Mewar Hi-Tech Engineering Limited, Shashijit Infraprojects Limited, Agro Phos (India) Limited, Majestic Research Services and Solutions Limited, Maheshwari Logistics Limited, Madhav Copper Limited, Chemcrux Enterprises Limited, Manomay Tex India Limited, Oceanic Foods Limited and Euro India Fresh Foods Limited were listed on April 13, 2016, April 13, 2016, April 13, 2016, June 20, 2016, July 14, 2016, July 14, 2016, September 06, 2016, September 14, 2016, September 14, 2016, October 10, 2016, October 13, 2016, October 14, 2016, October 14, 2016, October 17, 2016, October 17, 2016, October 17, 2016, November 16, 2016 December 14, 2016, January 16, 2017, February 06, 2017, March 28, 2017, March 28, 2017, March 31, 2017 and March 31, 2017 respectively.

\*\*\*The scripts Bohra Industries Limited, Creative Peripherals and Distribution Limited, Panache Digilife Limited, Zota Health Care Limited, Gautam Exim Limited, Bansal Multiflex Limited, Shrenik Limited, Jigar Cables Limited, Vaishali Pharma Limited, Lexus Granito (India) Limited, Worth Peripherals Limited, R M Drip and Sprinklers Systems Limited, Shree Tirupati Balajee FIBC Limited, Innovative Tyres and Tubes Limited, Poojawestern Metaliks Limited, Airo Lam Limited, Goldstar Power Limited, IRIS Business Services Limited, Tirupati Forge Limited, Beta Drugs Limited, One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited and Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited were listed on April 05, 2017, April 12, 2017, April 25, 2017, May 10, 2017 July 11, 2017, July 12, 2017, July 18, 2017, July 28, 2017, August 22, 2017, August 23, 2017, September 27, 2017, October 04, 2017, October 05, 2017, October 05, 2017, October 05, 2017, October 06, 2017, October 10, 2017, October 11, 2017, October 12, 2017, October 12, 2017, December 26,



2017, December 29, 2017, February 05, 2018, February 08, 2018, February 09, 2018, February 12, 2018, February 15, 2018, February 16, 2018, February 19, 2018 and March 22, 2018 respectively.

\*\*\*\*The scripts of Benara Bearings and Pistons Limited, Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited and Mahickra Chemicals Limited were listed on April 3, 2018, April 12, 2018, April 12, 2018, April 12, 2018 and April 26, 2018 respectively.

\$. As on 30th trading day the closing price of the scripts Ruby Cables Limited and Shashijit Infraprojects Limited were at par with the issue price. Hence, they are not considered for counting the number of IPOs trading at discount and premium.

\$\$ The scripts of One Point One Solutions Limited, Astron Paper & Board Mill Limited, Shree Ram Proteins Limited, Gujarat Hy – Spin Limited, Focus Suites Solutions & Services Limited, A and M Jumbo Bags Limited, Sintercom India Limited, Mohini Health & Hygiene Limited, South West Pinnacle Exploration Limited and Macpower CNC Machines Limited have not completed 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 Days, 180 days, 180 Days and 180 Days respectively from the date of listing.

\$\$\$ The scripts of Benara Bearings and Pistons Limited, Soni Soya Products Limited, Vera Synthetic Limited, S.S. Infrastructure Development Consultants Limited and Mahickra Chemicals Limited have not completed 30 Days, 30 Days, 30 Days and 30 Days respectively from the date of listing.

*Note: Majestic Research Services and Solutions Limited and Ambition Mica Limited are Further Public Offerings lead managed by Pantomath Capital Advisors Private Limited in the Financial Years 2016-17 and 2017-18 respectively and the same have not been included in the above mentioned Summary Statement of Disclosure as the disclosure is limited to IPOs only.*

