

INNOVATORS FACADE SYSTEMS LIMITED



**21st
Annual Report
2019-2020**

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Radheshyam Sharma	Managing Director
Mrs. Anjana Sharma	Whole-Time Director
Mr. Shivchand Sharma	Director
Mr. Subhash Gupta	Independent Director
Mr. Sunil Deshpande	Independent Director
Mrs. Poonam Bhati	Independent Director

REGISTERED OFFICE

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

FACTORY

Survey No. 404/B, Kudus – Chinchghar Village, Chinchghar – Bilavali Road, Post – Kudus, Taluka – Wada, Dist – Palghar, Maharashtra 421312

AUDITORS

S G C O & Co. LLP
(Chartered Accountants)

REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
C 101, 1st Floor, 247 Park, L.B.S Marg,
Vikhroli – (West), Mumbai – 400083

BANKERS

PUNJAB NATIONAL BANK
INDIAN BANK

OTHER INFORMATION

LISTED ON	BSE (SME PLATFORM)
WEBSITE	www.innovators.in
ISIN	INE870Z01015
SCRIP CODE	541353

CHIEF EXECUTIVE OFFICER

Mr. Raman Sharma

CHIEF FINANCIAL OFFICER

Mrs. Priti Raman Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Farhan Shaikh (w.e.f. 21st May, 2020)

CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me immense pleasure to be present amongst you in the ensuing 21st Annual General Meeting of the Company. The Company is an emerging market leader in providing the complete end-to-end facade solutions. I place on record my sincere gratitude to all the stakeholders for bestowing their faith and continuous support.

Real estate sector in India is transforming continuously with the various regulatory and structural reforms by the government in the recent times.

The year that was passed by was very challenging for business environment. The lower GDP growth and economic slowdown has weakened the client's sentiment and has lower the demand across all the sectors especially in real estate. Our focus on design and execution with improved efficiency, well equipped manufacturing facility and the strong corporate governance and management practices has supported us to sustain despite subdued market sentiments.

Further, the spread of novel coronavirus (COVID-19) has affected not just human health but severely impacted the businesses and the society at large. However, the macro-economic factors that caused a slowdown in the last month of FY 2019-20 will continue in FY 2020-21, with the first half of 2020 completely dominated by the COVID-19 pandemic and the consequent lockdowns.

The management is well aware of the fact that the current business environment may pose challenges in the near term, but also very optimistic about growth and opportunities in the medium and long term.

The COVID-19 pandemic may have an extended impact, but as I mentioned earlier, this means opportunities as well as challenges. The Board, through its engagement with the management, will guide the Company in recalibrating its growth strategy to address these challenges and to make use of the new opportunities. On behalf of the Board, we seek support from each and every stakeholder to bring prosperity to one and all.

On an ending note, I would like to thank the entire work force of the Company for their tireless support. Also, I place my sincere gratitude to our bankers for extending timely monetary assistance.

With Best Wishes,

Sincerely,

Radheshyam Sharma

Chairman & Managing Director

NOTICE OF 21ST ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF INNOVATORS FAÇADE SYSTEMS LIMITED WILL BE HELD ON WEDNESDAY, 30TH SEPTEMBER, 2020 AT 11.00 A.M. THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESS.

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended 31st March, 2020, the Reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Shivchand Sharma (DIN: 00298265), who retires by rotation and being eligible, seeks re-appointment;

SPECIAL BUSINESS:

3. **Appointment of Mr. Subhash Chand Gupta, DIN (08649898) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Subhash Chand Gupta (DIN: 08649898), who was appointed by the Board of Directors as an Additional Independent Director of the Company with effect from 16th January, 2020, who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Subhash Chand Gupta, who meets the criteria for independence as provided in Section 149(6) of the Act and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, who shall not be liable to retire by rotation, for a term of five years commencing w.e.f. 16th January, 2020.

RESOLVED FURTHER THAT any Director or Chief Financial Officer or Company Secretary of the Company, be and is hereby severally authorized to sign and submit the necessary application and forms to appropriate authorities and to perform all such acts, deeds and things that may be necessary or desirable for and on behalf of the Company for the purpose of giving effect to the aforesaid resolution.”

4. Appointment of M/s. Y.R. Doshi & Co., Cost Accountants, Mumbai (FRN: 000003) as Cost Auditors for financial year 2020-21.

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Y.R. Doshi & Co., Cost Accountants, Mumbai (FRN: 000003) being the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2021, be paid the remuneration of INR 30,000/- (Rupees Thirty Thousand Only) plus applicable taxes and reimbursement of out of pocket expenses, if any and that the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By order of the Board

Sd/-

Farhan Shaikh

Company Secretary & Compliance Officer

Date: 04.09.2020

Place: Thane

Registered Office: 204, B-65,
Sector No.1, Shanti Nagar,
Mira Road – (East), Thane – 401107.

ANNEXURE TO THE NOTICE

Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

In Conformity with the Provisions of Section 102(1) of the Companies Act, 2013 the following Explanatory Statement sets out all the material facts relating to the item of Special Business at item no. 3 to and item no. 4 of the Notice dated 04th September, 2020 and the same should be taken as forming part of the notice.

Item No. 3

The Board of Directors based on the recommendation of the Nomination & Remuneration Committee had appointed Mr. Subhash Chand Gupta (DIN: 08649898) as an Additional Director with effect from 16th January, 2020 and as a Non-Executive Independent Director subject to the approval of the members. Pursuant to Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Subhash Chand Gupta holds office of Director upto the date of this Annual General Meeting and is eligible for appointment as a Director.

The Company has also received the declaration from Mr. Subhash Chand Gupta stating that he meets the criteria of independence as per Section 149(6) of the Act. The detailed profile of Mr. Subhash Chand Gupta is attached as Annexure to Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

In the opinion of the Board, Mr. Subhash Chand Gupta fulfills the conditions specified in the Act and the rules made thereunder and also under the SEBI Listing Regulations for appointment as Non-Executive Independent Director and is Independent of the Management.

The Board of Directors recommend the Ordinary Resolution in relation to the appointment of Mr. Subhash Chand Gupta as a Non-Executive Independent Director of the Company for a period of five (5) years.

Except Mr. Subhash Chand Gupta, none of the Directors or Key Managerial Personnel of the Company or their relative(s) is, in any way, concerned or interested, financially or otherwise, as set out in the item No. 3.

Item no. 4:

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company, on recommendation of the Audit Committee, has approved the appointment of M/s Y R Doshi & Co. (FRN 000003) as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending on 31st March, 2021 at a remuneration of INR. 30,000/- (Thirty Thousand) plus applicable taxes and reimbursement of out of pocket expenses, if any. The remuneration payable to the Cost Auditors is required to be ratified by the shareholders of the Company. Accordingly, consent of Members is sought for passing an Ordinary Resolution for ratification of remuneration payable to the Cost Auditors for the financial year ending on 31st March, 2021 in terms of section 148 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company or their relative(s) is, in any way, concerned or interested, financially or otherwise, as set out in the item No. 4.

By order of the Board

Sd/-

Farhan Shaikh

Company Secretary & Compliance Officer

Date: 04.09.2020

Place: Thane

**Registered Office: 204, B-65,
Sector No.1, Shanti Nagar,
Mira Road – (East), Thane – 401107.**

NOTES TO NOTICE

1. The Statement as required under Section 102 of the Companies Act, 2013 (“the Act”) is annexed to the Notice.
2. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs (MCA) has, vide General Circular No. 14/2020 dated 08th April 2020, General Circular No. 17/2020 dated 13th April 2020 and General Circular No. 20/2020 dated 05th May 2020 (collectively “MCA Circulars”), permitted companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means, subject to compliance of various conditions mentioned therein. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 21st AGM of the Company is being convened and conducted through VC. The procedure for joining the AGM through VC/ OAVM is mentioned in this Notice.
3. Since the AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The Proxy Form as well as the Attendance Slip are therefore, not annexed to this Notice.
4. Members shall have the option to vote electronically (“e-voting”) either before the AGM (“remote e-voting”) or during the AGM.

In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings (“SS-2”), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through Link Intime India Private Limited. Necessary arrangements have been made by the Company with Link Intime India Private Limited to facilitate remote e-voting and e-voting during the AGM.

5. The Company has appointed M/s Jajodia & Associates (Practising Company Secretary), as the scrutinizer for scrutinizing the entire e-voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.
6. The attendance of the Members joining the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
7. Members attending the AGM through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote during the AGM through e-voting for all businesses specified in the Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM but cannot vote during the AGM.
8. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Member / Beneficial Owner list maintained by the depositories as on the cut off date i.e. Wednesday, 23rd September, 2020 (“cut-off date”).
9. A person who is not a Member as on Wednesday, 23rd September, 2020 should treat this Notice for information purposes only.
10. A person, whose name is recorded in the Register of Members / Beneficial Owners list maintained by the depositories as on Wednesday, 23rd September, 2020 only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.

11. Register of Members and Share Transfer Books will remain closed from Thursday, 24th September, 2020 to Wednesday, 30th September, 2020 (both days inclusive).
12. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote during the AGM.
13. Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents. Further, with effect from 01st April 2019, requests for transfer of securities are not permitted unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per SEBI Listing Regulations. Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.
14. Members holding shares in dematerialized form are requested to update with their respective Depository Participants (“DP”), their bank account details (account number, 9 digit MICR and 11 digit IFSC), e-mail IDs and mobile number. Members holding shares in physical form may communicate details to the Company / Registrar and Transfer Agent viz. Link Intime India Private Limited (“RTA”) before Wednesday, 23rd September, 2020 by quoting the Folio No. and attaching a scanned copy of the cancelled cheque leaf of their bank account and a self attested scanned copy of the PAN card.
15. Members can avail of the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act.
16. Additional information of Directors seeking re-appointment at the ensuing AGM, as required under Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of the SS-2, is annexed to the Notice
17. In line with MCA Circulars and SEBI circular dated 12th May 2020, the Notice calling the AGM along with the Annual Report for 2019-20 (“Annual Report”) is being sent through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice of AGM and Annual Report will also be available on the website of the Company at www.innovators.in/ and the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The Notice is also disseminated on the website of Link Intime India Private Limited (agency providing the remote e-voting facility and e-voting during the AGM) at www.instavote.linkintime.co.in. Members who have not registered/ updated their e-mail address or mobile number with the Company but wish to receive all communication (including Annual Report) from the Company electronically may register/ update their e-mail and mobile numbers on investors@innovators.in. Members are also encouraged to register/update their e-mail addresses or mobile number with the relevant Depository Participant.
18. Since the AGM will be held through VC / OAVM, the route map is not annexed to the Notice.
19. The Company is providing the facility of live webcast of proceedings of the AGM. Members who are entitled to participate in the AGM can view the proceedings of AGM by logging in the website of Link Intime India Private Limited at www.instavote.linkintime.co.in using the login credentials.
20. All the documents referred in the Notice are available for inspection electronically from the date of dispatch of Notice till Wednesday, 30th September 2020. Members seeking to inspect such documents are requested to write to the Company at investors@innovators.in.

Remote e-Voting Instructions for shareholders:

1. The voting period begins on Saturday, 26th September, 2020 at 9.00 a.m. (IST) and ends on Tuesday, 29th September, 2020 at 5.00 p.m (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date Wednesday, 23rd September, 2020 may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter.
2. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- ▶ Click on **“Sign Up”** under **‘SHARE HOLDER’** tab and register with your following details: -
 - A. User ID:** Enter your User ID
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide Event No + Folio Number** registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Shareholders/ members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’, above**
 - Shareholders/ members holding shares in **NSDL demat account shall provide ‘D’, above**
 - Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above
- ▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ▶ Click **“confirm”** (Your password is now generated).

NOTE: If Shareholders/ members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

3. Click on **‘Login’** under **‘SHARE HOLDER’** tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **‘Submit’**.

5. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.
After on successful login, the system will Prompt you to select the e-voting Event no. (EVEN) for the company. Shareholders to select EVEN : 200276
6. E-voting page will appear.
7. Refer the Resolution description and cast your vote by selecting your desired option **'Favour / Against'** (If you wish to view the entire Resolution details, click on the **'View Resolution'** file link).
8. After selecting the desired option i.e. Favour / Against, click on **'Submit'**. A confirmation box will be displayed. If you wish to confirm your vote, click on **'Yes'**, else to change your vote, click on **'No'** and accordingly modify your vote.
9. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as **'Custodian / Mutual Fund / Corporate Body'**. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the **'Custodian / Mutual Fund / Corporate Body'** login for the Scrutinizer to verify the same.

If you have forgotten the password:

- o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on **'Submit'**.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.

During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Shareholders/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- ▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -
 - B. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.
 - C. Mobile No.:** Enter your mobile number.
 - D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the investors@innovators.in created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

ANNEXURE TO NOTICE

INFORMATION ON DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT OR REVISION OF RENUMERATION AT THE FORTHCOMING AGM

[PURSUANT TO REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND CLAUSE 1.2.5 OF SECRETARIAL STANDARDS-2 ON GENERAL MEETINGS]

The details of director's appointment or re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ("SS-2") issued by Institute of Company Secretaries of India is as below:

Name of the Directors	Mr. Shivchand Sharma	Mr. Subhash Chand Gupta
DIN	00298265	08649898
Designation	Non-Executive Non Independent Director	Independent Director
Date of Birth	07-03-1947	14/12/1965
Age	72 Years	55
Date of Appointment on current position	08-01-2018	16 th January, 2020
Nationality	Indian	Indian
Qualifications	Grade-9	B.tech in Civil Engineering.
Expertise in specific Functional Areas	Business Administration & Project Management	25 years of experience in Civil Engineering and Construction.
List of other Companies in which directorship is held as on 31st March, 2020	Parth Façade Solutions Private Limited	NIL
Chairman/Member of Committee of other Company	NIL	NIL
No. of Shares held in the company	9,00,000	NIL
Relationship with other Directors, Manager and KMP	Being the father of Radheshyam Sharma, Managing Director of the Company and Raman Sharma, Chief Executive Officer of the Company.	None
Remuneration last drawn (including sitting fees, if any) for the financial year 2019-20	NIL	NIL
Number of Board Meetings attended during the financial year 2019-20	5	NIL
Terms and Conditions of Appointment	Non-Executive Director liable to retire by rotation	Proposed to be appointed as an Independent Director, for a period of 5 consecutive years.

DIRECTORS REPORT

To,
The Members,
Innovators Facade Systems Limited

Your Directors are presenting Twenty First Annual Report on the operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2020.

1. FINANCIAL STATEMENTS & RESULTS:

I. FINANCIAL RESULTS:

The Company's performance for the year ended 31st March, 2020 as compared to the previous financial year, is summarized below:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Revenue from Operations	14130.52	15708.57	14130.52	15708.58
Other Income	125.59	167.49	125.59	167.49
Total Revenue	14256.11	15876.07	14256.11	15876.07
EBITDA	1673.94	2249.65	1699.13	2243.37
Finance Cost	514.81	503.95	514.81	503.95
Depreciation	398.53	236.98	398.53	236.98
Profit Before Exceptional Items and Tax	760.60	1,508.71	785.79	1,502.43
Less: Exceptional Items	1607.13	738.70	1607.13	738.70
Profit Before Tax	(846.53)	770.01	(821.34)	763.73
Tax Expense	(26.46)	298.53	20.69	298.53
Profit After Tax	(820.07)	471.49	(800.65)	465.21

II. OPERATIONS:

The Company is engaged in the business of designing, engineering, fabrication, supply and installation of façade systems. There has been no change in the business of the Company during the financial year ended 31st March, 2020.

The highlights of the Company's performance on standalone basis are as under:

- Revenue from Operation in the Financial Year 2020 is ₹ 14130.52 lakhs as compared to ₹ 15,708.57 lakhs in previous Financial Year 2019.
- EBITDA in financial year 2020 is ₹ 1673.94 lakhs (i.e. 11.85 % of Revenue from Operations) as compared to ₹ 2249.65 lakhs (i.e. 14.32% of Revenue from Operations) in previous Financial Year 2019.
- Profit Before Tax is ₹ (846.53) lakhs in Financial Year 2020 as compared to ₹ 770.01 lakhs in previous Financial Year 2019.
- Profit After Tax is ₹ (820.07) lakhs in Financial Year 2020 as compared to ₹ 471.49 lakhs in previous Financial Year 2019.

The highlights of the Company's performance on consolidated basis are as under:

- Consolidated Profit After Tax in the Financial Year 2020 is ₹ (800.65) lakhs as compared to ₹ 465.21 lakhs in previous Financial Year 2019.

2. DIVIDEND:

In order to conserve the resources of company the directors are not recommending any dividend for the FY 2019-20.

3. AMOUNT TRANSFERRED TO RESERVES:

The Board hasn't recommended any amount to be transferred to the reserves for the financial year under review.

4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

There is no unpaid/unclaimed dividend amount lying with the Company, therefore the provisions of Section 125 of the Companies Act, 2013 do not apply.

5. EXTRACT OF ANNUAL RETURN:

In accordance with the Companies Act 2013, an extract of the annual return in the prescribed format is made available on www.innovators.in.

6. DETAILS OF SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES:

The details of the subsidiaries, joint ventures or associate companies are as mentioned below:

Sr. No.	Name of the Company	Subsidiary/Joint Venture / Associate
1.	Innovators Engineering Works Private Limited (Formerly known as Kapindra Multitrade Private Limited)	Wholly Owned Subsidiary Company

Further, a statement containing the salient features of the financial statement of subsidiary Company in the prescribed format AOC1 is appended as an "Annexure I" to the Board's report. The statement also provides the details of performance, financial positions of the subsidiary company.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiary, are available on website of www.innovators.in.

These documents will also be available for inspection during the business hours at the registered office of the Company.

7. MATERIAL CHANGES AND COMMITMENTS:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company i.e. 31st March, 2020 to which these financial statements relate and the date of this report.

8. UTILIZATION OF NET PROCEEDS FROM THE INITIAL PUBLIC OFFER

The proceeds of the funds raised under IPO by the Company are being utilized as per the Objects of the Issue. The disclosure in compliance with the Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") is as under:

Particulars	Projected utilization of Proceeds as per IPO Objects	Utilization of IPO proceeds in Previous year 18-19	Utilization of IPO Proceeds in Current year 19-20
Upgradation and Modernisation of existing manufacturing facility	10,72,00,000	8,38,97,350	2,33,02,650
Funding the Working capital requirements of the Company	20,00,00,000	20,00,00,000	-
General corporate purpose	5,78,78,000	5,78,78,000	-
Issue related expenses	4,25,00,000	4,25,00,000	-
Total	40,75,78,000	38,42,75,350	2,33,02,650

9. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS:

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place has been operating satisfactorily. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

10. PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

All contracts / arrangements / transactions entered into by the Company during the financial year with related parties are in the ordinary course of business and on arm's length basis. As provided under section 134(3)(h) of the Act and Rules made thereunder disclosure of particulars of material transactions with related parties entered into by the Company with related parties in the prescribed format annexed to this report as an "Annexure II".

The Policy on dealing with Related Party Transactions may be accessed on the Company's website at the link: <http://innovators.in/investors-corner/>

11. PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES:

Particulars of loans given, investments made, guarantees given and securities provided as covered under the provisions of Section 186 of the Companies Act, 2013 if any, have been disclosed in the notes to the standalone financial statements forming part of the Annual Report.

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

13. DETAILS OF CHANGE IN COMPOSITION OF DIRECTORS OR KEY MANAGERIAL PERSONNEL:

The constitution of the Board of Directors is in accordance with Section 149 of the Companies Act, 2013 and Regulation 17 of the Listing Regulations. Pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Shivchand Sharma (DIN: 00298265) is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible has offered himself for re-appointment. Necessary resolution for his re-appointment is included in the Notice of 21st AGM for seeking approval of Members. The Directors recommended his re-appointment for your approval. A brief profile relating to him is given separately as an annexure to the AGM Notice

During the financial year following changes were recorded in the composition of the Board of Directors and KMP of the Company.

NAME	DESIGNATION	APPOINTMENT/ RESIGNATION	DATE OF EVENT
Ms. Rekha Ameya Rane	Company Secretary	Appointment	18 th November, 2019
Mr. Nitin Kore	Company Secretary	Resignation	19 th October, 2019
Mr. PhoolShankar Shrimali	Non-Executive Independent Director	Resignation	20 th November, 2019
Ms. Rekha Ameya Rane	Company Secretary	Resignation	27 th November, 2019
Mr. Subhash Chand Gupta	Additional Independent Director	Appointment	16 th January, 2020

14. SHARE CAPITAL:

The details of Share capital of the Company are as under:

Particulars	As at 31 st March 2020		As at 31 st March 2019	
	Number of Shares	Amount (In Rs.)	Number of Shares	Amount (In Rs.)
(a) Authorised Capital: Equity Shares of Rs. 10/- each	2,10,00,000	210,000,000	2,10,00,000	210,000,000
(b) Issued, Subscribed & Paid-up Capital: Equity Shares of Rs. 10/- each	1,88,67,808	18,86,78,080	1,88,67,808	18,86,78,080

15. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

I. BOARD OF DIRECTORS:

The composition of the Board as on 31st March, 2020 is in conformity with the provisions of the Companies Act, 2013.

The Board of Directors met Five times during the financial year under review on 28th May 2019, 20th August 2019, 14th November 2019, 20th December 2019 and 16th January 2020.

COMPOSITION OF THE BOARD:

The Company has a very balanced and diverse composition of Board of Directors, which primarily takes care of the business needs and stakeholders' interest. The Non-executive Directors including Independent Directors on the Board are experienced and highly competent persons in their respective fields of expertise. They take active part at the Board and Committee Meetings by providing valuable guidance to the Management on various aspects of business, policy direction, governance, compliance etc. and play pivotal role on strategic issues, which enhances the transparency and add value in the decision making process of the Board of Directors.

CATEGORY OF THE DIRECTORS	NUMBER OF DIRECTORS
Executive	1
Executive Woman Director	1
Non-executive	
a) Non-executive Non Independent Director	1
b) Non-executive Independent Director	3
Total	6

Except Mr. Shivchand Sharma who is the father of Mr. Radheshyam Sharma and Mr. Radheshyam Sharma is the husband of Mrs. Anjana Radheshyam Sharma, no other Director is related directly or indirectly to any other Directors of the Company.

COMMITTEES OF THE BOARD

The Committees of the Board play a vital role in the governance structure of the Company and help the Board of Directors in discharging their duties and responsibilities. The Committees have been constituted to deal with specific areas / activities, which concern the Company.

The Committees are set with clearly defined roles and goals, which are crucial for the smooth functioning of the Company. The Board is responsible for the action of the Committees.

The Chairman of the respective Committees inform the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all the Committees are placed before the Board for review.

There are currently Four Committees of the Board, as follows:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholder Relationship Committee
- d. Corporate and Social Responsibility Committee

Below are the details of all the Committees along with their compositions, and meetings held during the year:

II. AUDIT COMMITTEE:

Pursuant to Provisions of Section 177 of the Companies Act, 2013 during the financial year under review the Audit Committee met Three times on 28th May 2019, 20th August 2019 and 14th November 2019.

i. Terms of Reference/ Policy:

Apart from all the matters provided under Section 177 of the Companies Act, 2013, the Audit Committee reviews reports of the internal auditor, monitoring and utilization of IPO Proceeds, meets statutory auditors as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.

ii. Composition of the Audit Committee:

Composition of Audit Committee is as follows:

SR NO.	NAME	CATEGORY	DESIGNATION
1	Phoolshankar Murlidhar Shrimali (Upto 20 th November, 2019)	Non-Executive, Independent Director	Chairman
2	Mr. Subhash Chand Gupta (Appointed w.e.f. 16 th January, 2020)	Non-Executive Independent Director	Chairman
3	Sunil Krishnarao Deshpande	Non-Executive Independent Director	Member
4	Poonam Bhati	Non-Executive Independent Director	Member
5	Radheshyam Sharma	Managing Director	Member

The Members of the Audit Committee are financially literate and have requisite accounting and financial management expertise.

III. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to Provisions of Section 178 of the Companies Act, 2013 during the Financial Year under review, the Nomination and Remuneration Committee met Three times on 14th November 2019, 20th December 2019 and 16th January 2020.

i. Terms of Reference/Policy:

On recommendation of the Nomination and Remuneration Committee the Company has framed a policy as per Section 178 of the Companies Act, 2013 for selection and appointment of Directors, Senior Management and their remuneration.

ii. Composition of the Nomination and Remuneration Committee:

Composition of Nomination and Remuneration Committee is as follows:

SR NO.	NAME	CATEGORY	DESIGNATION
1	Phoolshankar Murlidhar Shrimali (upto 20 th November, 2019)	Non-Executive, Independent Director	Chairman
2	Mr. Subhash Chand Gupta (Appointed w.e.f. 16 th January, 2020)	Non-Executive Independent Director	Chairman
3	Sunil Krishnarao Deshpande	Non-Executive Independent Director	Member
4	Poonam Bhati	Non-Executive Independent Director	Member
5	Shivchand Sharma	Non-Executive Non -Independent Director	Member

The Company has Nomination and Remuneration policy, which provides the criteria for determining qualifications, positive attributes, independence of a Director and policy relating to remuneration for Directors, Key Managerial Personnel and other employees in accordance with the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Policy of the Company is hosted on the Company's Website at: <http://innovators.in/investors-corner/>

IV. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to Provisions of Section 178 of the Companies Act, 2013 during the Financial Year under review, the Stakeholders Relationship Committee met twice on 28th May 2019 and 14th November 2019.

i. Terms of Reference/Policy:

Apart from all the matters provided under Section 178 of the Companies Act, 2013, the Stakeholder Relationship Committee reviews the complaints received from the stakeholders of the Company as and when required and discusses their findings, suggestions, observations and other related matters.

ii. Composition of the Stakeholder Relationship Committee:

Composition of Stakeholder Relationship Committee is as follows:

SR NO.	NAME	CATEGORY	DESIGNATION
1	Phoolshankar Murlidhar Shrimali (upto 20 th November, 2019)	Non-Executive, Independent Director	Chairman
2	Mr. Subhash Chand Gupta (Appointed w.e.f. 16 th January, 2020)	Non-Executive Independent Director	Chairman
3	Sunil Krishnarao Deshpande	Non-Executive Independent Director	Member
4	Poonam Bhati	Non-Executive Independent Director	Member
5	Radheshyam Sharma	Managing Director	Member

V. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 during the year One Corporate Social Responsibility Committee Meeting was held by the Company on 14th November, 2020. The details as per the provisions of Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith as "Annexure III" to this report.

i Terms of Reference/Policy:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 the Company has constituted Corporate Social Responsibility Committee and framed a policy on Corporate Social Responsibility.

ii Composition of The Corporate Social Responsibility Committee:

Composition of Corporate Social Responsibility Committee is as follows:

SR NO.	NAME	CATEGORY	DESIGNATION
1.	Mr. Radheshyam Sharma	Managing Director	Chairman
2.	Mrs. Anjana Sharma	Whole Time Director	Member
3.	Mr. Shivchand Sharma	Non-Executive Non -Independent Director	Member
4.	Mr. Subhash Chand Gupta	Non-Executive Independent Director	Member

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities. The CSR policy of the Company is available on the Company's web-site and can be accessed in the link provided herein <http://innovators.in/investors-corner/>

VI. DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Company has received and taken on record the declarations received from the Independent Directors of the Company in accordance with the Section 149(6) of the Companies Act, 2013 confirming their independence and pursuant to Regulation 25 of the Listing Regulations.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder all the Independent Directors of the Company met once without the attendance of Non-Independent Directors and Members of the Management.

The Non-Executive, Independent Directors of the Company met on 16th January, 2020. During the said meeting, the following points were discussed:

- The performance of Non-Independent Directors and the Board as a whole.
- The performance of the Chairman of the Company taking into account the views of Executive Director and Non-Executive Directors.
- The quality, quantity and timeliness of flow of information between the Company management and the Board, that is necessary for the Board to effectively and reasonably perform its duties.

All the Non-Executive, Independent Directors were present throughout the meeting. They expressed their satisfaction on the governance process followed by the Company as well as the information provided to them on a timely basis.

16. VIGIL MECHANISM POLICY:

The Board of Directors of the Company has pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 established Vigil Mechanism Policy-Whistle Blower Policy for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors

from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and/or reports, etc.

The employees of the Company have the right to report their concern or grievance to the Chairman of the Audit Committee. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Whistle Blower Policy is hosted on the Company's website at: <http://innovators.in/investors-corner/>

17. RISK MANAGEMENT POLICY:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. The Board has adopted a Risk Management Policy for all its business divisions and corporate functions and the same have embraced in the decision making to ease the risk involved. Key business risks and their mitigation are considered in day-to-day working of the Company and also in the annual/strategic business plans and management reviews.

18. PERFORMANCE EVALUATION:

Nomination and Remuneration Committee of the Board has formulated a Performance Evaluation Framework under which evaluation of the performance of Board as a whole, its committees and the individual directors was carried out. The Board subsequently evaluated performance of the Board, the Committees and Independent Directors; without participation of the concerned Director. The Nomination and Remuneration Committee has approved the Policy relating to evaluation of every director's performance. Accordingly, evaluation of all directors was carried out.

19. DETAILS WITH RESPECT TO THE PROGRAMME FOR FAMILIARISATION OF INDEPENDENT DIRECTORS:

The familiarization programme aims to provide Independent Directors with the industry scenario, the socio-economic environment in which the Company operates, the business model, the operational and financial performance of the Company, significant developments so as to enable them to take well informed decisions in a timely manner. The familiarization programme also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

20. PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report and is marked as "Annexure V" to this Report.

21. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion and Analysis Report for the year under review as required pursuant to the provisions of Schedule V of the SEBI Regulations forms part of this Annual Report.

22. AUDITORS AND REPORTS:

The matters related to Auditors and their Reports are as under:

i. STATUTORY AUDITORS:

At the Annual General Meeting of the Company, **M/s. S G C O & Co LLP**, Chartered Accountants, Mumbai (**Firm Registration Number 112081W/W100184**), were appointed as statutory auditors of the Company for a term of five years [i.e., till the conclusion of Annual General Meeting to be held in Financial Year 2021-2022], subject to ratification of their appointment by Member's at every AGM, if do required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 07th May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of Statutory auditors at the ensuing AGM

ii. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2020:

The auditor's report for the financial year ended 31st March, 2020 does not contain any qualification, reservation or adverse remark and therefore, do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

iii. FRAUD REPORTING:

During the year under review, there were no instances of fraud falling within the purview of Section 143 (12) of the Companies Act, 2013 and rules made thereunder, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit conducted.

23. SECRETARIAL AUDITOR:

The Secretarial Auditor, M/s. Jajodia & Associates, Practicing Company Secretary in practice, (COP No. 19900), has issued Secretarial Audit Report for the Financial Year 2019-20 pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is annexed as "**Annexure IV**" and forms part of this Report.

24. INTERNAL AUDITORS:

During the financial year the Company has appointed **M/s. D Y & Associates**, Chartered Accountants (**Firm Registration Number 141274W**), as Internal Auditors of the Company as per the provisions of Section 138 of Companies Act, 2013.

25. COST AUDITOR:

During the financial year the Company has appointed **M/s. Y.R. Doshi & Co.**, Cost Accountants, Mumbai (**FRN: 000003**), as Cost Auditor of the Company as per the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2020.

26. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are as mentioned below:

a) Conservation of Energy:

Steps taken for conservation	The Company lays great emphasis on saving consumption of energy. Achieving reductions in energy consumption is an ongoing exercise in the Company. Effective measures have been taken to minimize the loss of energy, where ever possible.
Steps taken for utilizing alternate sources of energy	
Capital investment on energy conservation equipment's	

b) Technology Absorption:

Efforts made towards technology absorption	Considering the nature of activities of the Company, there is no requirement with regard to technology absorption.
Benefits derived like product improvement, cost reduction, product development or import substitution	
In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
Details of technology imported	Nil
Year of import	Not Applicable
Whether the technology has been fully absorbed	Not Applicable
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	Not Applicable
Expenditure incurred on Research and Development	Nil

c) Foreign Exchange Earnings and Outgo: (Amount in Rs.)

Particulars	FY 2019-20	FY 2018-19
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	Rs. 92,89,681	1,23,08,904

27. DEPOSITS:

The Company has not accepted any deposit or unsecured loans from the public within the meaning of Section 73 of the Companies Act, 2013 read with The Companies (Acceptance of deposit by Companies) Rules, 2014.

28. PREVENTION OF INSIDER TRADING:

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company

shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees have confirmed compliance with the Code.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, your Directors further state that there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

30. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- i) That in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- ii) That such accounting policies selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period;
- iii) That proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That they have prepared the annual accounts on a going concern basis;
- v) That proper internal financial controls have been laid down and that such controls are adequate and are operating effectively.
- vi) That proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. GENERAL:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- I. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- II. There is no change in the nature of the business of the company
- III. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- IV. Neither the Managing Director nor the Whole -time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- V. The Company has not bought back its shares, pursuant to the provisions of Section 68 of Companies Act, 2013 and Rules made thereunder.

32. GREEN INITIATIVE:

Electronic copies of the Annual Report 2019-20 and the Notice of the 21st AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s).

33. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Financial Institutions, Bankers, Business Associates and the Government and other regulatory authorities and thanks all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operation of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

Date : 04.09.2020
Place : Thane

For and on behalf of the Board

Regd. Office : 204, B-65, Sector No.1,
Shanti Nagar, Mira Road – (East),
Thane – 401107.

(Radheshyam Sharma) <i>Managing Director</i> DIN: 00340865	(Anjana Sharma) <i>Director</i> DIN: 00360233
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FORM NO. AOC-I

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries		
(Information in respect of each subsidiary to be presented with amounts in ₹)		
Sl. No.	Particulars	
1.	Name of the subsidiary	Innovators Engineering Works Private Limited (Formerly known as "Kapindra Multitrade Private Limited")
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	(In ₹)
4.	Share capital	38,31,800
5.	Reserves & surplus	18,31,37,920
6.	Total assets	19,67,10,874
7.	Total Liabilities	19,67,10,874
8.	Investments	15,60,41,000
9.	Turnover	7,55,65,974
10.	Profit/Loss before taxation	25,18,546
11.	Provision for taxation/Deferred Tax/ Current Tax	5,77,000
12.	Profit/Loss after taxation	19,41,546
13.	Proposed Dividend	-
14.	% of shareholding	100%

- Names of subsidiaries which are yet to commence operations- NIL
- Names of subsidiaries which have been liquidated or sold during the year- NIL

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to

Associate Companies and Joint Ventures

Name of Associates	
1. Latest audited Balance Sheet Date	-
2. Shares of Associate/Joint Ventures held by the company on the year end	-
No.	-
Amount of Investment in Associates/Joint Venture	-
Extend of Holding %	-
3. Description of how there is significant influence	-
4. Reason why the associate/joint venture is not consolidated	-
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	-
6. Profit / Loss for the year	-
i. Considered in Consolidation	-
i. Not Considered in Consolidation	-

1. Names of associates or joint ventures which are yet to commence operations- NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year- NIL

Date : 04.09.2020
Place : Thane

For and on behalf of the Board

Regd. Office : 204, B-65, Sector No.1,
 Shanti Nagar, Mira Road – (East),
 Thane – 401107.

(Radheshyam Sharma) **(Anjana Sharma)**
Managing Director *Director*
DIN: 00340865 **DIN: 00360233**

Form AOC-2

(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. **Details of Contracts of Arrangements or Transactions not at Arm's Length Basis:**

There were no contracts or arrangements, or transactions entered into during the year ended 31st March, 2020, which were not at arm's length basis.

2. **Details of Material Contracts or Arrangements or Transactions at Arm's Length Basis:**

The details of material contracts or arrangements or transactions at arm's length basis for the year ended 31st March, 2020 are as follows:

(Amount in ₹)

Sr No	Name(s) of the related party & Nature of relationship	Nature of transactions	Transactions Value	Duration of transactions	Salient terms of transactions	Date of approval by the board	Amount paid in advance
1.	Innovators Cleandech Private Limited	Sales from works contract and facade materials	9,91,64,694	April 2019 – March 2020	The related party transactions (RPTs) entered during the year were in the ordinary course of business and on arms length basis.	14 th April 2018	Nil
2	Parth Facade Solutions Private Limited	Contracts Execution Expenses	14,41,34,978	April 2019 – March 2020			Nil
3	Innovators Engineering Works Private Limited	Contracts Execution Expenses	7,55,65,975	April 2019 – March 2020		28 th May, 2019	Nil
4	Innovators Cleandech Private Limited	Contracts Execution Expenses	6,18,36,512	April 2019 – March 2020			Nil

Date : 04.09.2020
Place : Thane

For and on behalf of the Board

Regd. Office : 204, B-65, Sector No.1,
Shanti Nagar, Mira Road – (East),
Thane – 401107.

(Radheshyam Sharma) (Anjana Sharma)
Managing Director Director
DIN: 00340865 DIN: 00360233

Annual Report on Corporate Social Responsibility (CSR) Activities

Sr. No	Particulars	Details
1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web- link to the CSR policy and projects and programs	The CSR policy of the Company lays down the guidelines to make CSR a key business process for sustainable development of the society. The CSR policy also encompasses the scope of CSR activities of the Company.
2.	The composition of the CSR Committee	<ol style="list-style-type: none"> 1. Mr. Radheshyam Sharma - Chairman & Managing Director 2. Mrs. Anjana Sharma - Member & Whole Time Director 3. Mr. Shivchand Sharma - Member & Non-Executive Non-Independent Director 4. Mr. Phoolshankar Murlidhar Shrimali - Member & Non-Executive Independent Director (upto 20th November, 2019) 5. Mr. Subhash Chand Gupta – Member and Non-Executive Independent Director (Appointed w.e.f 16th January, 2020)
3.	Average Net Profit of the Company for last three financial years	INR. 8,26,62,089/-
4.	Prescribed CSR Expenditure (two percent of the amount as per item no. 3) :	
	Estimated CSR Expenditure	INR. 16,53,242/-
	Actual CSR Expenditure	INR. 10,08,500/-
5.	Details of CSR spent during the financial year:	
	(a) Total amount to be spent for the financial year	INR. 16,53,242/-
	(b) Amount unspent if any	INR. 6,44,742/-
	(c) Manner in which the amount spent during the financial year is detailed below:	<ol style="list-style-type: none"> 1. Animal Welfare 2. Health care

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR Project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs sub heads: (1) Direct Expenditure on projects and programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency*
1.	Forest and wildlife conservation, livelihood, etc	Animal Welfare	Mumbai, Maharashtra	10,00,000/-	10,00,000/-	-	Through Sherry and Diya Foundation
2.	Child Development	Health care	Mumbai, Maharashtra	8,500/-	8,500/-	-	Through Maharashtra Child Development for Labour Welfare
	Total			10,08,000/-	10,08,000/-	-	
6.	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:				It was proposed to spend in March, 2020. However due to Covid-19 pandemic, the same is delayed and will be spent in current financial year.		

Date : 04.09.2020
Place : Thane

For and on behalf of the Board

Regd. Office : 204, B-65, Sector No.1,
Shanti Nagar, Mira Road – (East),
Thane – 401107.

(Radheshyam Sharma) **(Anjana Sharma)**
Managing Director *Director*
DIN: 00340865 **DIN: 00360233**

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Innovators Facade Systems Limited
204, B-65, Sector No. 1, Shanti Nagar,
Mira Road (East), Thane 401107

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Innovators Facade Systems Limited (CIN: L45200MH1999PLC120229)** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed, and other records maintained by the Company for the financial year ended on March 31, 2020, and made available to us according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"), as applicable:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 presently, (Substantial Acquisition of Shares and Takeovers) Regulations, 2018;
 - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 presently, (Prohibition of Insider Trading) Regulations, 2018;

- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 presently, (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; No such transaction during the year under review.
 - f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - h) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **presently, (Delisting of Equity Shares) Regulations, 2018;**
 - j) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **presently, (Buyback of Securities) Regulations, 2018; and**
- (vi) Other specific business/industry related laws that are applicable to the company, viz
- The Micro, Small and Medium Enterprises Development Act, 2006
 - Contract Labour (Regulation and Abolition) Act, 1970;
 - The Maharashtra Industrial Policy, 2013;
 - Competition Act, 2002
 - Employees' Provident Funds and Miscellaneous Provisions Act, 1952 ("the EPF Act") and the Employees Provident Fund Scheme, 1952
 - Employees Deposit Linked Insurance Scheme, 1976
 - The Employees Pension Scheme, 1995
 - Employees' State Insurance Act, 1948 (the "ESI Act")
 - Payment of Bonus Act, 1965
 - Payment of Gratuity Act, 1972
 - Minimum Wages Act, 1948
 - Maternity Benefit Act, 1961
 - Equal Remuneration Act, 1979
 - Child Labour Prohibition and Regulation Act, 1986
 - Trade Union Act, 1926 and Trade Union (Amendment) Act, 2001
 - The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013
 - Inter-State Migrant Workmen (Regulation of Employment And Conditions of Service) Act, 1979
 - Industrial Disputes Act, 1947 ("ID Act") and Industrial Dispute (Central) Rules, 1957
 - Goods and Service Tax (GST)
 - The Factories Act, 1948

- Shops and establishments laws in various states
- The Environment Protection Act, 1986 (“Environment Protection Act”);
- Air (Prevention and Control of Pollution) Act, 1981;
- Water (Prevention and Control of Pollution) Act, 1974;
- Hazardous Waste Management & Handling Rules, 2008;
- The Public Liability Insurance Act, 1991
- National Environmental Policy, 2006
- Indian Patents Act, 1970
- Indian Copyright Act, 1957
- The Trade Marks Act, 1999
- FEMA Regulations

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

I report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned as above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors and Independent Directors as per Companies Act, 2013. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that during the audit period:

- a) The Board of Directors of the Company at their meeting held on 14th November, 2019 has considered the following:
 - i. Appointment M/s. Jajodia & Associates, Practicing Company Secretary as Secretarial Auditors for FY 2019-20;
 - ii. Appointment M/s. D Y & Associates, as an Internal Auditor of the company for FY 2019-20;
 - iii. Appointment M/s. Y. R. Doshi & Co., as a Cost Accountant of the company for FY 2019-20.
- b) The Members at the 20th Annual General Meeting held on 25th September, 2019 has considered and approved the following-
 - i. Re-appointment of Mr. Shivchand Dedraj Sharma, Director retiring by rotation;
 - ii. Ratification of Remuneration to Cost Auditor.
- c) The Board of Directors of the Company at their meeting held on 14th November, 2019 has considered and noted the following:
 - i. Appointment of Ms. Rekha Ameya Rane as a Company Secretary & Compliance Officer with effect from 18th November, 2019
 - ii. Resignation of Mr. Nitin Kore from the post of Company Secretary and Compliance Officer of the Company with effect from 19th October, 2019.

- d) The Board of Directors of the Company at their meeting held on 20th December, 2019 has considered and noted the following:
- i. Resignation of Mr. PhoolShankar Shrimali from the post of Non-Executive Independent Director of the Company with effect from 20th November, 2019.
 - ii. Resignation of Mrs. Rekha Ameya Rane from the post of Company Secretary and Compliance Officer of the Company with effect from 27th November, 2019.
- e) The Board of Directors at their meeting held on 16th January, 2020 has considered and approved the appointment of Mr. Subhash Chand Gupta as an Additional Independent Director of the Company with effect from 16th January, 2020.
- f) The Subsidiary company changed the name from Kapindra Multitrade Private Limited to Innovators Engineering Works Private Limited vide fresh Certificate of Incorporation pursuant to name change dated 02nd April, 2019. Also the said company had changed the main object of the company vide Special Resolution passed in Extra-Ordinary General Meeting dated 21st February, 2019.

and except above there was no other specific events/ actions in pursuance of the above referred law, rules, Regulations, Guidelines etc. having a major bearing on the Company Affairs.

Adequate notice is given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

I further report that, the compliance by the company of applicable financials law such as direct and indirect tax laws and maintenance of financials records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, and other designated professional.

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

FOR JAJODIA & ASSOCIATES

Priti Jajodia
Company Secretary in Practice
M.No.: 36944 CP No.: 19900

Place: Mumbai
Date: 04.09.2020

‘Annexure A’

To,
The Members,
Innovators Facade Systems Limited
204, B-65, Sector No. 1, Shanti Nagar,
Mira Road (East), Thane 401107

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR JAJODIA & ASSOCIATES

Priti Jajodia
Company Secretary in Practice
M.No.: 36944 CP No.: 19900

Place: Mumbai
Date: 04.09.2020

ANNEXURE V TO THE DIRECTOR'S REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE, 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND ANNEXED TO AND FORMING PART OF THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2020:

(I) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :-		
Sr. no.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1	Mr. Radheshyam Sharma, Managing Director	14.61
2	Mrs. Anjana Sharma, Whole Time Director	5.68
(ii) The percentage increase in remuneration of each director, CFO , CEO, Company Secretary or Manager, if any, in the financial year :-		
Sr. no.	Name of the Director/CFO/Company Secretary	% Increase over last F.Y.
1	Mr. Radheshyam Sharma, Managing Director	Nil
2	Mrs. Anjana Sharma, Whole Time Director	Nil
3	Mrs. Priti Sharma, CFO	11.22
4	Mr. Raman Sharma, CEO	10.93
5	Mr. Nitin Kore, Company Secretary & Compliance Officer	Nil
6	Ms. Rekha, Company Secretary & Compliance Officer	Nil
(iii)	The percentage increase/ decrease in the median remuneration of employees in the financial year	(23)
(iv)	The number of permanent employees on the rolls of the Company as on 31 st March, 2020.	135
(v)	Average percentile increase / decrease in the salaries of employees other than the managerial personnel in the last financial year	(29.12)
(vi)	The key parameters for any variable component of remuneration availed by the directors	Nil
(vii)	Affirmation that the remuneration is as per the remuneration policy of the Company:	Yes
(II) Statement showing details of Employees of the Company as per Section 197 (12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:		
<p>In pursuant to the provisions of Section 197(12) of the Companies Act,2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of top ten employees in terms of remuneration drawn is provided in a separate annexure forming part of this Report. Pursuant to the provisions of the first proviso to Section 136(1) of the Companies Act, 2013 the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary of the Company and the same will be furnished without any fee.</p>		

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRIAL STRUCTURE AND DEVELOPMENT

The Global Facade Market has witnessed continuous growth in the past few years and is projected to grow a high CAGR by 2025. The market is estimated to register healthy growth over the forecast period owing to development of advanced materials with capabilities that offer safety as well as visually appealing texture. With the growing investments in research and development, the façade market has undergone a number of technological advancements and changes, especially those related to resistance to extreme weather conditions, durability, waterproofing and permitting more natural light to enter the building.

The architecture and construction industries are also carrying out major R & D operations to develop sustainable and eco-friendly façades which absorb solar energy, creating a new source of energy generation in residential and commercial buildings. These eco-friendly façades are expected to drive the façade market in the coming years as they are seeing increased demand from prospective consumers

FUTURE OUTLOOK, OPPORTUNITIES & THREATS

The Facade industry is expanding at a steady growth rate in the developed areas across the India. While on the other hand, in the developing areas, the industry is experiencing a substantial growth rate. Indian façade and fenestration industry is directly linked to the construction industry's performance. On the contrary, the lower GDP growth, slowdown in economy and the novel coronavirus has resulted into a weakening client's sentiment and lower demand and thus, resulted a setback in the window and facade industry. Nevertheless this is just for the interim. The Company's Board through its constant engagement with the management, will guide the Company in recalibrating its growth strategy to address these challenges and to make use of the new opportunities.

Further, aggressive and organized efforts on the part of manufacturers and processors are expected to achieve higher levels of awareness among glass specifiers and users. Constant technical innovations by manufacturers are keeping customers constantly interested in glass and glass products. In the next few years, the Indian architectural glass market will move to much higher levels. This ever-growing popularity of glass as a material, will ensure growth.

INITIAL PUBLIC OFFER (IPO)

During the financial year 2018-19, Company had successfully completed the IPO with very good response and has got listed its equity shares on the SME Platform of BSE Stock Exchange, w.e.f. 24th May, 2018.

During the year the Company has fully utilised the balance amount of unspent IPO proceeds. Fund raised through IPO has been utilised effectively in accordance with the purpose as stated in the object clause of the prospectus. Further, the major construction and modernisation work on the factory premises have been completed during the year and the same has been capitalised in the books of accounts.

FINANCIAL PERFORMANCE

(Amount in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2019-20	FY 2018-19	FY 2019-20	FY 2018-19
Revenue from Operations	14,130.52	15,708.58	14,130.52	15,708.58
Other Income	125.59	167.49	125.59	167.49
Total Revenue	14,256.11	15,876.07	14,256.11	15,876.07
EBITDA	1,673.94	2,249.65	1,699.12	2243.37
Finance Cost	514.81	503.95	514.81	503.95
Depreciation	398.53	236.98	398.53	236.98
Profit Before Exceptional Items and Tax	760.59	1,508.72	785.78	1,502.44
Less: Exceptional Items	1607.12	738.70	1,607.12	738.70
Profit/ (loss) Before Tax	(846.53)	770.02	(821.34)	763.74
Tax Expense	(26.46)	298.53	(20.69)	298.53
Profit / (loss) After Tax	(820.07)	471.48	(800.65)	465.21

A. Sales

During FY 2019-20, the Company has reported total revenues of Rs. 14,256.11 lakhs (PY Rs. 15,876.07 lakhs). A de-growth of around 10.05 %

B. EBIDTA (Before Exceptional Item)

EBIDTA for the current financial year was Rs. 1,673.94 lakhs (PY Rs. 2,249.65 lakhs). A de-growth of around 2.47 %.

C. Net Margin / Profit After Tax

Profit after Tax to Rs. (820.06) lakhs in FY 2019-20 as compared to Rs. 471.48 lakhs in previous financial year. Net Margin Ratio (Net profit after tax to turnover) in FY 2019-20 is (5.80 %) against 3.00 % in FY 2018-19. The decrease in profit after tax of the Company was on account of exceptional items amounting to Rs. 1,607.12 lakhs (PY Rs. 738.70 lakhs).

D. Debtors Turnover

Debtors Turnover Ratio in FY 2019-20 is 25.53 % against 34.31% in FY 2018-19.

E. Return on Net Worth

Return on Net Worth in FY 2019-20 is (8.11 %) against 4.32 % in FY 2018-19

The significant change in Debtors Turnover Ratio and Net Margin Ratio is on account of exceptional item. The management has reviewed old outstanding balances of trade receivables and retention money of certain parties in respect of completed projects, for which the Company has regular follow up for the recovery. Considering the COVID 19 Pandemic situation, future business prospects and various other commercial and non-commercial factors, these legitimate balances have been written off / provided for doubtful debts. The same has been shown as an exceptional item in the financial statements.

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The Company is mainly engaged in the business of “design, engineering, fabrication, supply and installation of facade systems”. The overall performance of the Company is sum of all the project under execution. Each Project is executed as a Work Contract over a period of project duration. All projects varies in terms of their nature, period, and their profitability. Hence, as such there are no separate segment-wise or product-wise performance.

RISK AND CONCERNS

The exercise for evaluating the potential risks for the organization is closely monitored by the Management. All the identified risks have been classified with respect to their seriousness and probabilities of such risks getting materialized have also been ascertained. In formulating corporate strategies, these risks are duly considered and counter measures are adopted.

Façade industry is capital intensive industry in nature with gestation period that varies from project to project. Due to high dependency of the industry on the real estate sector, there are certain inherent risks in both the internal as well as external environment. Company monitors the external environment & manages the internal environment to mitigate the risks.

INTERNAL CONTROL SYSTEM & ADEQUACY

System of Internal Controls adopted by management team ensures that all the assets are safeguarded from the loss, damage or disposition. Also, the Audit Committee monitors financial statement to ensure that the transactions are adequately authorized and recorded, and that they are reported correctly.

Management Team available especially for the Company’s designing, production and installation activities is highly skilled and experienced, that at every stage from availability of quality of raw materials till the outcome of production, they provide their expertise to such an extent that the Company’s products have achieved their due importance in the market and consistently maintained superior quality.

HUMAN RESOURCE

Your company gives utmost importance to Human Resource. It considers Human Resource as Human Capital and believes in development of Human Resource. Over the years, your company has developed an environment, which fosters excellence in performance by empowering its people, who are always on continuous improvement path with an ultimate aim to add value to their intellectual and knowledge resources. The key focus is to attract, retain and develop talent as a resource through rewards mechanism, performance evaluation and harmonious & constructive working climate. During the year 2019-20, the Company had 135 permanent employees on the payroll.

CAUTIONARY STATEMENT

Statements in this report describing the Company’s objectives, expectations or predictions may be forward looking within the meaning of applicable laws and regulations. The actual results may differ materially from those expressed in this statement because of many factors like economic condition, availability of labour, price conditions, domestic and international market, changes in Government policies, tax regime, etc. The Company assumes no responsibility to publicly amend, modify or revise any statement on basis of any development, information and event.

INDEPENDENT AUDITOR’S REPORT

To the Members of Innovators Façade Systems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Innovators Façade Systems Limited (“the Company”), which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss, statement of cash flows and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report :

1. Accuracy of estimated cost in respect of fixed price contract.

Estimated cost is a critical estimate to determine revenues for ongoing projects. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, cost incurred till date and cost required to complete the remaining contract performance obligations.

Refer note no. 1 (C) (ii) under the head “use of estimates” in significant accounting policies.

Auditor’s Response

Principal Audit Procedures

Our audit approach was a combination of test of internal controls and substantive procedures which included the following:

- Evaluated the design of internal controls relating to recording of cost incurred and estimation of cost required to complete the contract.
- Basic rate contract (BRC) is prepared by Project Management team having details of budgeted cost for Material, execution and installation etc.

- Selected a sample of contract and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to cost incurred and estimated.
- Performed analytical procedures and test of details for reasonableness of incurred and estimated cost.

Other Matters

1. We draw attention to Note 41 to the Standalone Financial Results in which the Company describes the uncertainties arising from the COVID 19 pandemic. Our report is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor’s Report Thereon

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis Board’s Report but does not include the consolidated financial statement, standalone financial statements and our auditor’s report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor’s Responsibilities for the Audit of the Financial Statements

1. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report

that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

2. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also :
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
3. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
4. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
5. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
 - (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 31 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 3 In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For S G C O & Co. LLP

Chartered Accountants

FRN. 112081W/W100184

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 20044739AAAAEJ3763

Place: Mumbai

Date: 31st July 2020

Annexure “A” to the Independent Auditors Report

The Annexure referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” in our Independent Auditor’s Report to the members of the Company for the year ended 31st March, 2020.

As required by the Companies (Auditors Report) Order, 2016 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Fixed Assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its assets. Pursuant to the program certain fixed assets has been verified during the year. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories have been physically verified by the management during the year at reasonable intervals. The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business. No material discrepancies were noticed on physical verification as compared to book records which have been properly dealt with in the books of accounts.
- (iii) During the year, the Company has not granted any loans to the parties covered in the register maintained under Section 189 of the Act. Hence paragraph 3 (iii) (a), (b) and (c) of the said Order are not applicable to the Company.
- (iv) a) In our opinion and according to the information and explanation given to us, since the Company has not granted any loan, the provisions of Section 185 of the Companies Act, 2013 are not applicable.
- b) With regards to investments in Securities made by the company, the company has complied with the provisions of Section 186 of the Companies Act, 2013. Further the company has not granted any loan or given any guarantee or provided any security to any other body corporate under Section 186 of the Act.
- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposit from the public within the provision of Section 73 to 76 of the Act and the rules framed there under.
- (vi) The Central Government has prescribed the maintenance of cost record under Section 148(1) of the Act. We have not reviewed the cost records maintained by the Company but based on the information submitted by the Company we are of the view that such accounts and records have been made and duly maintained.
- (vii) a) Accordingly to the records of the Company, the undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Goods and services tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues wherever applicable have regularly been deposited except in few cases of TDS and GST where slight delay in deposit with appropriate authorities. According to the information and explanations given to us, there are no undisputed amounts payable which have remained outstanding as at 31st March, 2020 for a period more than six months from the date they became payable.

- b) According to the records of the Company Income Tax, Sales Tax, Service Tax, Goods and services tax, Duty of Customs, Duty of Excise and Value Added Tax which have not been deposited on account of any dispute with the relevant authorities are given below:

Name of Statute	Period to which amount relates	Amount in ₹	Forum where dispute is pending
CST/ Value Added Tax	FY 2007-08	9,44,301	Sales Tax (Appeals)
	FY 2007-08	4,53,30,167	
	FY 2010-11	2,59,26,656	
Income Tax	AY 2009-10 to 2011-12	7,46,666	CIT (Appeals)

- (viii) As per the information and explanations given by the management, the Company has not defaulted in repayment of its dues to banks and financial institutions and has not issued debentures.
- (ix) The Company did not raise any money by way of Initial Public offer or further public offer (including debt instruments) and term loans during the year. The funds raised out of initial public offer in earlier years have been applied for the purpose for which they were raised.
- (x) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examinations of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197, read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with provisions of section 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For S G C O & Co. LLP

Chartered Accountants

Firm's Registration No. 112081W/W100184

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 20044739AAAAEJ3763

Place: Mumbai

Date: 31st July 2020

Annexure “B” to the Independent Auditor’s Report of even date on the Standalone financial statements of Innovators Façade Systems Limited for the year ended 31st March 2020.

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

We have audited the internal financial controls over financial reporting of Innovators Façade Systems Limited (“the Company”) as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S G C O & Co. LLP

Chartered Accountants

Firm's Reg. No. 112081W/W100184

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 20044739AAAAEJ3763

Place: Mumbai

Date: 31st July 2020

INNOVATORS FAÇADE SYSTEMS LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

(Amount in ₹)

Particulars	Note Nos.	As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	18,86,78,080	18,86,78,080
Reserves and surplus	3	82,19,58,236	90,39,65,102
		1,01,06,36,316	1,09,26,43,182
Non-current liabilities			
Long-term borrowings	4	15,24,07,946	16,19,51,189
Deferred tax liabilities (Net)	5	-	8,69,686
Long-term provisions	6	78,67,018	75,08,072
		16,02,74,964	17,03,28,947
Current liabilities			
Short-term borrowings	7	26,57,72,416	31,39,52,556
Trade payables	8		
- Due to Micro, Small and Medium Enterprises		14,22,551	86,48,619
- Due to Other than Micro, Small and Medium Enterprises		19,57,84,109	31,44,54,905
Other current liabilities	9	1,99,06,925	2,84,33,644
Short-term provisions	10	2,02,649	2,11,526
		48,30,88,649	66,57,01,250
		1,65,39,99,929	1,92,86,73,379
ASSETS			
Non-current assets			
Property Plant & Equipment	11		
- Tangible assets		28,72,87,528	24,42,55,710
- Capital work in progress		-	5,08,84,755
		28,72,87,528	29,51,40,465
Non-current investments	12	38,31,600	38,31,600
Deferred tax assets (Net)	5	17,76,659	-
Long-term loans and advances	13	5,36,46,154	3,72,34,352
Other non-current assets	14	4,92,93,762	4,14,90,327
		39,58,35,703	37,76,96,744
Current assets			
Inventories	15	38,97,05,800	44,98,22,916
Trade receivables	16	36,08,21,361	53,90,08,297
Unbilled revenue	17	17,95,71,971	23,34,39,030
Cash and bank balances	18	13,42,21,185	14,20,94,118
Short-term loans and advances	19	7,09,65,043	6,71,01,786
Other current assets	20	12,28,78,868	11,95,10,488
		1,25,81,64,226	1,55,09,76,635
		1,65,39,99,929	1,92,86,73,379
Significant Accounting Policies	1		

See accompanying notes to the financial statements 1 to 42

In terms of our report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma **Anjana Sharma**
Managing Director Whole Time Director
DIN: 00340865 DIN: 00360233

Raman Sharma **Priti Sharma**
CEO Chief Financial Officer

Farhan Shaikh
Company Secretary
Mem No. A37598

Place: Thane
Date: 31st July 2020

INNOVATORS FAÇADE SYSTEMS LIMITED
STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	Note Nos.	For the year Ended March 31, 2020	For the year Ended March 31, 2019
REVENUE			
Revenue from operations	21	1,41,30,52,271	1,57,08,57,898
Other income	22	1,25,59,043	1,67,49,325
		1,42,56,11,314	1,58,76,07,223
EXPENSES			
Cost of contracts	23	1,09,52,01,215	94,51,35,054
Purchase of stock in trade	24	81,51,424	21,21,83,301
Employee benefits expense	25	10,19,18,046	13,82,79,994
Finance costs	26	5,14,81,122	5,03,94,673
Depreciation	11	3,98,52,548	2,36,98,400
Other expenses	27	5,29,47,410	6,70,44,262
		13495,51,765	1,43,67,35,684
Profit before exceptional items and tax		7,60,59,549	15,08,71,539
Less : Exceptional items	28	16,07,12,760	7,38,70,239
Profit before tax		(8,46,53,211)	7,70,01,300
Less: Tax Expenses			
Current tax		-	2,05,60,000
Deferred tax liability / (asset)	5	(26,46,345)	60,41,816
Tax of earlier years		-	32,50,740
Profit for the year		(8,20,06,866)	4,71,48,743
Earnings per equity share:	29		
(Face value of ₹ 10/- each)			
- Basic (₹)		(4.35)	2.62
- Diluted (₹)		(4.35)	2.62
Significant Accounting Policies	1		

See accompanying notes to the financial statements 1 to 42

In terms of our report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma **Anjana Sharma**
Managing Director Whole Time Director
DIN: 00340865 DIN: 00360233

Raman Sharma **Priti Sharma** **Farhan Shaikh**
CEO Chief Financial Officer Company Secretary
Mem No. A37598

Place: Thane
Date: 31st July 2020

INNOVATORS FAÇADE SYSTEMS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	For the year Ended March 31, 2020	For the year Ended March 31, 2019
A. Cash Flow from Operating Activities		
Net Profit before Tax	(8,46,53,211)	7,70,01,300
Adjustments for:		
Depreciation and Amortisation	3,98,52,548	2,36,98,400
Balances Written Off	14,73,06,286	7,38,70,239
Provision for Doubtful debts	1,34,06,474	-
Finance Costs	5,14,81,122	5,03,94,673
(Profit)/loss on Sale of Property Plant & Equipments	(95,221)	5,32,874
Interest income	(60,27,325)	(68,95,316)
Operating Profit before Working Capital changes	16,12,70,673	21,86,02,170
Adjustments for:		
(Increase) / Decrease in Inventories	6,01,17,116	(10,36,18,042)
(Increase) / Decrease in Trade receivables	7,13,41,235	(3,93,73,976)
(Increase) / Decrease in Short term loans and advances	(38,63,257)	(3,23,17,844)
(Increase) / Decrease in Long term loans given & advances	28,09,425	(27,46,942)
(Increase) / Decrease in Other current & Non-current assets	(1,11,71,814)	1,50,20,645
Increase / (Decrease) in Trade payables	(12,58,96,864)	7,78,97,321
Increase / (Decrease) in Other current liabilities	(62,71,922)	(13,57,24,198)
Increase / (Decrease) in Provisions	3,50,069	10,22,466
CASH GENERATED FROM OPERATIONS	14,86,84,662	(12,38,401)
Income tax Paid	(1,92,21,227)	(4,58,39,574)
Net Cash inflow from/ (outflow) from Operating activities	12,94,63,435	(4,70,77,975)
B. Cash Flow from Investing Activities		
Purchase of Property Plant & Equipment's	(3,20,24,390)	(18,78,99,511)
Sale of Property Plant & Equipment's	1,20,000	2,50,000
Investment in fixed deposits	(1,24,60,941)	(1,20,69,960)
Interest received	60,27,325	68,95,316
Net Cash inflow from/ (outflow) from Investing activities	(3,83,38,006)	(19,28,24,155)
C. Cash Flow from Financing Activities		
Proceeds from issue of shares (including Securities Premium)	-	40,75,77,600
Issue related expenses (IPO)	-	(4,52,42,973)
Proceeds from borrowings	-	13,67,35,294
Repayment from borrowings	(5,99,78,182)	(18,89,49,670)
Finance Cost	(5,14,81,122)	(5,03,94,673)
Net Cash inflow from/ (outflow) from Financing activities	(11,14,59,304)	25,97,25,578

INNOVATORS FAÇADE SYSTEMS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(Amount in ₹)

Particulars	For the year Ended March 31, 2020	For the year Ended March 31, 2019
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(2,03,33,875)	1,98,23,448
Add: Opening Cash and Bank Balances		
Cash and Cash Equivalents		
Cash in hand	16,50,812	5,12,753
Bank balances	2,63,51,693	76,66,305
	2,80,02,505	81,79,058
Closing Cash and Bank Balances		
Cash and Cash Equivalents		
Cash in hand	17,62,881	16,50,812
Bank balances	59,05,749	2,63,51,693
	76,68,631	280,02,505

Note :

- Cash Flow Statement have been prepared on Indirect Method as prescribed under Accounting Standard -3 on Cash Flow Statements.
- Previous Year figures have been re-grouped and or re-arranged wherever considered necessary.

In terms of our report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
CEO

Place: Thane
Date: 31st July 2020

Anjana Sharma
Whole Time Director
DIN: 00360233

Priti Sharma
Chief Financial Officer

Farhan Shaikh
Company Secretary
Mem No. A37598

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 1 : Significant Accounting Policies:

A Corporate Information:

Innovators Facade Systems Limited (“the Company”) is a company domiciled in India and incorporated on 8th June, 1999 under the provisions of Companies Act, 1956. The Company is mainly engaged in the Business of design, engineering, fabrication, supply and installation of facade systems.

B Basis of Accounting:

The Financial Statements have been prepared under the historical cost convention, on an accrual basis of accounting and in accordance with the Generally Accepted Accounting Principles in India and comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rules 7 of the Companies (Accounts) Rule, 2014.

C Use of Estimates:

- i) The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.
- ii) The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the total costs and balance cost to be incurred.

Costs incurred have been used to measure progress towards completion as there is a direct relationship between cost incurred and revenue recognition. The Company uses significant judgments while determining the estimated cost.

D 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 recognised on the basis of actual execution of work contracts or as and when work contracts is certified.
- iii) Unbilled Revenue is the part of work executed but not billed on the last day of financial year end due to contractual obligation.
- iv) Interest income is recognized on time proportion basis.

E Property Plant & Equipment's :

Property Plant & Equipment's are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

F Depreciation & Amortisation:

Depreciation on Property Plant & Equipment's 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.

G Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are carried at cost less any provision for diminution in value other than temporary. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

H Inventories:

- i) Raw Material are valued at lower of Cost or net realisable value and Stores & Spares are valued at cost.
- ii) Work in Progress and Finished Goods are valued at lower of cost or net realisable 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.

I Capital Work-In-Progress:

Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready for their intended use, are carried at cost.

J 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 amortised 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 recognised in the Statement of Profit & Loss.

K Accounting for Taxes of Income:

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income-tax Act, 1961 and is made after taking credit for tax allowances, exemptions and disallowances.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Minimum Alternative Tax

Minimum Alternative Tax (MAT) credit is recognised as an assets in accordance with the recommendation contained in the Guidance note issued by the Institute of Chartered Accountants of India. The said assets is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement . The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

L Employee Benefits:

- i) 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.
- ii) 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.

M Provisions and Contingent Liabilities:

- i) Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.
- ii) Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.
- iii) Contingent Liabilities are disclosed by way of notes.

N 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 recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

O Miscellaneous Expenditure:

IPO Expenses are written off against Securities Premium Account. Preliminary expenses are amortised in the year in which they are incurred.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Note 2 : Share capital

a. Details of authorised, issued, subscribed and paid up share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised capital		
2,10,00,000 (P.Y. 2,10,00,000) Equity shares of ₹ 10/- each	21,00,00,000	21,00,00,000
	21,00,00,000	21,00,00,000
Issued, subscribed and paid up capital		
1,88,67,808/- (P.Y. 1,88,67,808) Equity shares of ₹ 10/- each	18,86,78,080	18,86,78,080
	18,86,78,080	18,86,78,080

b. Terms & conditions

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c.** During the previous year, the Company has issued 56,60,800 equity shares of face value of ₹ 10/- each at a premium of ₹ 62/- per share, total issue size amounting to ₹ 40,75,77,600/-, through Initial Public Offer (IPO) vide their members approval in the Extra-Ordinary General Meeting of the Company held on 17th February, 2018, pursuant to Section 62(1)(c) and all other applicable provision of Companies Act, 2013, Companies (Prospectus and Allotment of the Securities) Rules, 2014 and in accordance with the provisions of Chapter X(B) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009. Consequently, the equity shares of the company has got listed on the SME platform of BSE Limited w.e.f. 24th May, 2018.

d. Shareholders having more than 5% shareholding

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Jolly Multitrade Private Limited	45,41,022	24.07%	45,41,022	24.07%
Mr. Radheshyam Sharma	23,80,209	12.62%	23,80,209	12.62%
Mr. Vijay Kedia	20,10,632	10.66%	19,13,032	10.14%
Mr. Raman Sharma	18,57,600	9.85%	18,00,000	9.54%

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

e. Reconciliation of number of shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	1,88,67,808	18,86,78,080	1,32,07,008	13,20,70,080
Add: Shares issued during the year	-	-	56,60,800	5,66,08,000
Shares outstanding at the end of the year	1,88,67,808	18,86,78,080	1,88,67,808	18,86,78,080

Note 3 : Reserves and surplus

Particulars	As at March 31, 2020	As at March 31, 2019
a. Securities premium account		
Opening balance	60,83,51,401	30,26,24,774
Add : Received during the year	-	35,09,69,600
Less: IPO Expenses written off	-	4,52,42,973
Closing balance	60,83,51,401	60,83,51,401
b. Surplus in the statement of Profit and loss		
Opening balance	29,56,13,701	24,84,64,957
Add/(Less) : Profit/(Loss) for the year	(8,20,06,866)	4,71,48,743
Closing balance	21,36,06,835	29,56,13,701
Total	82,19,58,236	90,39,65,102

Note 4 : Long-term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
SECURED		
From banks		
Term loans	49,26,460	1,18,31,611
Less: Current maturities of long term debt	49,26,460	71,42,857
	-	46,88,753
Vehicle loans	48,74,208	73,78,286
Less: Current maturities of long term debt	24,66,262	25,04,662
	24,07,946	48,73,624

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
UNSECURED		
From related parties:		
- Inter Corporate deposits	15,00,00,000	15,23,88,812
	15,00,00,000	15,23,88,812
	15,24,07,946	16,19,51,189

Additional information pertaining to long term borrowings:

- Term Loan from Oriental Bank of Commerce amounting to ₹ 49,26,460/- (P.Y. ₹ 1,18,31,611/-) is secured against first charge over Factory Land & Building and Hypothecation of Machinery to be purchased out of term loan and collateral security of equitable mortgage of various immovable properties of directors, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 4% over base rate . The Loan is repayable in 84 monthly instalments of ₹ 5,95,000/- each after the 9 months from first disbursements.
- Vehicle Loan from various banks amounting to ₹ 48,74,208 (P.Y. ₹ 73,78,286/-) are secured against respective vehicles. They carry interest rate ranging between 8.70% to 9.40% per annum. The Instalments period of the loans ranges between 46 months to 60 months.
- Intercompany Deposits amounting to ₹ 15,00,00,000/- (P.Y. ₹ 15,23,88,812/-) are unsecured and interest free. The same are repayable after 31st March, 2024.

Note 5 : Deferred tax liabilities (Net)

The major components of deferred tax liability / asset as recognised in the financial statement is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset / (Liabilities)		
Excess of net block of Property Plant & Equipment's as per tax purpose over books of accounts	(1,98,925)	(28,76,782)
Provision for employee benefits	19,75,584	20,07,095
Net	17,76,659	(8,69,686)

Note 6 : Long-term provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
Gratuity payable	78,67,018	75,08,072
	78,67,018	75,08,072

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 7 : Short-term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Secured loans		
From banks		
- Cash credit facility	26,57,72,416	31,39,52,556
	26,57,72,416	31,39,52,556

Additional information pertaining to short term borrowings :

- Cash Credit facility from Oriental Bank of Commerce amounting to ₹ 14,73,89,182/- (P.Y. ₹ 19,21,37,975/-) is secured against paripassu charges over Hypothecation of stock of raw material, work in progress, finished goods, stores & spares and receivables and collateral security of equitable mortgage of various immovable properties of directors, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 2.10% over base rate.
- Cash Credit facility from Indian Bank amounting to ₹ 11,83,83,234 /- (P.Y. ₹ 12,18,14,581/-) is secured against paripassu charges over Hypothecation of stocks of raw materials, work in progress, finished goods, stores & spares and receivables and collateral security of equitable mortgage of various immovable properties of directors, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 3.7% over one year MCLR of the bank.

Note 8 : Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
Due to Micro, Small and Medium Enterprises *	14,22,551	86,48,619
Other than Micro, Small and Medium Enterprises	19,57,84,109	31,44,54,905
	19,72,06,660	32,31,03,524

Note : 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.

*Disclosures required under Sec 22 of MSMED Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	14,22,551	86,48,619
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	99,430	1,94,004
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note 9 : Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debt	73,92,721	96,47,520
Advance from customers	1,02,13,060	78,80,170
Retention money payable	6,22,170	24,87,986
Statutory dues payable	14,28,944	76,70,438
Other payables	2,50,029	7,47,531
	1,99,06,925	2,84,33,644

Note 10 : Short-term provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
Gratuity payable	2,02,649	2,11,526
	2,02,649	2,11,526

INNOVATORS FAÇADE SYSTEMS LIMITED
ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 11 : Property Plant & Equipment

(Amount in ₹)

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2019	Additions during the Period	Deletion during the Period	As at March 31, 2020	As at April 1, 2019	Depreciation charge for the year	Adjustments on Sale of Assets	As at March 31, 2020	As at March 31, 2019
Tangible Assets									
Freehold Land	5,71,180	-	-	5,71,180	-	-	-	5,71,180	5,71,180
Factory Building	19,24,91,595	6,33,32,457	-	25,58,24,052	9,19,28,912	99,24,303	-	15,39,70,837	10,05,62,683
Plant & Machinery	16,95,99,503	1,84,73,309	-	18,80,72,812	4,02,56,104	2,46,69,583	-	12,31,47,126	12,93,43,400
Furniture & Fixtures	29,71,858	90,025	-	30,61,883	20,00,684	2,65,471	-	7,95,728	9,71,174
Vehicles	2,36,74,027	-	-	2,36,74,027	1,68,32,108	20,73,594	-	47,68,324	68,41,918
Office Equipment	1,22,01,249	5,33,621	1,95,000	1,25,39,870	79,63,940	19,44,189	1,70,221	28,01,962	42,37,309
Computers	1,46,67,269	4,79,733	-	1,51,47,002	1,29,39,222	9,75,408	-	12,32,372	17,28,047
Total	41,61,76,680	8,29,09,145	1,95,000	49,88,90,825	17,19,20,970	3,98,52,548	1,70,221	28,72,87,528	24,42,55,710
Previous Year	28,20,57,746	13,70,14,756	28,95,822	41,61,76,680	15,03,35,519	2,36,98,400	21,12,948	24,42,55,710	
Capital Work in Progress									
Factory building	5,08,84,755	1,28,19,517	6,37,04,272	-	-	-	-	-	508,84,755
Total	5,08,84,755	1,28,19,517	6,37,04,272	-	-	-	-	-	508,84,755
Previous Year	-	5,08,84,755	-	5,08,84,755	-	-	-	5,08,84,755	-

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 12 : Non-current investments

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted, Trade Investments		
Investment in Equity instruments		
Subsidiary Company		
Innovators Engineering Works Private Limited (Formerly known as Kapindra Multitrade Private Limited)		
3,83,160 (P.Y. 3,83,160) equity shares of face value Rs.10/- each, fully paid up	38,31,600	38,31,600
	38,31,600	38,31,600

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate value of unquoted investments	38,31,600	38,31,600

Note 13 : Long-term loans and advances

(Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits	50,55,514	37,37,510
Balances with statutory authorities	98,27,857	1,37,55,286
Advance Tax & TDS (Net of Provisions)	3,13,12,783	1,20,91,555
Other Receivables	74,50,000	76,50,000
	5,36,46,154	3,72,34,352

Note 14 : Other non-current assets

(Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Retention money receivable	4,92,93,762	4,14,90,327
	4,92,93,762	4,14,90,327

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 15 : Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
(Valued at lower of Cost or Net Realisable Value)		
Raw Materials and components	20,79,99,054	25,98,62,084
Work-in-progress *	18,17,06,746	18,99,60,832
	38,97,05,800	44,98,22,916

* Work in Progress represents Material at site

Note 16 : Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
Outstanding for a period more than six months from the due date for payment		
Unsecured, considered good	6,79,52,343	25,88,21,868
Unsecured, considered doubtful	94,58,766	-
Less - Provision for doubtful debtors	(94,58,766)	-
	6,79,52,343	25,88,21,868
Others debts	29,28,69,018	28,01,86,429
	36,08,21,361	53,90,08,297

Note 17 : Unbilled revenue

Particulars	As at March 31, 2020	As at March 31, 2019
Unbilled Revenue*	17,95,71,971	23,34,39,030
	17,95,71,971	23,34,39,030

*Unbilled Revenue is net of Mobilization Advances received amounting to ₹ 1,51,18,967/- (P.Y. ₹ 12,76,88,966/-)

Note 18 : Cash and bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Cash & cash equivalents		
Balances with banks		
- Current account	59,05,749	2,63,51,693
Cash on hand	17,62,881	16,50,812
Other bank balances		
Fixed deposits (maturity period of 3 to 12 months)*	12,65,52,554	11,40,91,613
	13,42,21,185	14,20,94,118

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed deposits held as margin money with banks against credit facilities	12,65,52,554	11,40,91,613

* represents held as margin money with banks against credit facilities

Note 19 : Short-term loans and advances

(Unsecured, Considered Good)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit	36,58,900	75,14,676
Advance to suppliers	3,16,91,040	1,47,46,838
Balances with statutory authorities	3,05,81,916	3,68,37,639
Advance to employees	24,85,622	18,21,156
Prepaid expenses	4,34,933	4,50,771
Other receivables	21,12,632	57,30,705
	7,09,65,043	6,71,01,786

Advance to suppliers stated above include :

Particulars	As at March 31, 2020	As at March 31, 2019
Amount paid to Company under significant influence of Director and/or their relatives		
Parth Facade Solutions Private Limited	2,31,20,682	46,29,839

Note 20 : Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Retention money receivables		
Unsecured, considered doubtful	39,47,708	-
Less - Provision for doubtful debtors	(39,47,708)	-
	-	-
Unsecured, considered good	12,28,78,868	11,95,10,488
	12,28,78,868	11,95,10,488

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 21 : Revenue from operations

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Operating revenue		
Sales from works contract and façade materials	1,40,05,91,377	1,55,63,51,586
Other operating revenue		
Sale of scrap	1,24,60,894	1,45,06,312
	1,41,30,52,271	1,57,08,57,898

Note 22 : Other income

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income		
- Fixed deposits	60,27,325	68,95,316
- Others	7,15,460	9,02,320
VAT/Sales tax Refund	7,19,061	86,45,115
Profit on sale of fixed asset	95,221	-
Profit on sale of tools	12,05,000	-
Sundry Balance W/Back	35,58,362	-
Gain on foreign exchange fluctuation (net)	2,38,614	3,06,574
	1,25,59,043	1,67,49,325

Note 23 : Cost of contracts

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Facade materials		
Opening stock of materials	44,98,22,916	3462,04,874
Add: Purchases during the year	65,60,63,498	81,96,69,299
Less: Closing stock of materials (including materials at site)	38,97,05,800	44,98,22,916
	71,61,80,614	71,60,51,257
Direct expenses		
Installation Charges	11,24,75,698	5,63,93,395
Coating Expenses	3,62,43,179	5,07,71,632
Transportation Expenses	2,50,40,717	2,78,68,896
Fabrication Expenses	4,05,32,343	1,69,28,306
Other Production and Execution Costs	16,47,28,665	7,71,21,567
	37,90,20,601	22,90,83,796
	1,09,52,01,215	94,51,35,054

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 24 : Purchase of stock in trade

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Purchases (façade materials)	81,51,424	21,21,83,301
	81,51,424	21,21,83,301

Note 25 : Employee benefits expense

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Directors remuneration	75,00,000	75,00,000
Salaries and Incentives	8,51,93,669	11,90,97,850
Gratuity Expenses	22,38,916	14,15,632
Contribution to PF and other funds	22,30,395	42,41,142
Staff welfare expenses	47,55,066	60,25,370
	10,19,18,046	13,82,79,994

Note 26 : Finance costs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest expenses		
- Banks	3,24,31,180	3,16,84,706
- Others	1,77,075	6,44,358
Other borrowing cost	1,88,72,867	1,80,65,609
	5,14,81,122	5,03,94,673

Note 27 : Other expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent expenses	47,17,768	45,32,727
Rates and Taxes	11,80,415	9,81,129
Electricity charges	12,38,435	15,04,268
Communication expenses	10,92,981	13,19,389
Insurance charges	12,04,962	14,52,255
Professional and Consultancy fees	1,02,24,920	1,24,51,629
Auditors remuneration	8,30,750	7,97,750

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Security charges	25,02,059	17,19,495
Repairs & maintenance - Machinery	18,25,009	7,09,719
Repairs & maintenance - Building	20,39,323	12,00,260
Conveyance and Travelling	1,18,70,624	1,20,80,066
Vehicle maintenance and fuel expenses	59,10,904	41,02,405
CSR and Donation Expenditure	10,19,501	70,97,501
Sales Promotion expenses	22,52,883	16,43,531
Loss on sale of Property Plant & Equipment	-	5,32,874
Miscellaneous expenses	50,36,875	1,49,19,265
	5,29,47,410	6,70,44,262

Auditor's Remuneration :

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Audit fees	6,32,500	6,32,500
Tax Audit	50,000	50,000
Taxation matters	25,000	25,000
Company Law Matters	-	52,000
Other Services	1,23,250	38,250
	8,30,750	7,97,750

Note 28 : Exceptional items

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Sundry Debtors & Retention Write off and Provisions*	16,07,12,760	7,38,70,239
	16,07,12,760	7,38,70,239

*The management has reviewed old outstanding balances of trade receivables and retention money of certain parties in respect of completed projects, for which the Company has regular follow up for the recovery. Considering the COVID 19 Pandemic situation, future business prospects and various other commercial and non-commercial factors, these legitimate balances have been written off / provided for doubtful debts. The same has been shown as an exceptional item in the financial statements.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 29 : Earnings per equity share:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Basic Earnings per Share		
Profit/(Loss) attributable to Equity shareholders	(8,20,06,866)	4,71,48,743
Shares outstanding at the beginning of the year	1,88,67,808	1,32,07,008
Shares outstanding at the end of the year	1,88,67,808	1,88,67,808
Weighted average number of equity shares	1,88,67,808	1,80,14,811
Basic & Dilutive Earnings Per Share	(4.35)	2.62
Face value per Share	10	10

Note 30 : In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

Note 31 : Contingent Liabilities

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(i) Bank Guarantees	28,43,75,169	28,53,36,199
(ii) Disputed VAT/CST liabilities	7,22,01,124	7,22,01,124
(ii) Disputed Income tax liabilities	7,46,666	7,46,666
TOTAL	35,73,22,959	35,82,83,989

Note 32 : Corporate Social Responsibility

- CSR amount required to be spent as per section 135 of Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 16,53,242 (Previous year ₹ 11,37,679/-).
- Expenses related to Corporate Social Responsibility is ₹ 10,08,500/- (Previous year ₹ 70,44,000/-).

Details of amount spent during the financial year 2019-20 is as follow :

Particulars	Amount paid	Yet to be paid	Total
Construction / acquisition of any assets	-	-	-
For purpose other than construction / acquisition of assets	10,08,500	6,44,742	16,53,242
Total	10,08,500	6,44,742	16,53,242

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 33 : Disclosure pursuant to Accounting Standard – 19 ‘Leases’

Disclosures in respect of cancellable operating leases are given as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A) Lease payments recognized in the statement of profit and loss for the year	47,17,768	45,32,727
B) A general description of the lessee’s significant leasing arrangements:		
- lease rent agreements are for offices and guest houses		
- there are no restrictions imposed by lease arrangements.		
- there are no subleases		

Note 34 : Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’

Actuarial assumption:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salary Growth*	6.00%	6.00%
Discount Rate	6.85%	7.83%
Rate of Employee Turnover	10 & 2%	10 & 2%

* The estimates of future salary increases, considered in a actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(i) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Present value of obligation as at the beginning of the year:	77,19,598	66,76,081
Interest cost	6,01,357	5,22,737
Current service cost	8,83,837	12,72,871
Benefits paid	18,88,847	3,72,115
Actuarial (gain) / loss on obligation	7,53,722	(3,79,976)
Closing Present value of obligation	80,69,667	77,19,598

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(ii) Actuarial gain/ loss recognised in the Statement of Profit and Loss:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Actuarial (gain)/ loss on obligation for the year	7,53,722	(3,79,976)

(iii) The amounts recognised in the Balance Sheet are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Present value of obligation as at the end of the year	80,69,667	77,19,598
Funded value of assets (unfunded)	-	-
Net assets / (liability) recognised in balance sheet - Non-Current	78,67,018	75,08,072
Net assets / (liability) recognised in balance sheet - Current	2,02,649	2,11,526

(iv) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Current service cost	8,83,837	12,72,871
Past service cost	-	-
Interest cost	6,01,357	5,22,737
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	7,53,722	(3,79,976)
Expenses recognised in the statement of profit and loss	22,38,916	14,15,632

(v) Amounts of Gratuity for the current and previous four year are as follows:

Particulars	Gratuity				
	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2016
Defined benefit obligation	80,69,667	77,19,598	66,76,081	59,78,905	48,68,731
Plan assets	-	-	-	-	-
Surplus/(deficit)	(80,69,667)	(77,19,598)	(66,76,081)	(59,78,905)	(48,68,731)
Actuarial gain/(loss) on Defined benefit obligation	7,53,722	(3,79,976)	(3,27,783)	1,27,637	(67,290)
Actuarial gain/(loss) on plan assets	-	-	-	-	-

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 35 : Segment Reporting

In accordance with the requirements of Accounting Standard 17 “Segment Reporting”, the Company is mainly engaged in the business of “design, engineering, fabrication, supply and installation of facade systems” and all other activities of the company revolve around the main business and as such, there are no separate reportable segments that require reporting under Accounting Standard 17 – Segment Reporting.

Note 36 : Related Party disclosures

a. List of related parties

(i) Key Management Personnel:

Name	Designation
Mr. Radheshyam Sharma	Managing Director
Mrs. Anjana Sharma	Whole Time Director
Mr. Shivchand Sharma	Director
Mr. Raman Sharma	Chief Executive Officer
Mrs. Priti Sharma	Chief Financial Officer
Mr. Nitin Kore	Company Secretary (Upto 19th October 2019)
Ms. Rekha Rane	Company Secretary (from 18th November to 27th November 2019)

(ii) Relative of Key Management Personnel with whom the company has entered into the transactions during the year:

Name
Mrs. Dropadi Sharma
Mr. Narendra Sharma
Mr. Rohit Sharma
Miss. Vedika Sharma

(iii) Subsidiary Company:

Innovators Engineering Works Private Limited
(Formerly known as Kapindra Multitrade Private Limited)

(iii) Relative of Key Management Personnel with whom the company has entered into the transactions during the year:

Name of the Party
Innovators Facade Solutions Private Limited
Innovators Facade Solutions (Mumbai) Private Limited
Parth Façade Solutions Private Limited

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

b. Transactions with Related Parties :

Nature of Transaction	Name of Party	Year Ended March 31, 2020	Year Ended March 31, 2019
Directors Remuneration	Mr. Radheshyam Sharma	54,00,000	54,00,000
	Mrs. Anjana Sharma	21,00,000	21,00,000
Salaries	Mr. Raman Sharma	27,60,000	24,88,000
	Mr. Rohit Sharma	15,33,000	13,44,000
	Ms. Vedika Sharma	2,40,000	4,80,000
	Mrs. Priti Sharma	19,80,000	17,80,200
	Mr. Nitin Kore	2,55,224	1,60,000
	Ms. Rekha Rane	8,634	-
	Ms. Radhika Tibrewala	-	3,36,000
Office Rent	Mr. Narendra Sharma	5,04,000	2,88,000
	Mr. Raman Sharma	2,52,000	1,44,000
	Mr. Shivchand Sharma	2,52,000	1,44,000
	Mrs. Dropadi Sharma	3,36,000	1,92,000
	Mr. Rohit Sharma	3,36,000	1,68,000
	Mrs. Priti Sharma	1,68,000	96,000
Sales from works contract and façade materials (including Unbilled Revenue)	Innovators Façade Solutions Private Limited	9,91,64,694	14,63,06,284
Contracts Execution Expenses	Parth Façade Solutions Private Limited	14,41,34,978	9,32,94,629
	Innovators Engineering Works Private Limited	7,55,65,975	-
	Innovators Façade Solutions Private Limited	6,18,36,512	-
Unsecured Loan Taken	Innovators Façade Solutions (Mumbai) Private Limited	2,76,11,188	12,81,74,000
Unsecured Loan Repaid	Innovators Façade Solutions Private Limited	-	15,00,00,000
	Innovators Façade Solutions (Mumbai) Private Limited	3,00,00,000	-

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

c. Balance Outstanding of Related Parties :

Name of Party	As at March 31, 2020	As at March 31, 2019
Unsecured Loan Payable		
Innovators Facade Solutions (Mumbai) Private Limited	15,00,00,000	15,23,88,812
Advance to Suppliers		
Parth Façade Solutions Private Limited	2,31,20,682	46,29,839
Trade Payables		
Innovators Engineering Works Private Limited	39,82,990	-
Trade Receivables		
Innovators Facade Solutions Private Limited	95,67,499	3,26,10,078
Other Payables		
Mr. Radheshyam S Sharma	1,33,656	6,46,850
Mrs. Anjana Sharma	1,32,063	7,91,248
Mr. Narendra Sharma	-	3,31,200
Mr. Raman Sharma	2,03,706	1,45,194
Mrs. Priti Sharma	1,93,117	5,50,930
Mr. Rohit Sharma	1,50,984	1,14,939
Miss. Vedika Sharma	-	5,86,400

Note 37 : Additional Disclosure pertaining to general financial statements pursuant to Schedule III of Companies Act, 2013

(a) Value of Imports on C.I.F Basis:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Raw Materials & Components	1,19,731	38,44,944
Plant and Machinery	91,69,950	84,63,960
Total	92,89,681	123,08,904

(b) Expenditure in foreign currency - ₹ Nil (PY ₹ Nil)

(c) Consumption of raw materials:

Particulars	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Amount	Percentage	Amount	Percentage
Imported	1,19,731	0.02%	38,44,944	0.54%
Indigenous	71,60,60,883	99.98%	71,22,06,313	99.46%
Total	71,61,80,614	100.00%	71,60,51,257	100.00%

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 38 : Accounting Standard - 7

The Company is recognising revenue on contracts on percentage of completion method due to revision of mandatory Accounting Standard 7 “Construction Contracts”. Disclosure required in accordance with the said Accounting Standard in respect of contracts in progress as on reporting date are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Progress Billing	3,29,66,92,196	3,28,57,70,347
Aggregate amount of contract cost incurred	2,36,29,21,063	2,55,65,80,871
Recognised Profits less recognised losses	1,12,84,62,071	1,09,03,17,472
The amount of retentions due from customers for contracts in progress	525,20,129	529,81,325

Note 39 : Utilization of IPO proceeds

The proceeds of the funds raised under IPO by the Company are being utilized as per the Objects of the Issue. The disclosure in compliance with the Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “the Listing Regulations”) is as under:

Particulars	Projected utilization of Proceeds as per IPO Objects	Utilization of IPO proceeds in Previous year 18-19	Utilization of IPO Proceeds in Current year 19-20	Unutilised balances
Upgradation and Modernisation of existing manufacturing facility	10,72,00,000	8,38,97,350	2,33,02,650	-
Funding the Working capital requirements of the Company	20,00,00,000	20,00,00,000	-	-
General corporate purpose	5,78,78,000	5,78,78,000	-	-
Issue related expenses	4,25,00,000	4,25,00,000	-	-
Total	40,75,78,000	38,42,75,350	2,33,02,650	-

Note 40 : The company was converted into a Limited Company from Private Limited Company with effect from 15th February, 2018 and fresh incorporation certificate had been received from Registrar of Companies, Mumbai.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Note 41: The COVID-19 pandemic has affected the world economy including India leading to significant decline in economic activities. Government of India (GOI) has taken significant measures to curb the spread of virus including imposing minority lockdown and restrictions in activities. The operations of the company were impacted, due to shutdown of plants and offices following nationwide lockdown. The company continues with its operations in a phased manner in line with directives from the authorities. The company has evaluated the impact of this pandemic on its business operations, liquidity, assets and financial position and based on management's review of current indicators and economic conditions there is no material impact and adjustments required on its financial results as at March 31, 2020. The company will continue to monitor any material changes to future economic conditions and its impact, if any.

Note 42 : Previous year figures have been re-grouped/ re-classified and or re-arranged wherever considered necessary to confirm Current period's figures.

In terms of our report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma Managing Director DIN: 00340865	Anjana Sharma Whole Time Director DIN: 00360233
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Raman Sharma CEO	Priti Sharma Chief Financial Officer
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Farhan Shaikh
Company Secretary
Mem No. A37598

Place: Thane
Date: 31st July 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of Innovators Façade Systems Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Innovators Façade Systems Limited (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2020, the consolidated statement of Profit and Loss, the consolidated cash flows Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India specified under Section 133 of the Act, of the consolidated state of affairs (consolidated financial position) of the Group as at 31 March 2020, its consolidated loss (consolidated financial performance) and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report :

1. Accuracy of estimated cost in respect of fixed price contract.

Estimated cost is a critical estimate to determine revenues for ongoing projects. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, cost incurred till date and cost required to complete the remaining contract performance obligations.

Refer note no. 1 (D) (ii) under the head "use of estimates" in significant accounting policies.

Auditor's Response

Principal Audit Procedures

Our audit approach was a combination of test of internal controls and substantive procedures which included the following:

- Evaluated the design of internal controls relating to recording of cost incurred and estimation of cost required to complete the contract.
- Basic rate contract (BRC) is prepared by Project Management team having details of budgeted cost for Material, execution and installation etc.
- Selected a sample of contract and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to cost incurred and estimated.
- Performed analytical procedures and test of details for reasonableness of incurred and estimated cost.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the management discussion and analysis, Board's Report but does not include the Consolidated Financial Statements, Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (Consolidated financial performance) and its consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going

concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

Other Matters

1. We draw attention to Note 43 to the Consolidated Financial Results in which the Company describes the uncertainties arising from the COVID 19 pandemic. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies in India, none of the directors of the Group companies is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “Annexure A”.
 - (g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group– Refer Note 31 to the consolidated financial statements.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies incorporated in India.
2. As required by section 197(16) of the act, based on our audit, on consolidated financial statements of the subsidiary, we report that the holding company, subsidiary covered under the act paid remuneration to their respective directors during the year in accordance with the provisions of and the limited laid down under section 197 read with Schedule V to the Act.

For S G C O & Co. LLP

Chartered Accountants

FRN. 112081W/W100184

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 20044739AAAAEK2923

Place: Mumbai

Date: 31st July 2020

Annexure - A to the Independent Auditor's Report of even date on the Consolidated financial statements of Innovators Façade Systems Limited for the year ended 31st March 2020.

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

We have audited the internal financial controls over financial reporting of **Innovators Façade Systems Limited** (hereinafter referred to as "the Holding Company") as at March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date. As per circular no G.S.R 583 (E), dated 13th June 2017 the clause (i) of section 143(3) of the Act regarding internal financial control over financial reporting, is not applicable to the subsidiary company.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Holding company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Holding

company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the holding company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the holding company are being made only in accordance with authorizations of management and directors of the holding company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the holding company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S G C O & Co. LLP

Chartered Accountants

Firm's Registration No. 112081W/W100184

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 20044739AAAAEK2923

Place: Mumbai

Date: 31st July 2020

INNOVATORS FAÇADE SYSTEMS LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

(Amount in ₹)

Particulars	Note Nos.	As at March 31, 2020	As at March 31, 2019
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	18,86,78,080	18,86,78,080
Reserves and surplus	3	1,00,50,96,355	1,08,51,61,675
		1,19,37,74,435	1,27,38,39,755
Minority interest			
		-	-
Non-current liabilities			
Long-term borrowings	4	15,31,90,809	16,36,26,189
Deferred tax liabilities (Net)	5	-	8,69,686
Long-term provisions	6	80,72,005	75,08,072
		16,12,62,814	17,20,03,947
Current liabilities			
Short-term borrowings	7	26,57,72,416	31,39,52,556
Trade payables	8		
- Due to Micro, Small and Medium Enterprises		14,64,826	88,62,014
- Due to Other than Micro, Small and Medium Enterprises		19,76,14,872	31,44,54,905
Other current liabilities	9	2,28,03,543	2,84,33,644
Short-term provisions	10	2,03,307	2,11,526
		48,78,58,964	66,59,14,645
		1,84,28,96,212	2,11,17,58,348
ASSETS			
Non-current assets			
Property Plant & Equipment	11		
- Tangible assets		28,72,87,528	24,42,55,710
- Capital work in progress		-	5,08,84,755
		28,72,87,528	29,51,40,465
Non-current investments	12	15,60,41,000	15,60,41,000
Deferred tax assets (Net)	5	17,76,659	-
Long-term loans and advances	13	8,58,68,283	6,76,34,352
Other non-current assets	14	4,92,93,762	4,14,90,327
		58,02,67,232	56,03,06,144
Current assets			
Inventories	15	38,97,05,800	44,98,22,916
Trade receivables	16	36,08,21,361	53,90,08,297
Unbilled revenue	17	17,95,71,971	23,34,39,030
Cash and bank balances	18	13,76,57,568	14,25,32,188
Short-term loans and advances	19	7,19,93,413	6,71,39,286
Other current assets	20	12,28,78,868	11,95,10,488
		1,26,26,28,980	1,55,14,52,205
		1,84,28,96,212	2,11,17,58,348
Significant Accounting Policies	1		

See accompanying notes to the financial statements 1 to 44

In terms of our report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma Managing Director
DIN: 00340865

Raman Sharma
CEO

Place: Thane
Date: 31st July 2020

Anjana Sharma
Whole Time Director
DIN: 00360233

Priti Sharma
Chief Financial Officer

Farhan Shaikh
Company Secretary
Mem No. A37598

INNOVATORS FAÇADE SYSTEMS LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2020
(Amount in ₹)

Particulars	Note Nos.	For the year Ended March 31, 2020	For the year Ended March 31, 2019
REVENUE			
Revenue from operations	21	1,41,30,52,271	1,57,08,57,898
Other income	22	1,25,59,043	1,67,49,325
		1,42,56,11,314	1,58,76,07,223
EXPENSES			
Cost of contracts	23	1,05,62,65,159	94,51,35,054
Purchase of stock in trade	24	81,51,424	21,21,83,301
Employee benefits expense	25	13,80,52,497	13,82,79,994
Finance costs	26	5,14,81,122	5,03,94,673
Depreciation	11	3,98,52,548	2,36,98,400
Other expenses	27	5,32,30,469	6,76,72,067
		1,34,70,33,219	1,43,73,63,489
Profit before exceptional items and tax		7,85,78,095	15,02,43,734
Less : Exceptional items	28	16,07,12,760	7,38,70,239
Profit before tax		(8,21,34,665)	7,63,73,495
Less: Tax Expenses			
Current tax		5,77,000	2,05,60,000
Deferred tax liability / (asset)	5	(26,46,345)	60,41,816
Tax of earlier years		-	32,50,740
Profit for the year (before adjustment for Minority Interest)		(8,00,65,320)	4,65,20,938
Less: Share of Profit/(Loss) transferred to Minority Interest		-	-
Profit for the year (after adjustment for Minority Interest)		(8,00,65,320)	4,65,20,938
Earnings per equity share:	29		
(Face value of ₹ 10/- each)			
- Basic		(4.24)	2.58
- Diluted		(4.24)	2.58
Significant Accounting Policies	1		

See accompanying notes to the financial statements 1 to 44

In terms of our report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma **Anjana Sharma**
Managing Director Whole Time Director
DIN: 00340865 DIN: 00360233

Raman Sharma **Priti Sharma** **Farhan Shaikh**
CEO Chief Financial Officer Company Secretary
Mem No. A37598

Place: Thane
Date: 31st July 2020

INNOVATORS FAÇADE SYSTEMS LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

(Amount in ₹)

Particulars	For the year Ended March 31, 2020	For the year Ended March 31, 2019
A. Cash Flow from Operating Activities		
Net Profit before Tax	(8,21,34,665)	7,63,73,495
Adjustments for:		
Depreciation and Amortisation	3,98,52,548	2,36,98,400
Balances Written Off	14,73,06,286	7,38,70,239
Provision for Doubtful debts	1,34,06,474	-
Finance Costs	(95,221)	5,32,874
(Profit)/loss on Sale of Property Plant & Equipments	5,14,81,122	5,03,94,673
Interest income	(60,27,325)	(68,95,316)
Operating Profit before Working Capital changes	16,37,89,219	21,79,74,365
Adjustments for:		
(Increase) / Decrease in Inventories	6,01,17,116	(10,36,18,042)
(Increase) / Decrease in Trade receivables	7,13,41,235	(3,78,98,897)
(Increase) / Decrease in Short term loans and advances	(48,54,127)	(3,37,92,923)
(Increase) / Decrease in Long term loans given & advances	21,31,778	14,38,246
(Increase) / Decrease in Other current & Non-current assets	(1,11,71,814)	1,94,13,642
Increase / (Decrease) in Trade payables	(12,42,37,221)	7,80,23,443
Increase / (Decrease) in Other current liabilities	(33,75,303)	(13,57,33,778)
Increase / (Decrease) in Provisions	5,55,714	10,22,466
CASH GENERATED FROM OPERATIONS	15,42,96,597	68,28,521
Income tax Paid	(2,09,42,709)	(4,57,79,574)
Net Cash inflow from/ (outflow) from Operating activities	13,33,53,886	(3,89,51,053)
B. Cash Flow from Investing Activities		
Purchase of Property Plant & Equipment's	(3,20,24,390)	(18,78,99,511)
Sale of Property Plant & Equipment's	1,20,000	2,50,000
Investment in fixed deposits	(1,24,60,941)	(1,64,62,957)
Interest received	60,27,325	68,95,316
Net Cash inflow from/ (outflow) from Investing activities	(3,83,38,006)	(19,72,17,152)
C. Cash Flow from Financing Activities		
Proceeds from issue of shares (including Securities Premium)	-	40,75,77,600
Issue related expenses (IPO)	-	(4,52,42,973)
Proceeds from borrowings	(8,92,137)	13,32,25,107
Repayment from borrowings	(5,99,78,182)	(18,89,49,670)
Finance Cost	(5,14,81,122)	(5,03,94,673)
Net Cash inflow from/ (outflow) from Financing activities	(11,23,51,441)	25,62,15,391

INNOVATORS FAÇADE SYSTEMS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020 (Contd.)

(Amount in ₹)

Particulars	For the year Ended March 31, 2020	For the year Ended March 31, 2019
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(1,73,35,561)	2,00,47,187
Opening Cash and Bank Balances		
Cash in hand	17,36,458	5,98,397
Bank balances	2,67,04,117	77,94,991
	2,84,40,575	83,93,388
Closing Cash and Cash Equivalents		
Cash in hand	18,48,526	17,36,458
Bank balances	92,56,488	2,67,04,117
	1,11,05,014	2,84,40,575

Note :

- Cash Flow Statement have been prepared on Indirect Method as prescribed under Accounting Standard -3 on Cash Flow Statements.
- Previous Year figures have been re-grouped and or re-arranged wherever considered necessary.

In terms of our report of even date
For S G C O & Co. LLP
Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
Partner
Membership No. 044739

Place: Mumbai
Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma **Anjana Sharma**
Managing Director Whole Time Director
DIN: 00340865 DIN: 00360233

Raman Sharma **Priti Sharma** **Farhan Shaikh**
CEO Chief Financial Officer Company Secretary
Mem No. A37598

Place: Thane
Date: 31st July 2020

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 1 : Significant Accounting Policies:

A Corporate information

Innovators Facade Systems Limited (“the Holding Company”) is a company domiciled in India and incorporated in June, 1999 under the provisions of Companies Act, 1956. Company is mainly engaged in the Business of design, engineering, fabrication, supply and installation of facade systems.

B Basis of Accounting:

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and in compliance with all the mandatory accounting standards as prescribed under Section 133 of the Companies Act 2013 (‘Act’) read with Rule 7 of the Companies (Accounts) rules, 2014.

C Principles of Consolidation:

The Consolidated Financial Statements comprise of the financial statements of Innovators Façade Systems Limited and its subsidiary, 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 Innovators Engineering Works Private Limited (Formerly known as “Kapindra Multitrade Private Limited”) (its Subsidiary) have been prepared on the following basis:

- i) 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.
- ii) 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.
- iii) 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.
- iv) 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.
- v) 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.

D Use of Estimates:

- i) The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.
- ii) The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the total costs and balance cost to be incurred.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Costs incurred have been used to measure progress towards completion as there is a direct relationship between cost incurred and revenue recognition. The Company uses significant judgments while determining the estimated cost.

E 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 recognised on the basis of actual execution of work contracts or as and when work contracts is certified.
- iii) Unbilled Revenue is the part of work executed but not billed on the last day of financial year end due to contractual obligation.
- iv) Interest income is recognized on time proportion basis.

F Property Plant & Equipment's

Property Plant & Equipment's are stated at actual cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

G Depreciation & Amortisation

Depreciation is systematically allocated over the useful life of an asset on "Written Down Value Method" at the rate and in the manner prescribed in part C of Schedule II of the Companies Act, 2013.

H Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are carried at cost less any provision for diminution in value other than temporary. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

I Inventories:

- i) Raw Material are valued at lower of Cost or net realisable value and Stores & Spares are valued at cost
- ii) Work in Progress and Finished Goods are valued at lower of cost or net realisable 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.

J 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 Profit and Loss Account.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Profit and Loss Account.
- iv) The premium in respect of forward exchange contract is amortised 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 recognised in the Statement of Profit & Loss.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

K Accounting for Taxes of Income:-

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

L Employee Benefits :

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Profit & Loss Account for the year.
- ii) 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.

M Provisions and Contingent Liabilities:

- i) Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets" in accordance with the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.
- ii) Contingent Liabilities are recognized only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.
- iii) Contingent Liabilities are disclosed by way of notes.

N 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 Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

O Miscellaneous Expenditure:

IPO Expenses are written off against Securities Premium Account. Preliminary expenses are amortised in the year in which they are incurred.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

(Amount in ₹)

Note 2 : Share capital

a. Details of authorised, issued, subscribed and paid up share capital

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised capital		
2,10,00,000 (P.Y. 2,10,00,000) Equity shares of ₹ 10/- each	21,00,00,000	21,00,00,000
	21,00,00,000	21,00,00,000
Issued, subscribed and paid up capital		
1,88,67,808/- (P.Y. 1,88,67,808) Equity shares of ₹ 10/- each	18,86,78,080	18,86,78,080
	18,86,78,080	18,86,78,080

b. Terms & conditions

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- c.** During the previous year, the Company has issued 56,60,800 equity shares of face value of ₹ 10/- each at a premium of ₹ 62/- per share, total issue size amounting to ₹ 40,75,77,600/-, through Initial Public Offer (IPO) vide their members approval in the Extra-Ordinary General Meeting of the Company held on 17th February, 2018, pursuant to Section 62(1)(c) and all other applicable provision of Companies Act, 2013, Companies (Prospectus and Allotment of the Securities) Rules, 2014 and in accordance with the provisions of Chapter X(B) of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009. Consequently, the equity shares of the company has got listed on the SME platform of BSE Limited w.e.f. 24th May, 2018.

d. Shareholders having more than 5% shareholding

Name of Shareholder	As at March 31, 2020		As at March 31, 2019	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Jolly Multitrade Private Limited	45,41,022	24.07%	45,41,022	24.07%
Mr. Radheshyam Sharma	23,80,209	12.62%	23,80,209	12.62%
Mr. Vijay Kedia	20,10,632	10.66%	19,13,032	10.14%
Mr. Raman Sharma	18,57,600	9.85%	18,00,000	9.54%

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

e. Reconciliation of number of shares

Particulars	As at March 31, 2020		As at March 31, 2019	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	1,88,67,808	18,86,78,080	1,32,07,008	13,20,70,080
Add: Shares issued during the year	-	-	56,60,800	5,66,08,000
Shares outstanding at the end of the year	1,88,67,808	18,86,78,080	1,88,67,808	18,86,78,080

Note 3 : Reserves and surplus

Particulars	As at March 31, 2020	As at March 31, 2019
a. Securities premium account		
Opening balance	60,83,51,401	30,26,24,774
Add : Received during the year	-	35,09,69,600
Less: IPO Expenses written off	-	4,52,42,973
Closing balance	60,83,51,401	60,83,51,401
b. Surplus in the statement of Profit and loss		
Opening balance	29,39,36,860	24,74,15,921
Add/(Less) : Profit/(Loss) for the year	(8,00,65,320)	4,65,20,938
Closing balance	21,38,71,540	29,39,36,860
c. Capital Reserve on Consolidation	18,28,73,414	18,28,73,414
Total	1,00,50,96,355	1,08,51,61,675

Note 4 : Long-term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
SECURED		
From banks		
Term loans	49,26,460	1,18,31,611
Less: Current maturities of long term debt	49,26,460	71,42,857
	-	46,88,753
Vehicle loans	48,74,208	73,78,286
Less: Current maturities of long term debt	24,66,262	25,04,662
	24,07,946	48,73,624

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Particulars	As at March 31, 2020	As at March 31, 2019
UNSECURED		
From related parties:		
- Inter Corporate deposits	15,00,00,000	15,23,88,812
	15,00,00,000	15,23,88,812
From Others :		
- Inter Corporate Deposits	-	10,00,000
- Directors & Other Relatives	7,82,863	6,75,000
	15,31,90,809	16,36,26,189

Additional information pertaining to long term borrowings:

- Term Loan from Oriental Bank of Commerce amounting to ₹ 49,26,460 (P.Y. ₹ 1,18,31,611/-) is secured against first charge over Factory Land & Building and Hypothecation of Machinery to be purchased out of term loan and collateral security of equitable mortgage of various immovable properties of directors, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 4% over base rate. The Loan is repayable in 84 monthly installments of ₹ 5,95,000/- each after the 9 months from first disbursements.
- Vehicle Loan from various banks amounting to ₹ 48,74,208 /- (P.Y. ₹ 73,78,286/-) are secured against respective vehicles. They carry interest rate ranging between 8.70% to 9.40% per annum. The Installments period of the loans ranges between 46 months to 60 months.
- Intercorporate Deposits amounting to ₹ 15,00,00,000/- (P.Y. ₹ 15,23,88,812/-) are unsecured and interest free. The same are repayable after 31st March, 2024.
- Intercorporate Deposits from Others amounting to ₹ NIL /- (P.Y. ₹ 10,00,000/-) is unsecured and interest free.
- Loans from Directors and Relatives amounting to ₹ 782,683 /- (P.Y. ₹ 6,75,000-) is unsecured and interest free. The same is repayable after 31st March, 2021.

Note 5 : Deferred tax liabilities (Net)

The major components of deferred tax liability / asset as recognised in the financial statement is as follows:

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Asset / (Liabilities)		
Excess of net block of Property Plant & Equipment's as per tax purpose over books of accounts	(1,98,925)	(28,76,782)
Provision for employee benefits	19,75,584	20,07,095
Net	17,76,659	(8,69,686)

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 6 : Long-term provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
Gratuity payable	80,72,005	75,08,072
	80,72,005	75,08,072

Note 7 : Short-term borrowings

Particulars	As at March 31, 2020	As at March 31, 2019
Secured loans		
From banks		
- Cash credit facility	26,57,72,416	31,39,52,556
	26,57,72,416	31,39,52,556

Additional information pertaining to short term borrowings :

- a. Cash Credit facility from Oriental Bank of Commerce amounting to ₹ 14,73,89,182 /- (P.Y. ₹ 19,21,37,975/-) is secured against paripassu charges over Hypothecation of stock of raw material, work in progress, finished goods, stores & spares and receivables and collateral security of equitable mortgage of various immovable properties of directors, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 2.10% over base rate.
- b. Cash Credit facility from Indian Bank amounting to ₹ 11,83,83,234/- (P.Y. ₹ 12,18,14,581/-) is secured against paripassu charges over Hypothecation of stocks of raw materials, work in progress, finished goods, stores & spares and receivables and collateral security of equitable mortgage of various immovable properties of directors, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 3.7% over one year MCLR of the bank.

Note 8 : Trade payables

Particulars	As at March 31, 2020	As at March 31, 2019
Trade payables		
Due to Micro, Small and Medium Enterprises *	14,64,826	88,62,014
Other than Micro, Small and Medium Enterprises	19,76,14,872	31,44,54,905
	19,90,79,698	32,33,16,919

Note : 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.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

*Disclosures required under Sec 22 of MSMED Act, 2006

Particulars	As at March 31, 2020	As at March 31, 2019
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	14,64,826	88,62,014
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	99,430	1,94,084
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note 9 : Other current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long-term debt	73,92,721	96,47,520
Advance from customers	1,02,13,060	78,80,170
Retention money payable	16,38,674	24,87,986
Statutory dues payable	16,00,910	76,70,438
Salary Payable	17,08,149	-
Other payables	2,50,029	7,47,531
	2,28,03,543	2,84,33,644

Note 10 : Short-term provisions

Particulars	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits:		
Gratuity payable	2,03,307	2,11,526
	2,03,307	2,11,526

INNOVATORS FAÇADE SYSTEMS LIMITED
ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 11 : Property Plant & Equipment

(Amount in ₹)

Particulars	Gross Block			Accumulated Depreciation			Net Block		
	As at April 1, 2019	Additions during the Period	Deletion during the Period	As at March 31, 2020	As at April 1, 2019	Depreciation charge for the year	Adjustments on Sale of Assets	As at March 31, 2020	As at March 31, 2019
Tangible Assets									
Freehold Land	5,71,180	-	-	5,71,180	-	-	-	5,71,180	5,71,180
Factory Building	19,24,91,595	6,33,32,457	-	25,58,24,052	9,19,28,912	99,24,303	-	15,39,70,837	10,05,62,683
Plant & Machinery	16,95,99,503	1,84,73,309	-	18,80,72,812	4,02,56,104	2,46,69,583	-	12,31,47,126	12,93,43,400
Furniture & Fixtures	29,71,858	90,025	-	30,61,883	20,00,684	2,65,471	-	7,95,728	9,71,174
Vehicles	2,36,74,027	-	-	2,36,74,027	1,68,32,108	20,73,594	-	47,68,324	68,41,918
Office Equipment	1,22,01,249	5,33,621	1,95,000	1,25,39,870	79,63,940	19,44,189	1,70,221	28,01,962	42,37,309
Computers	1,46,67,269	4,79,733	-	1,51,47,002	1,29,39,222	9,75,408	-	12,32,372	17,28,047
Total	41,61,76,680	8,29,09,145	1,95,000	49,88,90,825	17,19,20,970	3,98,52,548	1,70,221	28,72,87,528	24,42,55,710
Previous Year	28,20,57,746	13,70,14,756	28,95,822	41,61,76,680	15,03,35,519	2,36,98,400	21,12,948	24,42,55,710	-
Capital Work in Progress									
Factory building	5,08,84,755	1,28,19,517	6,37,04,272	-	-	-	-	-	5,08,84,755
Total	5,08,84,755	1,28,19,517	6,37,04,272	-	-	-	-	-	5,08,84,755
Previous Year	-	5,08,84,755	-	5,08,84,755	-	-	-	5,08,84,755	-

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 12 : Non-current investments

Particulars	As at March 31, 2020	As at March 31, 2019
(Unquoted, Non-Trade Investments valued at Cost)		
Investments in Debentures		
Innovators Facade Solutions Private Limited		
1,56,041 (P.Y. 1,56,041) 0% Compulsory Convertible Debentures of face value ₹ 1,000/- each.	15,60,41,000	15,60,41,000
	15,60,41,000	15,60,41,000

Particulars	As at March 31, 2020	As at March 31, 2019
Aggregate value of unquoted investments	15,60,41,000	15,60,41,000

Note 13 : Long-term loans and advances

(Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans and advances to related parties		
- Inter corporate deposits	2,84,00,000	2,84,00,000
Loans and advances to other parties		
- Others	26,77,647	20,00,000
Security deposits	50,55,514	37,37,510
Balances with statutory authorities	98,27,857	1,37,55,286
Advance tax & TDS (Net of provisions)	3,24,57,265	1,20,91,555
Other Receivables	74,50,000	76,50,000
	8,58,68,283	6,76,34,352

Loans and advances to related parties represents:

Particulars	As at March 31, 2020	As at March 31, 2019
Enterprises Having Same Key Management & Personnel		
Innovators Facade Solutions (Mumbai) Private Limited	2,84,00,000	2,84,00,000
	2,84,00,000	2,84,00,000

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 14 : Other non-current assets

(Unsecured, considered good)

Particulars	As at March 31, 2020	As at March 31, 2019
Retention money receivable	4,92,93,762	4,14,90,327
	4,92,93,762	4,14,90,327

Note 15 : Inventories

Particulars	As at March 31, 2020	As at March 31, 2019
(Valued at lower of Cost or Net Realisable Value)		
Raw Materials and components	20,79,99,054	25,98,62,084
Work-in-progress *	18,17,06,746	18,99,60,832
	38,97,05,800	44,98,22,916

* Work in Progress represents Material at site

Note 16 : Trade receivables

Particulars	As at March 31, 2020	As at March 31, 2019
(Unsecured, considered good)		
Outstanding for a period more than six months from the due date for payment	6,79,52,343	25,88,21,868
Unsecured, considered doubtful	94,58,766	
Less - Provision for doubtful debtors	(94,58,766)	-
	6,79,52,343	25,88,21,868
Others debts	29,28,69,018	28,01,86,429
	36,08,21,361	53,90,08,297

Note 17 : Unbilled revenue

Particulars	As at March 31, 2020	As at March 31, 2019
Unbilled Revenue*	17,95,71,971	23,34,39,030
	17,95,71,971	23,34,39,030

*Unbilled Revenue is net of Mobilization Advances received amounting to ₹ 1,51,18,967/- (P.Y. ₹ 12,76,88,966 /-)

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 18 : Cash and bank balances

Particulars	As at March 31, 2020	As at March 31, 2019
Cash & cash equivalents		
Balances with banks		
- Current account	92,56,488	2,67,04,117
Cash on hand	18,48,526	17,36,458
Other bank balances		
Fixed deposits (maturity period of 3 to 12 months)*	12,65,52,554	11,40,91,613
	13,76,57,568	14,25,32,188

* represents held as margin money with banks against credit facilities

Particulars	As at March 31, 2020	As at March 31, 2019
Fixed deposits held as margin money with banks against credit facilities	12,65,52,554	11,40,91,613

Note 19 : Short-term loans and advances

(Unsecured, Considered Good)

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit	36,58,900	75,14,676
Advance to suppliers	3,17,28,540	1,47,84,338
Balances with statutory authorities	3,15,72,786	3,68,37,639
Advance to employees	24,85,622	18,21,156
Prepaid expenses	4,34,933	4,50,771
Other receivables	21,12,632	57,30,705
	7,19,93,413	6,71,39,286

Advance to suppliers stated above include :

Particulars	As at March 31, 2020	As at March 31, 2019
Amount paid to Company under significant influence of Director and/or their relatives		
Parth Facade Solutions Private Limited	2,31,20,682	46,29,839

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 20 : Other current assets

Particulars	As at March 31, 2020	As at March 31, 2019
Retention money receivables		
Unsecured, considered doubtful	39,47,708	-
Less - Provision for doubtful debtors	(39,47,708)	-
	-	-
Unsecured, considered good	12,28,78,868	11,95,10,488
	12,28,78,868	11,95,10,488

Note 21 : Revenue from operations

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Operating revenue		
Sales from works contract and façade materials	1,40,05,91,377	1,55,63,51,586
Other operating revenue		
Sale of scrap	1,24,60,894	1,45,06,312
	1,41,30,52,271	1,57,08,57,898

Note 22 : Other income

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest Income		
- Fixed deposits	60,27,325	68,95,316
- Others	7,15,460	9,02,320
VAT/Sales tax Refund	7,19,061	86,45,115
Sundry Balance W/Back	35,58,362	-
Gain on foreign exchange fluctuation (net)	2,38,614	3,06,574
Profit on sale of fixed asset	95,221	-
Profit on sale of tools	12,05,000	-
	1,25,59,043	1,67,49,325

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 23 : Cost of contracts

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Facade materials		
Opening stock of materials	44,98,22,916	34,62,04,874
Add: Purchases during the year	65,60,63,498	81,96,69,299
Less: Closing stock of materials (including materials at site)	38,97,05,800	44,98,22,916
	71,61,80,614	71,60,51,257
Direct expenses		
Installation Charges	10,30,58,302	5,63,93,395
Coating Expenses	3,62,43,179	5,07,71,632
Transportation Expenses	2,50,40,717	2,78,68,896
Fabrication Expenses	3,33,20,294	1,69,28,306
Other Production and Execution Costs	14,24,22,054	7,71,21,567
	34,00,84,545	22,90,83,796
	1,05,62,65,159	94,51,35,054

Note 24 : Purchase of stock in trade

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Purchases (façade materials)	81,51,424	21,21,83,301
	81,51,424	21,21,83,301

Note 25 : Employee benefits expense

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Directors remuneration	75,00,000	75,00,000
Salaries and Incentives	11,91,25,225	11,90,97,850
Gratuity Expenses	24,44,561	14,15,632
Contribution to PF and other funds	41,97,425	42,41,142
Staff welfare expenses	47,85,286	60,25,370
	13,80,52,497	13,82,79,994

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 26 : Finance costs

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Interest expenses		
- Banks	3,24,31,180	3,16,84,706
- Others	1,77,075	6,44,358
Other borrowing cost	1,88,72,867	1,80,65,609
	5,14,81,122	5,03,94,673

Note 27 : Other expenses

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Rent expenses	47,17,768	45,32,727
Rates and Taxes	11,80,415	9,81,129
Electricity charges	12,38,435	15,04,268
Communication expenses	10,92,981	13,19,389
Insurance charges	12,04,962	14,52,255
Professional and Consultancy fees	1,02,25,920	1,29,01,629
Auditors remuneration	8,60,500	9,10,912
Security charges	25,02,059	17,19,495
Repairs & maintainance - Machinery	18,25,009	7,09,719
Repairs & maintainance - Building	20,39,323	12,00,260
Conveyance and Travelling	1,18,75,624	1,20,80,066
Vehicle maintenance and fuel expenses	59,10,904	41,02,405
CSR and Donation Expenditure	10,19,501	70,97,501
Sales Promotion expenses	22,52,883	16,43,531
Loss on sale of Property Plant & Equipments	-	5,32,874
Miscellaneous expenses	52,84,185	1,49,83,908
	5,32,30,469	6,76,72,067

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Auditor's Remuneration :

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Audit fees	6,54,750	6,54,750
Tax Audit	50,000	50,000
Taxation matters	25,000	25,000
Company Law Matters	-	52,000
Other Services	1,30,750	1,29,162
	8,60,500	9,10,912

Note 28 : Exceptional items

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Sundry Debtors & Retention Write off and Provisions*	16,07,12,760	7,38,70,239
	16,07,12,760	7,38,70,239

*The management has reviewed old outstanding balances of trade receivables and retention money of certain parties in respect of completed projects, for which the Company has regular follow up for the recovery. Considering the COVID 19 Pandemic situation, future business prospects and various other commercial and non-commercial factors, these legitimate balances have been written off / provided for doubtful debts. The same has been shown as an exceptional item in the financial statements.

Note 29 : Earnings per equity share:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Basic Earnings per Share		
Profit/(Loss) attributable to Equity shareholders	(8,00,65,320)	4,65,20,938
Shares outstanding at the beginning of the year	1,88,67,808	1,32,07,008
Shares outstanding at the end of the year	1,88,67,808	1,88,67,808
Weighted average number of equity shares	1,88,67,808	1,80,14,811
Basic & Dilutive Earnings Per Share	(4.24)	2.58
Face value per Share	10	10

Note 30 : In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 31 : Contingent Liabilities

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
(i) Bank Guarantees	28,43,75,169	28,53,36,199
(ii) Disputed VAT/CST liabilities	7,22,01,124	7,22,01,124
(ii) Disputed Income tax liabilities	1,56,53,386	1,56,53,386
TOTAL	37,22,29,679	37,31,90,709

Note 32 : Corporate Social Responsibility

- a) CSR amount required to be spent as per section 135 of Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 16,53,242 (Previous year ₹ 11,37,679/-).
- b) Expenses related to Corporate Social Responsibility is ₹ 10,08,500/- (Previous year ₹ 70,44,000/-).

Details of amount spent during the financial year 2019-20 is as follow :

Particulars	Amount paid	Yet to be paid	Total
Construction / acquisition of any assets	-	-	-
For purpose other than construction / acquisition of assets	10,08,500	6,44,742	16,53,242
Total	10,08,500	6,44,742	16,53,242

Note 33 : Disclosure pursuant to Accounting Standard – 19 ‘Leases’

Disclosures in respect of cancellable operating leases are given as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
A) Lease payments recognized in the statement of profit and loss for the year	47,17,768	45,32,727
B) A general description of the lessee’s significant leasing arrangements:		
- lease rent agreements are for offices and guest houses		
- there are no restrictions imposed by lease arrangements.		
- there are no subleases		

Note 34 : Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’

Actuarial assumption:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Salary Growth*	6.00%	6.00%
Discount Rate	6.85%	7.83%
Rate of Employee Turnover	10 & 2%	10 & 2%

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

* The estimates of future salary increases, considered in a actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

(i) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Present value of obligation as at the beginning of the year:	77,19,598	66,76,081
Interest cost	6,01,357	5,22,737
Current service cost	10,89,482	12,72,871
Benefits paid	18,88,847	3,72,115
Actuarial (gain) / loss on obligation	7,53,722	(3,79,976)
Closing Present value of obligation	82,75,312	77,19,598

(ii) Actuarial gain/ loss recognised in the Statement of Profit and Loss:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Actuarial (gain)/ loss on obligation for the year	7,53,722	(3,79,976)

(iii) The amounts recognised in the Balance Sheet are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Present value of obligation as at the end of the year	82,75,312	77,19,598
Funded value of assets (unfunded)	-	-
Net assets / (liability) recognised in balance sheet - Non-Current	80,72,005	75,08,072
Net assets / (liability) recognised in balance sheet - Current	2,03,307	2,11,526

(iv) The amounts recognised in the Statement of Profit and Loss are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Current service cost	10,89,482	12,72,871
Past service cost	-	-
Interest cost	6,01,357	5,22,737
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	7,53,722	(3,79,976)
Expenses recognised in the statement of profit and loss	24,44,561	14,15,632

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

(v) Amounts of Gratuity for the current and previous four year are as follows:

Particulars	Gratuity				
	Year Ended March 31, 2020	Year Ended March 31, 2019	Year Ended March 31, 2018	Year Ended March 31, 2017	Year Ended March 31, 2016
Defined benefit obligation	82,75,312	77,19,598	66,76,081	59,78,905	48,68,731
Plan assets	-	-	-	-	-
Surplus/(deficit)	(82,75,312)	(77,19,598)	(66,76,081)	(59,78,905)	(48,68,731)
Actuarial gain/(loss) on Defined benefit obligation	7,53,722	(3,79,976)	(3,27,783)	1,27,637	(67,290)
Actuarial gain/(loss) on plan assets	-	-	-	-	-

Note 35 : Segment Reporting

In accordance with the requirements of Accounting Standard 17 “Segment Reporting”, the Group is mainly engaged in the business of “design, engineering, fabrication, supply and installation of facade systems” and all other activities of the company revolve around the main business and as such, there are no separate reportable segments that require reporting under Accounting Standard 17 – Segment Reporting.

Note 36 : Related Party disclosures

a. List of related parties

(i) Key Management Personnel:

Name	Designation
Mr. Radheshyam Sharma	Managing Director
Mrs. Anjana Sharma	Whole Time Director
Mr. Shivchand Sharma	Director
Mr. Raman Sharma	Chief Executive Officer
Mrs. Priti Sharma	Chief Financial Officer
Mr. Nitin Kore	Company Secretary (Upto 19th October 2019)
Ms.Rekha Rane	Company Secretary (from 18th November to 27th November 2019)

(ii) Relative of Key Management Personnel with whom the company has entered into the transactions during the year:

Name
Mrs. Dropadi Sharma
Mr. Narendra Sharma
Mr. Rohit Sharma
Miss. Vedika Sharma

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

- (iii) Relative of Key Management Personnel with whom the company has entered into the transactions during the year:

Name of the Party
Innovators Facade Solutions Private Limited
Innovators Facade Solutions (Mumbai) Private Limited
Jolly Multitrade Private Limited
Parth Façade Solutions Private Limited

b. Transactions with Related Parties :

Nature of Transaction	Name of Party	Year Ended March 31, 2020	Year Ended March 31, 2019
Directors Remuneration	Mr. Radheshyam Shivchand Sharma	54,00,000	54,00,000
	Mrs. Anjana Radheshyam Sharma	21,00,000	21,00,000
Salaries	Mr. Narendra Sharma	-	-
	Mr. Raman Sharma	27,60,000	24,88,000
	Mr. Rohit Sharma	15,33,000	13,44,000
	Miss Vedika Sharma	2,40,000	4,80,000
	Mrs. Priti Sharma	19,80,000	17,80,200
	Mr. Nitin Kore	2,55,224	1,60,000
	Ms. Rekha Rane	8,634	-
Office Rent	Miss. Radhika Tibrewala	-	3,36,000
	Mr. Narendra Sharma	5,04,000	2,88,000
	Mr. Raman Sharma	2,52,000	1,44,000
	Mr. Shivchand Sharma	2,52,000	1,44,000
	Mrs. Dropadi Sharma	3,36,000	1,92,000
	Mr. Rohit Sharma	3,36,000	1,68,000
Sales from works contract and façade materials (including Unbilled Revenue)	Mrs. Priti Sharma	1,68,000	96,000

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ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Nature of Transaction	Name of Party	Year Ended March 31, 2020	Year Ended March 31, 2019
Contracts Execution Expenses	Innovators Facade Solutions Private Limited	9,91,64,694	14,63,06,284
	Parth Façade Solutions Private Limited	14,41,34,978	9,32,94,629
	Innovators Facade Solutions Private Limited	6,18,36,512	-
Unsecured Loan Taken	Innovators Facade Solutions (Mumbai) Private Limited	2,76,11,188	12,81,74,000
Unsecured Loan Repaid	Innovators Facade Solutions Private Limited	-	15,00,00,000
	Innovators Facade Solutions (Mumbai) Private Limited	3,00,00,000	-

c. Balance Outstanding of Related Parties :

Name of Party	As at March 31, 2020	As at March 31, 2019
Unsecured Loan Payable		
Innovators Facade Solutions (Mumbai) Private Limited	15,00,00,000	15,23,88,812
Investment in 0% Compulsory Convertible Debentures		
Innovators Façade Solutions Pvt. Ltd.	15,60,41,000	15,60,41,000
Advance to Suppliers		
Parth Façade Solutions Private Limited	2,31,20,682	46,29,839
Trade Receivables		
Innovators Facade Solutions Private Limited	95,67,499	326,10,078
Other Payables		
Mr. Radheshyam S Sharma	1,33,656	6,46,850
Mrs. Anjana Sharma	1,32,063	7,91,248
Mr. Narendra Sharma	-	3,31,200
Mr. Raman Sharma	2,03,706	1,45,194
Mrs. Priti Sharma	1,93,117	5,50,930
Mr. Rohit Sharma	1,50,984	1,14,939
Miss. Vedika Sharma	-	5,86,400

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 37 : Additional Disclosure pertaining to general financial statements pursuant to Schedule III of Companies Act, 2013

(a) Value of Imports on C.I.F Basis:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Raw Materials & Components	1,19,731	38,44,944
Plant and Machinery	91,69,950	84,63,960
Total	92,89,681	1,23,08,904

(b) Expenditure in foreign currency - ₹ Nil (PY ₹ Nil)

(c) Consumption of raw materials:

Particulars	Year Ended March 31, 2020		Year Ended March 31, 2019	
	Amount	Percentage	Amount	Percentage
Imported	1,19,731	0.02%	38,44,944	0.54%
Indigenous	71,60,60,883	99.98%	71,22,06,313	99.46%
Total	71,61,80,614	100.00%	71,60,51,257	100.00%

Note 38 : Accounting Standard - 7

The Company is recognising revenue on contracts on percentage of completion method due to revision of mandatory Accounting Standard 7 “Construction Contracts”. Disclosure required in accordance with the said Accounting Standard in respect of contracts in progress as on reporting date are as follows:

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Progress Billing	3,29,66,92,196	3,28,57,70,347
Aggregate amount of contract cost incurred	2,36,29,21,063	2,55,65,80,871
Recognised Profits less recognised losses	1,12,84,62,071	1,09,03,17,472
The amount of retentions due from customers for contracts in progress	5,25,20,129	5,29,81,325

Note 39 : Disclosure with regards to section 186 of the Companies Act, 2013

- The company has not granted loan or provided any guarantee or security to any body corporate after the enforcement of Section 186 of the Companies Act, 2013.
- For disclosure related to the investment made by the company - Refer Note No.12

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Note 40 : Company consolidated as subsidiary in accordance with Accounting Standard 21 - Consolidated Financial Statements :

Name of Subsidiary	Date of becoming subsidiary	Country of Incorporation	% of Voting held on 31st March 2020	% of Voting held on 31st March 2019
Innovators Engineering Works Private Limited (Formerly known as "Kapindra Multitrade Private Limited") and its nominees	22nd June, 2010	India	100%	100%

Additional Information as required under Schedule III to the Companies Act, 2013 of company consolidated as subsidiary company :

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit & Loss	Amount (Rs.)
Parent				
Innovators Façade Systems Private Limited	84.34%	1,00,68,04,715	102.42%	(8,20,06,866)
Previous Year	85.47%	1,08,88,11,581	101.24%	4,70,88,743
Subsidiary				
Innovators Engineering Works Private Limited (Formerly known as "Kapindra Multitrade Private Limited")	15.66%	18,69,69,720	-2.42%	19,41,546
Previous Year	14.53%	18,50,28,174	-1.24%	(5,77,383)
Minority Interest in Subsidiary	0.00%	-	0.00%	-
Previous Year	0.00%	-	0.00%	-
TOTAL	100%	1,19,37,74,435	100%	(8,00,65,320)

Note 41 : Utilization of IPO proceeds

The proceeds of the funds raised under IPO by the Company are being utilized as per the Objects of the Issue. The disclosure in compliance with the Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the Listing Regulations") is as under:

INNOVATORS FAÇADE SYSTEMS LIMITED

ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MAR 31, 2020

Particulars	Projected utilization of Proceeds as per IPO Objects	Utilization of IPO proceeds in Previous year 18-19	Utilization of IPO Proceeds in Current year 19-20	Unutilised balances
Upgradation and Modernisation of existing manufacturing facility	10,72,00,000	8,38,97,350	2,33,02,650	-
Funding the Working capital requirements of the Company	20,00,00,000	20,00,00,000	-	-
General corporate purpose	5,78,78,000	5,78,78,000	-	-
Issue related expenses	4,25,00,000	4,25,00,000	-	-
Total	40,75,78,000	38,42,75,350	2,33,02,650	-

Note 42 : The company was converted into a Limited Company from Private Limited Company with effect from 15th February, 2018 and fresh incorporation certificate had been received from Registrar of Companies, Mumbai.

Note 43: The COVID-19 pandemic has affected the world economy including India leading to significant decline in economic activities. Government of India (GOI) has taken significant measures to curb the spread of virus including imposing minority lockdown and restrictions in activities. The operations of the Group were impacted, due to shutdown of plants and offices following nationwide lockdown. The Group continues with its operations in a phased manner in line with directives from the authorities. The Group has evaluated the impact of this pandemic on its business operations, liquidity, assets and financial position and based on management's review of current indicators and economic conditions there is no material impact and adjustments required on its financial results as at March 31, 2020. The Group will continue to monitor any material changes to future economic conditions and its impact, if any.

Note 44 : Previous year figures have been re-grouped/ re-classified and or re-arranged wherever considered necessary to confirm Current year's figures.

In terms of our report of even date
For S G C O & Co. LLP
 Chartered Accountants
Firm Registration No. 112081W/W100184

Suresh Murarka
 Partner
 Membership No. 044739

Place: Mumbai
 Date: 31st July 2020

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited

Radheshyam Sharma **Anjana Sharma**
 Managing Director Whole Time Director
 DIN: 00340865 DIN: 00360233

Raman Sharma **Priti Sharma** **Farhan Shaikh**
 CEO Chief Financial Officer Company Secretary
 Mem No. A37598

Place: Thane
 Date: 31st July 2020

INNOVATORS

INNOVATORS FACADE SYSTEMS LIMITED

CIN: L45200MH1999PLC120229

Registered Office: 204, B-65, Sector No. 1, Shanti Nagar, Mira Road (East), Thane 401107

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