

To,

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Fort,

Mumbai- 400 001

BSE Scrip Code: 541353

Sub.: Intimation for 25th Annual General Meeting (AGM), Book Closure and fixation of cut-off date for e-voting, period of remote e-voting for the Financial Year 2023-2024.

Dear Sir/ Madam,

In Compliance with Regulation 30, 34 & 42 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, Please note below mentioned details with respect to 25th Annual General Meeting (AGM), Book Closure and fixation of cut-off date for e-voting, period of remote e-voting for the Financial Year 2023-2024. Further, we have also enclosed herewith copy of Annual Report for the Financial Year 2023-2024 and the same also be made available on Company's website at www.innovators.in. The company has commenced the dispatching of the annual report. The schedule of AGM is as set out below:

| Sr. No. | Event | Date | Time |
|---------|--|---|--------------------|
| 1. | Annual General Meeting | Wednesday, 18 th September 2024 | 11.30 a.m. |
| 2. | Relevant Date/ Cut-off date to vote on AGM Resolutions | Wednesday, 11 th September 2024 | - |
| 3. | Book Closure Date- 25 th AGM | Thursday, 12 th September 2024 to Wednesday, 18 th September 2024 | - |
| 4. | Commencement of E-Voting | Sunday, 15 th September 2024 | 9.00 a.m. (IST) |
| 5. | End of E-Voting | Tuesday, 17 th September 2024 | 5.00 p.m. (IST) |



We request you to take this intimation on record.

Thanking you,

Yours faithfully,

FOR INNOVATORS FAÇADE SYSTEMS LIMITED

Vedashri Chaudhari

Company Secretary & Compliance Officer

Membership: A55742

Date: 26.08.2024

Place: Thane





INNOVATORS

Annual Report 2023-24

**TRANSFORMING SKYLINES
WITH EXCELLENCE IN
DESIGN AND PRECISION
IN ENGINEERING**



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TRANSFORMING SKYLINES WITH EXCELLENCE IN DESIGN AND PRECISION IN ENGINEERING





With over two decades of experience, Innovators Façade Systems Limited (Innovators) excels in the design, engineering, fabrication, assembly, erection, and installation of customized facade systems.

Our expertise in façade and fenestration systems is trusted by renowned architects from concept development onward. We are proud of our prestigious Skyscrapers and specialise in streamlined façade solutions for innovative architecture.

Our glass façades, crafted with precision and built to last, stand as testaments to quality and resilience. They endure harsh UV rays, wind, and rain, protecting your space with unwavering strength. Our innovative designs merge sleek elegance with superior insulation, allowing natural light to flow through while overcoming the limitations of traditional walls.

We prioritise sustainability in our façade designs, using technology to create high-performance solutions that reduce energy consumption for lighting and HVAC. We also educate clients on efficiency options like low-e coatings. Our commitment extends beyond our practices as we strive to push the entire industry toward responsible innovation.

2023-24 HIGHLIGHTS

▲ Y-o-Y growth

Financials (Standalone)

₹ 21,511 LAKHS

REVENUE

▲ 18.74%

₹ 3,193 LAKHS

EBITDA

▲ 66.92%

₹ 1,517 LAKHS

PROFIT AFTER TAX

▲ 79.52%

➔ [READ MORE ON PAGE 13](#)



OF BUILDING TIMELESS STRUCTURES

Since our establishment in 1999, we have grown into a leading player in the façade industry by expanding operations, adopting cutting-edge technologies, and gaining industry recognition. Our journey highlights our commitment to quality, safety, and innovation, as evidenced by our numerous awards and strategic advancements.

1999
Company established

2007
Commenced North India operations

2014
Received Certificate of Appreciation from



- Tata Realty for achieving 13.2 million Safe man-hours for project TCS Campus, Pune



- L&T Construction for achieving 9,000 sq. mt. aluminium structure and façade works without any loss time for I-Gate, Airoli project



2015

Won Façade Contractor of the Year (Runner Up) – Construction Week Awards



2016

Commenced South India Operations



2018

- Listed on the Bombay Stock Exchange (SME Platform)
- Secured Lodha World View Project



2019

- Expanded and modernised our production facility, integrating advanced technology
- Backward Integration of production process with in-house set-up of Coating Plant Facility



2024

- Received certificate of appreciation from Lodha Group



2023

- Expansion of production facility at Wada
- Awarded 'Façade Contractor of the Year' – Construction Week Awards

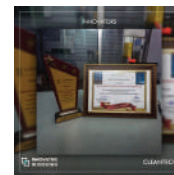


- Awarded 'Best Façade Contractor (Quality) 2023' by Lodha (Luxury and Premium Division)



2022

- Adopted advanced 3D printing prototyping



- Awarded by Lodha Group for 1.5 million safe man-hours at Lodha World View project



- Awarded 'Windows Fabricator of the Year' – Construction Week Awards

ABOUT INNOVATORS FAÇADE SYSTEMS

*Innovators is a leading
Facade and Fenestration
one-stop solution
provider.*

Like all compelling tales of success, Innovators' journey began in 1999 with a vision from our Founder Director, Shri Radheshyam Sharma. This vision gave birth to Innovators. Today, Innovators operates in diverse sectors, including façade and fenestration solutions, boasting an impressive portfolio of prestigious skyscrapers. We stand out as a leader in delivering simplified façade solutions for innovative architecture.

The façade is the primary envelope of a building, and we offer turnkey, customised architectural façade solutions that bring our clients' visions to life. Our façades are engineered to deliver superior performance, capable of withstanding high wind pressures and preventing water penetration through effective drainage systems. Our extensive product range includes unitised structural glazing, curtain walls, frameless glass, windows, doors, railings, louvres, canopies, skylights, dry stone cladding, ACP, HPL, and sheet cladding.

We specialise in innovative architecture and challenging building projects. Our experience spans numerous projects involving specialised materials, complex geometry, and novel structural and

mechanical system designs. Innovators' curtain-wall, facade, and fenestration systems blend cutting-edge design with state-of-the-art materials and performance. With 25 years of rich experience, our expertise lies in the design, engineering, fabrication, assembly, erection, and installation of customised systems.

Renowned architects repeatedly rely on our expertise in façade and fenestration systems from the very concept development stage for their projects. We take pride in our reputation for delivering innovative and efficient façade and fenestration systems of the highest quality, within agreed-upon deadlines and budget allocations.

Over the years, we have become a nationally recognised brand, delivering building envelope solutions of international standards that create value beyond business targets for our clients, consultants, vendors, and society.

KEY FACTS

25

YEARS OF EXPERIENCE

13

AIRPORTS IN INDIA

300+

PROJECTS DELIVERED IN
TWO & HALF DECADES



OUR CORE COMPETENCIES



Design

We have an in-house team of experienced Design Managers, Structural Engineers, Design Leaders and Senior Designers. They specialise in designing systems using industry-preferred tools such as AutoCAD, SolidWorks, Optimiser, STAAD Pro, 3D Printer, REVIT, 3D MAX, AUTO DESK

INVENTOR, ANSYS, GstarCAD, Inventor, Rhino plus, Grasshopper, Navisworks etc. Our expertise includes creating precise fabrication drawings and bills of materials, which significantly save time, costs, and materials.



Infrastructure

Innovators develop cutting-edge products through world-class engineering, utilising high-specification raw materials, third-party material testing, rigorous in-process supervision, inter-processor handover checklists, and stakeholder feedback. Our commitment to excellence is supported by some of the most advanced infrastructural facilities in the country, reflecting our dedication to quality and

innovation across all specialised fields of activity. We have a state-of-the-art manufacturing facility with advanced technology covering over 200,000 sq. ft. in Wada, Maharashtra. Additionally, we also operate assembling and glazing units in Bengaluru, Karnataka for the South Region, and Manesar, Haryana for the North Region.



Installation

Our products are fabricated in our state-of-the-art facility and installed using heavy lifting equipment, rotation loading apparatuses, overhead cranes, EOT cranes, modular racking systems, and other advanced resources. These installations are executed by professionals with decades of

experience, ensuring precision and flawless execution down to the finest detail. By implementing safety measures and maintaining high-quality standards in high-rise projects, we prevent manpower loss and ensure the safety of all individuals.

OUR PORTFOLIO

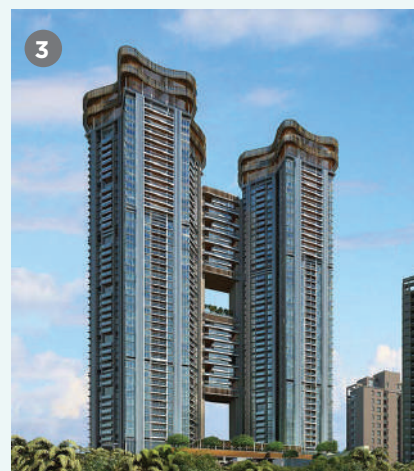
Our portfolio covers the full spectrum of the construction industry in India, from residential and commercial complexes to infrastructure projects. Our clients trust us to deliver innovative solutions within set timelines and budgets for all types of projects.

Residential Projects

The design, fabrication, and installation of facade systems in residential spaces must create an atmosphere of wholesomeness, homeliness, and security. These systems should be engineered for optimal thermal, light, and acoustic insulation, as well as durability. We are honoured to partner with the 89-floor mega residential tower, World View in Mumbai, along with many other residential projects.

Prestigious Projects

1. Lodha World View – Mumbai
2. Raheja Imperia – Mumbai
3. 25 South – Mumbai
4. Salsette 27 – Mumbai



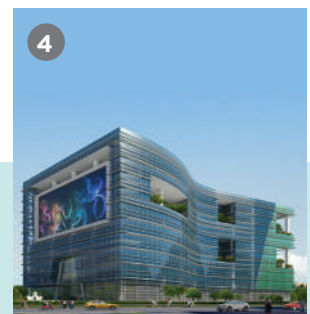
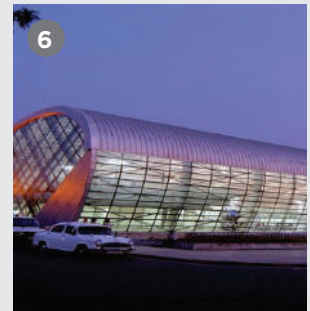


Infrastructure Projects

Over the past decades, Innovators has consistently emerged as the preferred partner for the Airports, Hotels, Malls, Convention Centres etc. Architects, project owners, and government bodies have endorsed our strong commitment to excellence in engineering, fabrication, and installation of all types of facade-oriented products. These projects proudly showcase the resolute infrastructural development of India's ever-growing economy.

Prestigious Projects

1. Hyatt Hotel - Lucknow
2. Taj Santacruz Hotel (GVK) - Mumbai
3. Taj Resorts & Convention Centre - Goa
4. DLF Mall of India - Noida
5. Yashobhoomi Convention Centre- IICC - Delhi
6. Mumbai (Domestic) Airport
7. Embassy Tech Village - Bengaluru



Commercial Projects

Commercial projects need to be visually appealing and structurally sound, providing an atmosphere of credibility and solidity for employees and clients alike. Innovators has proudly partnered with some of the most prestigious and distinctive commercial projects across the country, spanning various industries and functionalities.

Prestigious Projects

1. Reliance Twin Tower - Mumbai
2. Galaxy Tower - Hyderabad
3. RCP-TC 22 - Navi Mumbai
4. Adani Inspire - Mumbai
5. Down Town Taramani - DLF Chennai

OUR CLIENTELE



Architects

Our comprehensive, industry-leading design-assist services have cultivated a loyal client base of architects and leading designers. They consistently rely on Innovators during the concept development phase of projects that incorporate advanced facade technologies.



General Contractors

Our general contracting clients highly appreciate our site management capabilities and our proven track record for meeting the project demands on time and within budget.



Developers

Our rich history of delivering optimal facade solutions, top-quality products, consistent jobsite performance, and competitive pricing has earned us many allies among leading owner and developer firms.



QUALITY

With immense expertise in Design Consultation, Fabrication, Installation, and Maintenance Services, we collaborate with internationally renowned Architects and Consultants.

Our manufacturing capabilities are showcased across various completed projects. The rigorous tests our products undergo reflect the confidence we have in our manufacturing expertise, with quality products being the natural outcome.

Our product quality is benchmarked against the national and international standards, including EN (European Norms), DIN (German Standards), AAMA (American Architectural Manufacturers Association), BS (British Standards), and numerous Indian standards.



CERTIFICATIONS



Member of Indian Green Building Council



ISO 14001:2015



ISO 9001:2015



ISO 45001:2018



Dow Quality Bond™

We are honoured to receive the Best Facade Contractor 2023 (Quality) Award. This recognition reflects our dedication to advancing architectural quality and crafting façades that set a standard of excellence in the industry.

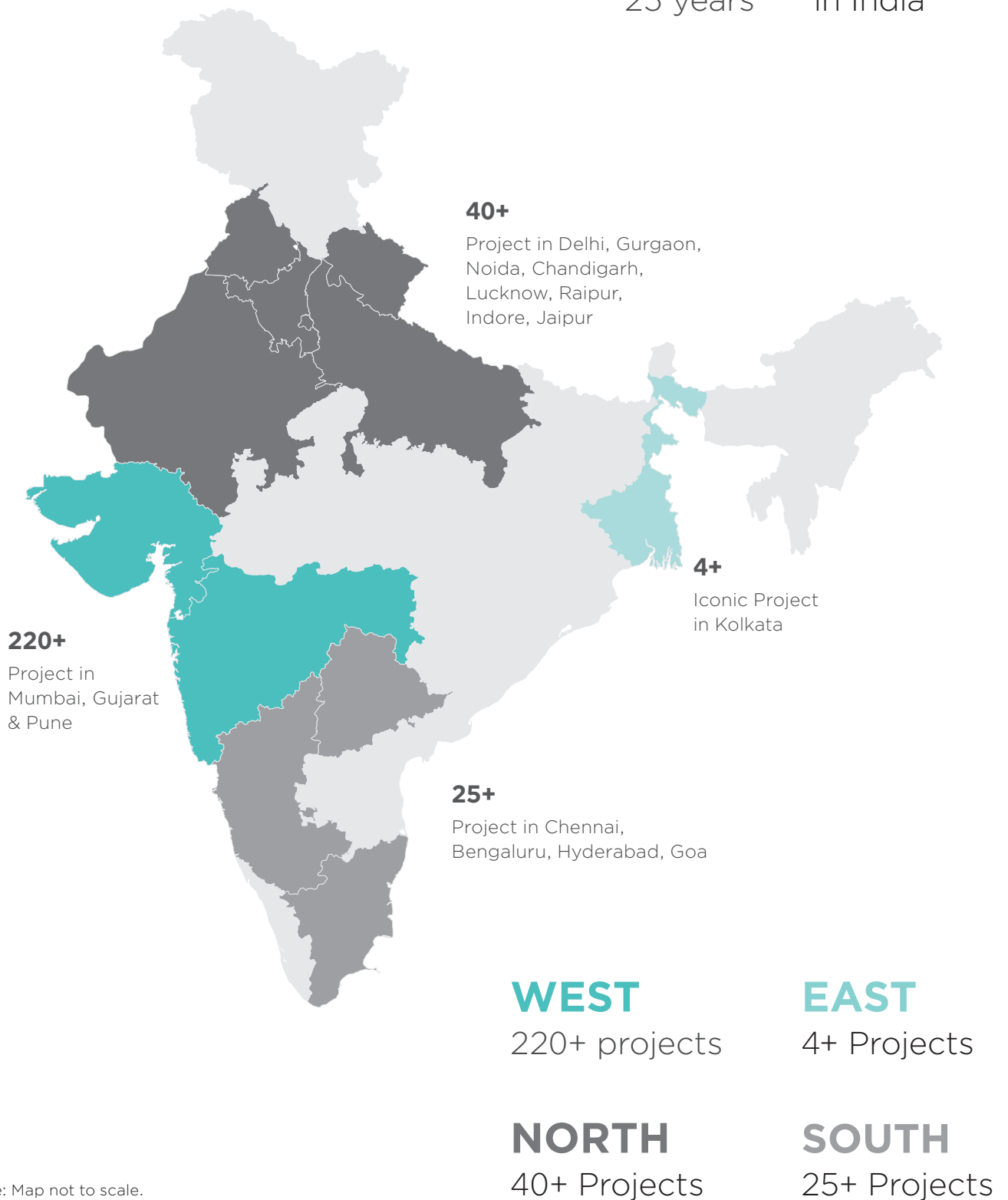
OUR PRESENCE

300+

Project in
25 years

13

Airports
in India



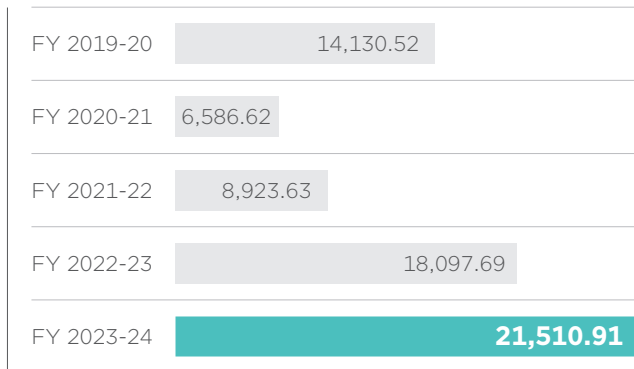
Note: Map not to scale.

KEY PERFORMANCE INDICATORS

Standalone Figures

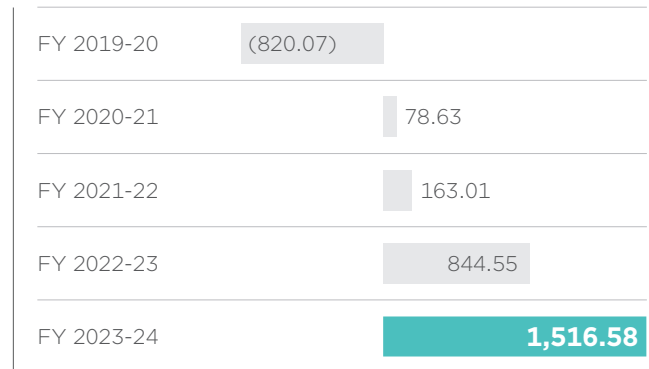
REVENUE

(₹ In Lakhs)



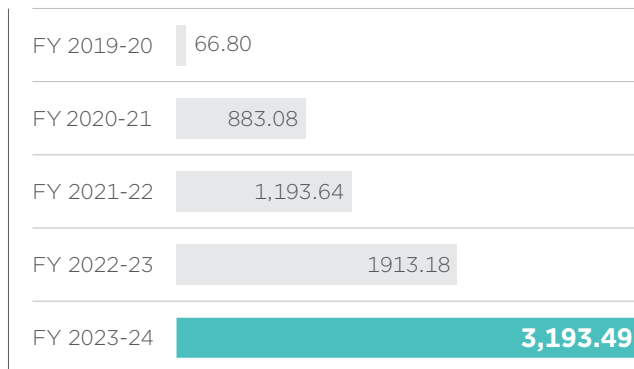
PAT

(₹ In Lakhs)



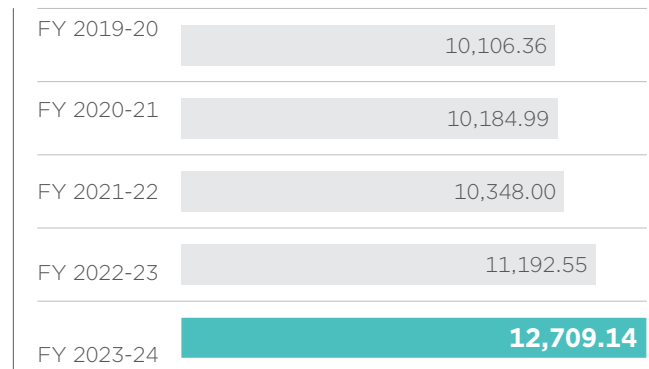
EBITDA

(₹ In Lakhs)



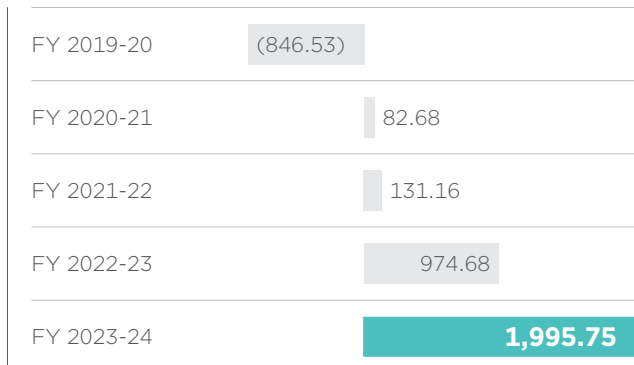
NET WORTH

(₹ In Lakhs)



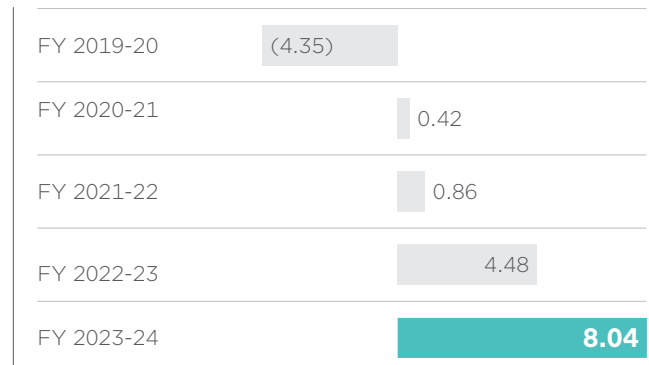
PBT

(₹ In Lakhs)



EPS

(In ₹)



CHAIRMAN & MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

Founded in 1999, the year 2024 marks the Silver Jubilee of your Company. As we celebrate our 25th anniversary, I am delighted to report that your Company has achieved significant milestones in the past year.



Shri Radheshyam Sharma
Chairman & Managing Director

Over the past 25 years, we have navigated various economic cycles and industry transformations, and our commitment to excellence and innovation has remained unwavering.

There is an air of sustained optimism in India even as the world grapples with economic uncertainties. The vision of the Government and the indomitable spirit of Indians seem to be propelling the country forward. India's stable government and proactive policies have created a favourable business environment, enabling us to leverage opportunities and drive growth. The facade industry, our core business, has experienced steady growth, driven by increasing demand for sustainable and energy-efficient buildings. We have successfully capitalised on this trend, expanding our market share and introducing innovative facade solutions.

The outlook for the facade industry remains promising, with the Indian government's focus on smart cities, infrastructure development, and green buildings. We anticipate continued growth in demand for high-performance façades, and our expanded capacity will enable us to meet this demand and further consolidate our market leadership.

Over the past 25 years, we have navigated various economic cycles and industry transformations, and our commitment to excellence and innovation has remained unwavering. During this journey, we have faced many challenges and obstacles, but through our hard work, dedication, and innovation, we have overcome them and achieved remarkable success. We have expanded our footprint, diversified our offerings, and built a strong team of dedicated professionals.

As we look to the future, we remain committed to contributing to India's economic progress and social development. Our focus on sustainability, innovation, and customer satisfaction aligns with the government's vision for a resilient and prosperous future.



As I reflect on the past year, I am proud to report that our company has made significant progress in achieving our strategic objectives. Despite the challenges posed by global economic conditions, we have demonstrated resilience and determination, and our efforts have yielded impressive results.

Your Company has recorded revenues of ₹ 21,511 lakhs during 2023-24, registering a growth of 18.74%. The growth was aided by improved project execution backed by strong order book. A healthy consolidated profit after tax at ₹ 1,526 lakhs, represents a growth of 81.00% over the previous year.

To meet the growing demand and future requirements, we have undertaken significant capacity expansion initiatives during the past year, including increasing our production capacity, technological advancements and increase in human resources.

I congratulate to all the shareholders, employees, vendors, bankers etc. on reaching this remarkable milestone of 25 years with us! Your loyalty, leadership, and expertise have been an integral part of our journey and success. I would like to express my immense gratitude for your support and trust in our Company. We are excited about the opportunities ahead and look forward to continuing to create value for all our stakeholders.

Regards,

Shri Radheshyam Sharma
Chairman & Managing Director

PEOPLE

Our employees are the cornerstone of our success, driving our organisation forward. At Innovators, we cultivate a secure and inclusive environment that recognises their valuable contributions. We enhance their skills and support their personal and professional growth through various initiatives and programmes. Our supportive workplace values and respects employees, promotes work-life balance with flexible arrangements, and offers opportunities for relaxation.





Employee Experience

Listening to our people helps us to create an environment and experiences that support our employees. It provides an environment where our people are recognised and rewarded for living our values and building the culture, we need to create the best places. We continuously communicate and engage with our people in designing and evolving the way we work to foster greater enterprise-wide collaboration, continuous learning and open and transparent dialogue. We continuously try to strive to surpass replace with We strive to surpass our own benchmarks in matters of enhancing employee experience through greater engagement and connect.

Investing in Skills and Development

Our success and market leadership can be attributed largely to the skills and capacity of a talented workforce. The leadership consistently provides effective skill development opportunities for employees through various training and development programmes.



Safety

Safety is at the core of facilitating enhanced workforce productivity, which culminates in improved operational efficiencies. We prioritise our employees' safety by equipping them with advanced safety gear and maintaining a secure working environment. Regular mock drills ensure team preparedness, while ongoing safety training sessions focus on hazard recognition and accident prevention specific to working with glass façades.

BOARD OF DIRECTORS

Mr. Radheshyam Sharma

Chairman and Managing Director

C A

Mr. Radheshyam Sharma is the Promoter, Chairman, and Managing Director of the Company. Appointed as a director since its incorporation, he has been serving as Managing Director since February 17, 2018. Mr. Sharma holds a Diploma in Civil Engineering from the Board of Technical Education Rajasthan, and brings around 30 years of experience in the façade industry. As the driving force behind the Company's strategic decisions, he oversees the overall management and operations, guiding the organisation toward its goals.

Mr. Raman Sharma

Whole Time Director & CEO

C

Mr. Raman Sharma is the Whole-Time Director and Chief Executive Officer of the Company. He holds a Bachelors in Civil Engineering and has approximately 20 years of experience in the façade industry. He is an expert in façade work, glazing systems, and overall business development of the Company.

Mr. Shivchand Sharma

Non-Executive Non-Independent Director

C N

Mr. Shivchand Sharma has been appointed as a director of the Company with effect from January 8, 2018. He has experience in the field of business administration and project management

Mr. Sunil Deshpande

Independent Director

A N S

Mr. Sunil Deshpande holds a degree of Bachelor of Science. He has a rich professional experience of 45 years at various positions and diverse product groups. He has been instrumental in successfully putting up several projects and running them. Currently, he is also working as a project consultant for the past 11 years. He also possesses experience in the field of finance and taxation.

Mr. Subhash Chand Gupta

Independent Director

A N S C

Mr. Subhash Chand Gupta is a B.Tech in Civil Engineering from Bangalore University. He possesses experience in the field of project management and has strong leadership skills

Ms. Poonam Bhati

Independent Director

A C N S

Ms. Poonam Bhati holds a Bachelor's in Arts from the University of Rajasthan. She brings extensive experience in administration and possesses strong leadership skills.

A Audit Committee | **C** Corporate Social Responsibility Committee | **N** Nomination and Remuneration Committee

S Stakeholders Relationship Committee | **●** Chairman | **●** Member



MANAGEMENT TEAM



Mr. Radheshyam Sharma
Chairman and Managing Director



Mr. Raman Sharma
Whole Time Director & CEO -
West Regional Head



Mr. Shivchand Sharma
Non-Executive Non-Independent Director



Mr. Narendra Sharma
North Regional Head



Mr. Rohit Sharma
South Regional Head



Ms. Priti Sharma
Chief Financial Officer



NOTICE

of 25th Annual General Meeting

NOTICE IS HEREBY GIVEN THAT THE TWENTY FIFTH ANNUAL GENERAL MEETING OF THE MEMBERS OF INNOVATORS FAÇADE SYSTEMS LIMITED WILL BE HELD ON WEDNESDAY, 18TH SEPTEMBER, 2024 AT 11.30 A.M. THROUGH VIDEO CONFERENCING (“VC”) OR OTHER AUDIO-VISUAL MEANS (“OAVM”) TO TRANSACT THE FOLLOWING BUSINESS.

THE VENUE OF THE MEETING SHALL BE DEEMED TO BE THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 204, B-65, SECTOR NO. 1, SHANTI NAGAR, MIRA ROAD (EAST), THANE 401107.

ORDINARY BUSINESS:

- 1. To consider and adopt the Audited Standalone Financial Statements and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024, the Reports of the Board of Directors and Independent Auditor’s Report thereon;**
- 2. To appoint a director in place of Mr. Shivchand Sharma (DIN: 00298265), who retires by rotation and being eligible, seeks re-appointment;**
- 3. To appoint the Statutory Auditors of the Company and to fix their remuneration**

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 provisions of Sections 139, 142 and all 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) and pursuant to the recommendations of the Audit Committee, the M/s. DMKH & Co., Chartered Accountants (Firm Registration No.116886W), be and are hereby appointed as Statutory Auditors of the Company in the place of retiring statutory auditors M/S. SGCO & Co. LLP, Chartered Accountants, for a term of 5 (Five) years, to hold office from the conclusion of this 25th Annual General Meeting till the conclusion of Annual General Meeting to be held in the Financial Year 2029-30, on such terms and remuneration as mutually agreed upon between the said Auditors and the Board of Directors of the Company.

RESOLVED FURTHER THAT Mr. Radheshyam Sharma, Managing Director or Ms. Vedashri Chandrashekhar Chaudhari, Company Secretary and Compliance officer of the company, be and is hereby authorized to sign and submit the necessary application and forms with appropriate authorities and to perform all such acts, deeds and things as they may in their absolute discretion

deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to aforesaid resolution.”

SPECIAL BUSINESS:

- 4. To appoint M/s. Y.R. Doshi & Co., Cost Accountants, Mumbai (FRN: 000003) as Cost Auditors for financial year 2024-25 :**

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, 2025, be paid the remuneration of ₹ 35,000/- (Rupees Thirty Five 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.

RESOLVED FURTHER THAT Mr. Radheshyam Sharma, Managing Director or Ms. Vedashri Chandrashekhar Chaudhari, Company Secretary and Compliance officer of the company, be and is hereby authorized to sign and submit the necessary application and Forms with appropriate authorities and to perform all such acts, deeds and things as they may in their absolute discretion deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to aforesaid resolution.”

- 5. To approve Material Related Party Transaction(s) between the Company with Innovators Contracting Works Private Limited (ICWPL) [identified as an Associates of the Wholly-Owned Subsidiary Company named Innovators Engineering Works Private Limited] u/s. 188 of the Companies Act, 2013 and rules made thereunder :**

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 provisions of sec 188 of the Companies Act 2013, section 2(76),

and other applicable provisions of the Companies Act, 2013 ('the Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], applicable SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/ or permission(s), as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for the Material Related Party Transaction(s)/ Contract(s) / Arrangement(s) / Agreement(s) entered into / proposed to be entered into (whether by way of an individual transaction or transactions taken together or a series of transactions or otherwise), as mentioned in detail in the Explanatory Statement annexed herewith, of the Company with Innovators Contracting Works Pvt Limited ('ICWPL'), an Associate of Innovators Engineering Works Private Limited, the Wholly Owned Subsidiary (WOS) of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and ICWPL, for an aggregate value of not exceeding ₹ 60 crore during the financial year 2024-25, provided that such transaction(s) / contract(s) / arrangement(s) / agreement(s) is/are carried out at an arm's length pricing basis and in the ordinary course of business.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including but not limited to, finalizing the terms and conditions, methods and modes in respect of executing necessary documents, including contract(s) / arrangement(s) / agreement(s) and other ancillary documents; seeking necessary

approvals from the authorities; settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all such decisions from powers herein conferred; and delegate all or any of the powers herein conferred to any Director, Chief Financial Officer or any other Officer / Authorised Representative of the Company, without being required to seek further consent from the Members and that the Members shall be deemed to have accorded their consent thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in this Resolution, be and is hereby approved, ratified and confirmed in all respects."

6. To approve increase in overall borrowing limits of the Company as per Section 180 (1) (c) of the Companies Act, 2013 and rules made thereunder:

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

"RESOLVED THAT in super session of the resolution passed by the shareholders of the Company on 17/02/2018 and pursuant to Section 180(1)(c) of the Companies Act, 2013, and the rules thereunder, and the Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company for borrowing, from time to time, any sum or sums of monies which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, provided that the total amount so borrowed by the Company shall not at any time exceed ₹ 400 Crores or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required to give effect to this Resolution."

Date: 16th August, 2024
Place: Thane

By Order of the Board

Registered Office:
204, Bldg No. B-65, Jaydeep Shanti
Nagar Co-Op Hsg Socty, Sector 1,
Mira Road - (East), Thane - 401107

Sd/-
Vedashri Chaudhari
Company Secretary

NOTICE

NOTES TO NOTICE

1. The Statement as required under Section 102 of the Companies Act, 2013 ("the Act") is annexed to the Notice.
2. The Ministry of Corporate Affairs ("MCA") has vide its circular dated 14th December, 2022 in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" read with General Circular No. 20/ 2020 dated 05th May, 2020, the General Circular No. 17/ 2020 dated 13th April, 2020, General Circular No. 33/2020 dated 28th September, 2020, General Circular No. 39/2020 dated 31st December, 2020 and General Circular No. 02/2022 dated 13th January, 2022 (collectively referred to as "MCA Circulars") and General Circular No. 09/2023 dated 25th September, 2023 permitted the Companies to hold their Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the current AGM of the Company is being held through VC / OAVM. The deemed venue for the 25th AGM will be the registered office of the Company. The procedure for joining the AGM through VC/ OAVM is mentioned in this Notice.
3. Since this AGM is being held pursuant to the MCA Circulars 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 and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/ OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode thirty minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first served basis.
5. 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.
6. The Company has appointed Mrs. Priti Jajodia (Practising Company Secretary), having COP no. 19900 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.
7. 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.
8. 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.
9. 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 cutoff date i.e. Wednesday, 11th September, 2024 ("cut-off date").
10. A person who is not a member as on Wednesday, 11th September, 2024 should treat this Notice for information purposes only.
11. A person, whose name is recorded in the Register of Members / Beneficial Owners list maintained by the depositories as on Wednesday, 11th September, 2024 only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.
12. Register of Members and Share Transfer Books will remain closed Thursday, 12th September, 2024 to Wednesday, 18th September, 2024 (both days inclusive).
13. 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.
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.

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 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, the Notice calling the AGM along with the Annual Report for 2023- 24 (“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 Exchange 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, 18th September, 2024. Members seeking to inspect such documents are requested to write to the Company at investors@innovators.in

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.4 to no.6 of the Notice dated 16th August, 2024 and the same should be taken as forming part of the notice.

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, 2025 at a remuneration of ₹. 35,000/- (Thirty-Five 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, 2025 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 item No. 4.

Item No. 5

Details of the proposed RPTs of the Company with Innovators Contracting Works Private Limited ('ICWPL'), identified as associates of wholly owned subsidiary Company named Innovators Engineering Works Private Limited, including the information required to be disclosed as part of the Explanatory Statement pursuant to sec 188 of the Companies Act 2013 and other applicable provisions if any, are as follows:

| Sr. No. | Description | Details of proposed RPTs between the Company and ICWPL |
|----------------|---|---|
| 1 | Summary of information provided by the Management to the Audit Committee for approval of the proposed RPTs: | |
| a. | Name of the Related Party and its relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise) | ICWPL is a private associate company of IEWPL, the WOS of the Company and consequently, a related party of the Company. The Company avails sub-contracting services for production and installation of façade & other façade related products of the company at a price negotiated between the Company & ICWPL. Also the company supplies the products of Clean room panel and fire doors to ICWPL at a price negotiated between the Company & ICWPL. Also, a rent for the adjoining land area along with structure at Wada Factory taken on Lease. |
| b. | Type, material terms, tenure, monetary value and particulars of the proposed RPTs | The Company has undertaken/proposed to undertake RPTs with ICWPL. The RPTs involve purchase & sale of goods / raw materials and availing of services during FY 2024-25 for an aggregate value not exceeding ₹ 60 crore. |
| c. | Percentage of the Company's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed RPTs | 27.89 % |
| 2. | Justification for the proposed RPTs | One of the important objectives of the Company is to meet the business requirements and use the expertise of manufacturing and installation of system façade & project execution. In light of above and other commercial factors, aforementioned transactions are undertaken, which will help both the companies to smoothen business operations and also ensure a consistent flow of desired quality and quantity of materials for smooth project execution & uninterrupted operations. |
| 3. | Details of proposed RPTs relating to any loans, inter-corporate deposits, advances or investments made or given by the Company or its subsidiary. | |
| a. | Details of the source of funds in connection with the proposed transaction | Not applicable |
| b. | Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments: - Nature of indebtedness - Cost of funds and - Tenure | Not applicable |



| Sr. No. | Description | Details of proposed RPTs between the Company and ICWPL |
|---------|---|---|
| c. | Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security | Not applicable |
| d. | The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT | Not applicable |
| 4. | Arm's length pricing and a statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder | The pricing mechanism followed for proposed RPTs shall be based on Arm's Length Principle as applicable. |
| 5. | Name of the Director or Key Managerial Personnel ('KMP') who is related, if any and the nature of their relationship | None, except Mr. Rohit Sharma and Mrs. Koshangi Sharma, the relatives of the Chairman & Managing Director Mr. Radheshyam Sharma, are interested as Directors & Shareholders of the ICWPL. |
| 6. | Any other information that may be relevant | All relevant information is mentioned in the Explanatory Statement setting out material facts, pursuant to Section 102(1) of the Act, forming part of this Notice. |

None of the other Directors, KMPs and/ or their respective relatives except disclosed above is in any way, concerned or interested, financially or otherwise, in the Resolution mentioned at Item No. 5 of the Notice.

Based on the approval of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No. 5 of the Notice convening the AGM for approval by the Members.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote on the Ordinary Resolution set forth at Item No. 5 of the Notice, whether the entity is a Related Party to the particular transaction or not.

Item No. 6

Considering the funding requirements of the Company and the increased operations for both short term as well as long term and for general corporate purposes or capital expenditure or investments, the Company may require to borrow from time to time by way of loans and/or issue of bonds, debentures or other securities and the existing approved limit may likely to be exhausted in near future and it is therefore recommended to enhance the borrowing limits of the Company up to ₹ 400 Crores (FOUR HUNDRED CRORES ONLY).

Pursuant to Section 180(1) (c) of the Companies Act 2013, the Board of Directors of a Company shall exercise the powers to borrow money where the money to be borrowed, together with the money already borrowed by the Company exceeds the aggregate of its paid-up share capital and free reserves (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) only with the consent of the Company by a special resolution.

Accordingly, it is proposed to seek the approval of the shareholders to increase the borrowing limits to ₹ 400 Crores (apart from temporary loans obtained from Company's bankers in the ordinary course of business) under Section 180(1) (c) of the Companies Act, 2013 by way of a Special Resolution.

None of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the resolution, except to the extent of their equity holding in the Company.

The Board of Directors of your Company recommends the Special Resolution for approval of the Shareholders.

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

The voting period begins on Friday, 13th September, 2024 at 9.00 a.m. (IST) and ends on Sunday, 15th September, 2024 at 05.00 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 Monday, 09th September, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

NOTICE

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on “Beneficial Owner” icon under “Login”.
- b) Enter user id and password. Post successful authentication, click on “Access to e-voting”.
- c) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp> “
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the “Login” tab available under ‘Shareholder/Member’ section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be redirected to NSDL depository website wherein you can see “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL.

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.



INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE WITH DEPOSITORY PARTICIPANT:

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

LOGIN METHOD FOR INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN PHYSICAL FORM/ NON-INDIVIDUAL SHAREHOLDERS HOLDING SECURITIES IN DEMAT MODE IS GIVEN BELOW:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID:

Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders 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 holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

*Shareholders holding shares in NSDL form, shall provide ‘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).
3. Click on ‘Login’ under ‘SHARE HOLDER’ tab.
 4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘Submit’.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select ‘View’ icon.
2. E-voting page will appear.
3. 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).
4. 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.

Guidelines for Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person’s email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section

NOTICE

- c) Map the Investor with the following details:
- 'Investor ID' -
 - Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - 'Investor's Name' - Enter full name of the entity.
 - 'Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - 'Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be - DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- d) Click on Submit button and investor will be mapped now.
- e) The same can be viewed under the "Report Section".

STEP 3 - Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- Click on 'Votes Entry' tab under the Menu section.
- Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote before the start of remote voting.
- Enter '16-digit Demat Account No.' for which you want to cast vote.
- 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).
- 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. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 - 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cDSLindia.com or contact at toll free no. 1800 22 55 33 |

Forgot Password:

Individual shareholders holding securities in physical form has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>



- Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders 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 a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on **'Login'** under **'Corporate Body/Custodian/Mutual Fund'** tab and further Click **'forgot password?'**
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders 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 a minimum of 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and

Forget Password option available at abovementioned depository/ depository participants website.

- 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 this 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".

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> & Click on "Login".

• Select the "Company" and 'Event Date' and register with your following details: -

- A. 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).

Instructions for Shareholders/ Members to Speak during the 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.

NOTICE

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 General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer 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 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 General Meeting will be eligible to attend/ participate in the 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 AT THE FORTHCOMING AGM

[Particulars of the Director seeking appointment / re-appointment at the ensuing Annual General Meeting pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and Secretarial Standards on the General Meeting.]

| | |
|--|---|
| Name of the Director | Mr. Shivchand Sharma |
| DIN | 00298265 |
| Designation | Non-Executive Non-Independent Director |
| Date of Birth | 07-03-1947 |
| Age | 77 Years |
| Date of Appointment on current position | 08-01-2018 |
| Nationality | Indian |
| Qualifications | Grade-9 |
| Expertise in specific Functional Areas | Business Administration & Project Management |
| Directorships held in other public companies (excluding foreign companies and Section 8 companies) | NIL |
| Memberships/ Chairmanships of committees of other public companies (Audit Committee and Stakeholders' Relationship Committee considered) | NIL |
| Chairman/Member of Committee of other Company | NIL |
| Shareholding of Non-Executive Non-Independent Director | 1,600 |
| Disclosure of relationships between directors inter-se | Father of Mr. Radheshyam Sharma, Managing Director of the Company and Mr. Raman Sharma, Whole Time Director and Chief Executive Officer of the Company. |
| Remuneration last drawn (including sitting fees, if any) for the financial year 2023-24 | NIL |

DIRECTORS REPORT

To,
The Members,
Innovators Façade Systems Limited

The year 2024 marks the Silver Jubilee of our Company, celebrating 25 years of immense hard work & dedication in the creation of legacy of this Company. Your directors are presenting Twenty Fifth Annual Report on the operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2024.

1. FINANCIAL STATEMENTS & RESULTS:

I. FINANCIAL RESULTS:

The Company's performance for the year ended 31st March 2024 as compared to the previous financial year, is summarized below:

(₹ In Lakhs)

| Particulars | Standalone | | Consolidated | |
|--------------------------------------|------------|-----------|--------------|-----------|
| | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Revenue from Operations | 21,510.91 | 18,097.69 | 21,510.91 | 18,097.69 |
| Other Income | 348.92 | 111.78 | 349.52 | 93.03 |
| Total Revenue | 21,859.83 | 18,209.47 | 21,860.43 | 18,190.72 |
| EBITDA | 3,193.49 | 1,913.18 | 3,204.57 | 1,908.75 |
| Finance Cost | 832.62 | 643.51 | 832.62 | 641.50 |
| Depreciation | 365.12 | 294.99 | 365.12 | 294.99 |
| Profit Before Tax | 1,995.75 | 974.68 | 2,006.83 | 972.26 |
| Current & Deferred Tax | 479.17 | 130.13 | 480.39 | 130.13 |
| Profit After Tax | 1,516.58 | 844.55 | 1,526.44 | 842.13 |
| Financial Ratios | | | | |
| EBITDA (% of Revenue from Operation) | 14.85 | 10.57 | 14.90 | 10.54 |
| PBT (% of Revenue from Operation) | 9.28 | 5.39 | 9.33 | 5.37 |
| PAT (% of Revenue from Operation) | 7.05 | 4.67 | 7.10 | 4.65 |

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, 2024.

A. Revenue from Operations

During FY 2023-24, the Company has recorded total revenue of ₹ 21,510.91 lakhs from its façade business. A growth of around 18.74 % as compared to previous financial year.

B. EBITDA

EBITDA (Standalone) for the current financial year has increased to ₹ 3,193.49 lakhs from ₹ 1,913.18 lakhs in previous financial year. EBITDA as a % of Revenue has shown a growth from 10.57% to 14.85%. Consolidated EBITDA in current financial year has increased to 3,204.57

lakhs from 1,908.75 lakhs in previous financial year.

C. Net Margin / Profit After Tax

Profit after Tax has increased to ₹ 1516.58 lakhs in FY 2023-24 as compared to ₹ 844.55 lakhs in previous financial year. Net Margin Ratio (Net profit after tax to turnover) in FY 2023-24 is 7.05 % against 4.67 % in FY 2022-23. Consolidated Profit after Tax in current financial year has increased to ₹ 1,526.44 lakhs from ₹ 842.13 lakhs in previous financial year.

D. Debtors Turnover

Debtors Turnover Ratio in FY 2023-24 is 17.51 % against 19.07 % in FY 2022-23.

E. Return on Net Worth

Return on Net Worth in FY 2023-24 is 11.93 % against 7.55 % in FY 2022-23



2. DIVIDEND:

In order to conserve the resources of company, the directors are not recommending any dividend for the FY 2023-24.

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:

Pursuant to Section 134(3)(a) and Section 92(3) of the Act read with Companies (Management and Administration) Rules, 2014, the Annual Return of the Company in Form MGT-7 has been placed on the Company's website 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 | Wholly Owned Subsidiary Company |
| 2. | Innovators Façade Solutions (West) Private Limited | Wholly Owned Subsidiary Company (struck-off w.e.f 27.06.2024) |
| 3. | Innovators Façade Solutions (South) Private Limited | Wholly Owned Subsidiary Company (struck-off w.e.f 27.06.2024) |
| 4. | Innovators Façade Solutions (North) Private Limited | Wholly Owned Subsidiary Company (struck-off w.e.f 27.06.2024) |
| 5. | Innovators Contracting Works Private Limited | Associates of the Wholly Owned Subsidiary Company - Innovators Engineering Works Private Limited (w.e.f. 31 st October, 2023) |

Further, a statement containing the salient features of the financial statement of subsidiary Company in the prescribed format AOC 1 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 the Company on <http://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:

Due to various technical difficulties in mobilizing the required resources, region specific business operations could not commence in 3 (three) wholly owned subsidiary Companies (non-functional and non-material) namely, Innovators Façade Solutions (West) Private Limited, Innovators Façade Solutions (South) Private Limited and Innovators Façade Solutions (North) Private Limited, since their incorporation in F.Y. 2022-23. These subsidiary Companies have applied for strike off during the year and were approved by the Ministry of Corporate Affairs. The initial Investments in equity shares of these Companies total amounting to ₹ 3 lakh (₹ 1 lakh in each) have been written off by the Company.

Apart from this, no other 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, 2024 to which these financial statements relate and the date of this report.

8. 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 and 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.

9. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES:

Transactions/Contracts/ arrangements, falling within the purview of provisions of Section 188(1) of the Companies Act, 2013, entered by the Company with related parties as defined under the provisions of Section 2(76) of the Act, during

DIRECTORS REPORT

the financial year under review, were in ordinary course of business and have been transacted at arm's length basis. During the year under review, all contracts / arrangements / transactions entered into by the Company with related parties were approved by the Audit Committee and Prior omnibus approval is obtained for related party transactions which are repetitive in nature and entered in the ordinary course of business and on arm's length basis.

Accordingly, the disclosure of related party transactions as required under Section 134(3) (h) of the Act in Form AOC-2 is not applicable to the Company for FY 2023-24 and hence does not form part of this report. The Policy on dealing with Related Party Transactions may be accessed on the Company's website at the link: <http://innovators.in/investors-corner/>

10. 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.

11. 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

13. SHARE CAPITAL:

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

| Particulars | As at 31st March 2024 | | As at 31st March 2023 | |
|---|-----------------------|---------------|-----------------------|---------------|
| | Number of Shares | Amount (In ₹) | Number of Shares | Amount (In ₹) |
| (a) Authorised Capital: | | | | |
| Equity Shares of ₹ 10/- each | 2,10,00,000 | 21,00,00,000 | 2,10,00,000 | 21,00,00,000 |
| (b) Issued, Subscribed & Paid-up Capital: | | | | |
| Equity Shares of ₹ 10/- each | 1,88,67,808 | 18,86,78,080 | 1,88,67,808 | 18,86,78,080 |

14. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:

I. BOARD OF DIRECTORS:

The composition of the Board as on 31st March, 2024 is in conformity with the provisions of the Companies Act, 2013.

The Board of Directors met thirteen times during the financial year under review on 08th May 2023, 29th May 2023, 11th July 2023, 31st July 2023, 14th September 2023, 09th November 2023, 12th December 2023, 19th January 2024, 29th February 2024, 16th March 2024, 19th March 2024, 28th March 2024 and 30th March 2024.

regulators or courts or tribunals impacting the going concern status and company's operations in future.

12. 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 reappointment. Necessary resolution for his re-appointment is included in the Notice of 25th 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.

Following changes were recorded in the composition of KMP of the Company:-

| NAME | DESIGNATION | APPOINTMENT/DATE OF EVENT | |
|---------------------------------------|-------------------|---------------------------|----------------------------------|
| | | RESIGNATION | EVENT |
| Mrs. Radhika Agarwal | Company Secretary | Resignation | 30 th November, 2023. |
| Ms. Vedashri Chandrashekhar Chaudhari | Company Secretary | Appointment | 12 th December, 2023. |



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 | 2 |
| Non-executive | |
| Non-executive Non-Independent Director | 1 |
| Non-executive Non-Independent Director (Woman Director) | 0 |
| Non-executive Independent Director (Woman Director) | 1 |
| Non-executive Independent Director | 2 |
| Total | 6 |

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

II. 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:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee
- Corporate and Social Responsibility Committee

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

A. 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 27th April 2023, 29th May 2023, 11th July 2023, 14th September 2023, 09th November 2023 and 16th March 2024.

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, financial performance and 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. | Mr. Subhash Chand Gupta | Non-Executive Independent Director | Chairman |
| 2. | Mr. Sunil Krishnarao Deshpande | Non-Executive Independent Director | Member |
| 3. | Mrs. Poonam Bhati | Non-Executive Independent Director | Member |
| 4. | Mr. Radheshyam Sharma | Managing Director | Member |

The Members of the Audit Committee are financially literate and have requisite accounting and financial management expertise. The Audit Committee Policy of the Company is hosted on the Company's

DIRECTORS REPORT

Website at: <http://innovators.in/investors-corner/>

B. 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 Twice on 08th May 2023 and 12th December 2023.

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. | Mr. Subhash Chand Gupta | Non-Executive Independent Director | Chairman |
| 2. | Mr. Sunil Krishnarao Deshpande | Non-Executive Independent Director | Member |
| 3. | Mrs. Poonam Bhati | Non-Executive Independent Director | Member |
| 4. | Mr. 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/>

C. 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 (2) times on 29th May 2023 & 09th November 2023.

I. Terms of Reference/Policy:

Apart from all the matters provided under section 178 of the Companies Act, 2013. The Stakeholders 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 Stakeholders Relationship Committee:

Composition of Stakeholders Relationship Committee is as follows:

| SR NO. | NAME | CATEGORY | DESIGNATION |
|--------|--------------------------------|------------------------------------|-------------|
| 1. | Mr. Subhash Chand Gupta | Non-Executive Independent Director | Chairman |
| 2. | Mr. Sunil Krishnarao Deshpande | Non-Executive Independent Director | Member |
| 3. | Mrs. Poonam Bhati | Non-Executive Independent Director | Member |

The Stakeholders Relationship Committee Policy of the Company is hosted on the Company's Website at: <http://innovators.in/investors-corner/>

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to provisions of section 135 of the Companies Act, 2013 during the year under review, Corporate Social Responsibility Committee Meeting was held by the Company on 29th February, 2024. The details as per the provisions of Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 is annexed herewith as "Annexure II" 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.

15. 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.

16. 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 30th March, 2024. 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.

17. 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: innovators.in/investors-corner/.

18. 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.

19. 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.

20. 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 program also seeks to update the Directors on the roles, responsibilities, rights and duties under the Act and other statutes.

21. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

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 III” to this Report.

22. 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.

23. AUDITORS AND REPORTS:

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

i. STATUTORY AUDITOR'S APPOINTMENT:

At the Annual General Meeting of the Company held on 27th September, 2021, 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 three years [i.e., till the conclusion of Annual General Meeting to be held in Financial Year 2024-2025], accordingly the term of appointment has come to an end. Hence, fresh appointment resolution is being proposed for appointment of Statutory Auditors of M/S DMKH & Co., Chartered Accountants, bearing (Firm Registration Number 116886W) for a term of 5 years to hold office from the conclusion of this 25th Annual General Meeting till the conclusion of Annual General Meeting to be held in the Financial Year 2029-30.

ii. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2024:

The auditor's report for the financial year ended 31st March, 2024 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.

24. 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 2023-24 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.

25. INTERNAL AUDITORS:

During the financial year under review, M/s. Omprakash Gehlot & Co. Chartered Accountants (Firm Registration Number 137081W.), Internal Auditors of the Company has carried the Internal Audit and submitted their Report thereon as per the provisions of Section 138 of Companies Act, 2013.

26. COST AUDITORS:

The provisions of section 148(1) of the Companies Act, 2013 are applicable to the Company and accordingly the Company has maintained cost accounts and records for the year ended March 31, 2024. The Cost Auditors of the Company M/S. Y. R. Doshi & Co., have carried out the Cost Audit for the financial year ended March 31, 2024 and submitted their Report thereon and filed with Ministry of Corporate Affairs.

Pursuant to the provisions of section 148 of the Companies Act, 2013 and as per the Companies (Cost Records and Audit) Rules, 2014 and amendments thereof, the Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Y.R. Doshi & Co., Cost Accountants, as the Cost Auditors for the Company for the financial year ending March 31, 2025 at a remuneration of ₹ 35,000 plus taxes and out of pocket expenses.

A proposal for ratification of remuneration of the Cost Auditor for the FY 2024-25 is placed before the Shareholders for approval in the ensuing Annual General Meeting

27. 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 | Company lays great emphasis on saving consumption of energy. |
| Steps taken for utilizing alternate sources 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, wherever possible. |
| 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:

| Particulars | (Amount in Lakhs.) | |
|----------------------------------|--------------------|------------|
| | FY 2023-24 | FY 2022-23 |
| Actual Foreign Exchange earnings | NIL | Nil |
| Actual Foreign Exchange outgo | 9.99 | 147.29 |

28. 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.

29. 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.

30. PREVENTION OF SEXUAL HARASSMENT POLICY:

The Company has in place Prevention of Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-24:

- No of complaints received: Nil
- No of complaints disposed of: N.A.

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:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- There is no change in the nature of the business of the company.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

32. 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:

- That in the preparation of the annual accounts, the applicable accounting

DIRECTORS REPORT

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

Date: 16th August, 2024
Place: Thane

Registered Office:
204, Bldg No. B-65, Jaydeep Shanti
Nagar Co-Op Hsg Socty, Sector 1,
Mira Road - (East), Thane - 401107

and that such systems were adequate and operating effectively.

33. GREEN INITIATIVE:

Electronic copies of the Annual Report 2023-24 and the Notice of the 25th AGM are sent to all members whose email addresses are registered with the Company / Depository Participant(s).

34. 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.

For and on behalf of the Board

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
Whole Time Director & CEO
DIN: 01484372

ANNEXURE I

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 Lakhs)

| Sr. No. | Particulars | Details of Subsidiary |
|---------|--|--|
| 1. | Name of the subsidiary | Innovators Engineering Works 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. | INR |
| 4. | Share capital | 38.32 |
| 5. | Reserves & surplus | 1836.64 |
| 6. | Total assets | 1875.36 |
| 7. | Total Liabilities | 0.41 |
| 8. | Investments | 1560.41 |
| 9. | Turnover | - |
| 10. | Profit/Loss before taxation | (1.98) |
| 11. | Provision for taxation/Deferred Tax/Current Tax | (1.21) |
| 12. | Profit/Loss after taxation | (3.19) |
| 13. | Proposed Dividend | - |
| 14. | % of shareholding | 100 |

1. Names of subsidiaries which are yet to commence operations- NIL

1. Names of subsidiaries which have been liquidated or sold or strike off during the year- 3

1. Innovators Façade Solutions (West) Private Ltd.,
2. Innovators Façade Solutions (North) Private Ltd.
3. Innovators Façade Solutions (South) Private Ltd

DIRECTORS REPORT

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 | Innovators Contracting Works Private Limited |
| 1. Latest audited Balance Sheet Date | 31.03.2024 |
| 2. Shares of Associate/Joint Ventures held by the company on the year end | |
| Nos. | 9,69,198 |
| Amount of Investment in Associates/Joint Venture | 1560.41 lakhs |
| Extend of Holding % | 48.97% |
| 3. Description of how there is significant influence | On the basis of Shareholding held by WOS-Innovators Engineering Works Private Limited and Interest of Relative of Managing Director of the Company as Shareholders and Directors |
| 4. Reason why the associate/joint venture is not consolidated | N.A. |
| 5. Net worth attributable to Shareholding as per latest audited Balance Sheet | 977.24 lakhs |
| 6. Profit / Loss for the year | |
| i. Considered in Consolidation | 12.74 lakhs |
| ii. Not Considered in Consolidation | 13.28 lakhs |

- Names of associates or joint ventures which are yet to commence operations- NIL
- Names of associates or joint ventures which have been liquidated or sold during the year- NIL
- Associates of Wholly Owned Subsidiary Company has been considered in the above statement.

Date: 16th August, 2024
Place: Thane

For and on behalf of the Board

Registered Office:
204, Bldg No. B-65, Jaydeep Shanti
Nagar Co-Op Hsg Socty, Sector 1,
Mira Road - (East), Thane - 401107

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
Whole Time Director & CEO
DIN: 01484372

ANNEXURE II

Annual Report on Corporate Social Responsibility (CSR) Activities for Financial year ended 31st March, 2024

1. A brief outline of the Company's CSR policy:

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. Composition of the CSR Committee:

| Sr No. | Name of Director | Designation | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|--------|-------------------------|--|--|--|
| 1 | Mr. Radheshyam Sharma | Chairman & Managing Director | 1 | 1 |
| 2 | Mr. Raman Sharma | Member & Whole-Time Director & CEO | 1 | 1 |
| 3 | Mr. Shivchand Sharma | Member & Non-Executive Non -Independent Director | 1 | 1 |
| 4 | Mr. Subhash Chand Gupta | Member and Non-Executive Independent Director | 1 | 1 |

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company: <http://innovators.in/wp-content/uploads/2020/06/Policy-on-Corporate-Social-Resposibility.pdf>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): NIL

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: NIL

6. Average net profit of the Company as per section 135(5): ₹ 383.02

7. a. Two percent of average net profit of the Company as per section 135(5): ₹ 7.66

b. Surplus arising out of the CSR projects or programs or activities of the previous financial years: NA

c. Amount required to be set off for the financial year, if any:- (0.65)

d. Total CSR obligation / (surplus) for the financial year (7a+7b- 7c): 7.01

8. a. CSR amount spent or unspent for the financial year:

| Total Amount Spent for the Financial Year (₹ in Lakhs) | Amount Unspent (₹ in lakhs) | | | | |
|--|---|------------------|---|--------|------------------|
| | Total Amount transferred to Unspent CSR Account as per section 135(6) | | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) | | |
| | Amount | Date of transfer | Name of the Fund | Amount | Date of transfer |
| NIL | NIL | NIL | NIL | NIL | NIL |

b. Details of CSR amount spent against ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|---------|---------------------|---|---------------------|-------------------------|------------------|---|---------------------------------------|---|--|
| Sl. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | Location of the project | Project duration | Amount allocated for the project (In ₹) | Amount spent in the Current FY (in ₹) | Amount transferred to Unspent CSR account for the project as per Section 13(6) (in ₹) | Mode of Implementation Direct (Yes/No) |
| NIL | | | | | | | | | |

DIRECTORS REPORT

c. Details of CSR amount spent against other than ongoing projects for the financial year:

| (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | | |
|--------|---------------------|--|---------------------|-------------------------|-----------|---|--|--|----------------------|
| S. No. | Name of the Project | Item from the list of activities in schedule VII to the Act | Local area (Yes/No) | Location of the project | | Amount spent for the project (in Lakh.) | Mode of Implementation Direct (Yes/No) | Mode of implementation - Through implementing Agency | |
| | | | | State | District | | | Name | CSR Registration No. |
| 1 | Ashirvad Foundation | promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects | No | Gujarat | Ahmedabad | 15 | No | Ashirvad Foundation | 21862 |

d. Amount spent in Administrative Overheads: NIL

e. Amount spent on Impact Assessment, if applicable: NIL

f. Total amount spent for the Financial Year: 15 Lakhs

(8b+8c+8d+8e)

g. Excess amount for set off, if any

| Sl. No. | Particular | Amount (in Lakhs ₹) |
|---------|---|---------------------|
| i) | Two percent of average net profit of the company as per section 135(5) | 7.66 |
| ii) | Total amount spent for the Financial Year | 15 |
| iii) | Excess/ short amount spent for the financial year [(ii)-(i)] | 7.34 |
| iv) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | 0.65 |
| v) | Amount available for set off in succeeding financial years [(iii)-(iv)] | 7.99 |

9. a. Details of Unspent CSR amount for the preceding three financial years:

| Sl. No. | Preceding Financial Year. | Amount transferred to Unspent CSR Account under section 135 (6) (in ₹) | Amount spent in the reporting Financial Year (in ₹) | Amount transferred to any fund specified under Schedule VII as per section 135(6), if any. | | | Mode of Implementation Direct (Yes/No) |
|---------|---------------------------|--|---|--|---------------|------------------|--|
| | | | | Name of the Fund | Amount (in ₹) | Date of transfer | |
| Nil | | | | | | | |

b. Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

| Sl. No. | Project ID. | Name of the Project | Financial Year in which the project was commenced | Project duration | Total amount allocated for the project (in ₹) | Amount spent on the project in the reporting Financial Year (in ₹) | Cumulative amount spent at the end of reporting Financial Year. (in ₹) | Status of the project - Completed / Ongoing |
|---------|-------------|---------------------|---|------------------|---|--|--|---|
| Nil | | | | | | | | |



10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details): Nil
- (a) Date of creation or acquisition of the capital asset(s): N.A.
 - (b) Amount of CSR spent for creation or acquisition of capital asset: N.A.
 - (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: N.A.
 - (d) Details of the capital asset(s) created or acquired (including complete address and location of the capital asset): N.A.
11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): N.A.

Date: 16th August, 2024
Place: Thane

For and on behalf of the Board

Registered Office:
204, Bldg No. B-65, Jaydeep Shanti
Nagar Co-Op Hsg Socty, Sector 1,
Mira Road - (East), Thane - 401107

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
Whole Time Director & CEO
DIN: 01484372

ANNEXURE III TO THE DIRECTOR'S REPORT

PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF 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, 2024:

(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 the employees |
|----------------|---|--|
| 1 | Mr. Radheshyam Sharma, Managing Director | 20.47 |
| 2 | Mr. Raman Sharma, Whole Time Director and CEO | 15.04 |

(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 | 122.22 |
| 2 | Mr. Raman Sharma, Whole Time Director and CEO | 200.00 |
| 3 | Mr. Shivchand Sharma, Director | - |
| 4 | Mrs. Priti Sharma, CFO | 25.00 |
| 5 | Mrs. Vedashri Chandrashekhar Chaudhari, Company Secretary & Compliance Officer | NA |

(iii) The percentage increase/ decrease in the median remuneration of employees in the financial year

2.84

(iv) The number of permanent employees on the rolls of the Company as on 31st March, 2024

332

(v) Average percentile increase / decrease in the salaries of employees other than the managerial personnel in the last financial year

24.88

(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:

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.

ANNEXURE IV**FORM NO. MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2024**

[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, 2024, 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 31st March, 2024, 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, 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, 2018;
 - d. The Securities and Exchange Board of India (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, 2018;
 - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

DIRECTORS REPORT

(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
- Intellectual Property Rights
- Value Added Tax
- Service Tax
- Central Sales Tax Act, 1956 ("CST")
- The Central Excise Act, 1944
- 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 Innovators Façade Systems Limited
- 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

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.

Following were changes in the composition of the Board of Directors/KMP took place during the period under review.

I further report that during the audit period:

- I. The Board of Directors of the Company at their meeting considered resignation of Mrs. Radhika Agarwal as Company Secretary w.e.f. 30th November, 2023 and appointment of Ms. Vedashri Chandrashekhar Chaudhari w.e.f. 12th December, 2023. 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 members' 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: 12th August, 2024

UDIN: A036944F000950780

DIRECTORS REPORT

'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 or Financial Records and Books of Accounts of the Company.
4. Wherever 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: 12th August, 2024
UDIN: A036944F000950780

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMY OVERVIEW

The Indian economy in FY 2023-24 is estimated to have grown at rate of 7.3% to 7.6%, driven by strong domestic demand for consumption and investment, and an emphasis on capital expenditure by the government. In FY 2024-25, the economy is expected to grow at 7.3% to 7.8%, driven by continued emphasis on capital expenditure, improved global trade and investment, and growth in services and industry sectors.

The government's long-term vision, as outlined in the Union Budget 2024-25, aims to make India a \$5 trillion economy with a focus on Infrastructure development, Digital transformation, Innovation and R&D. This aims to promote economic growth, improve ease of doing business, and increase foreign investment, aligning with the government's long-term vision for a robust and inclusive economy.

GLOBAL AND INDIAN FAÇADE MARKET

The global facade market is estimated at \$246.96 billion in 2024. The market is expected to reach USD 315.11 billion by 2029, growing at a CAGR of 5% during the forecast period. North America is the fastest-growing market, while the Asia-Pacific region holds the largest market share. India is part of the Asia-Pacific region, which is experiencing significant growth in construction projects, with a focus on external wall beautification and energy efficiency. Rapid urbanization in India is driving demand for facade installations. India, along with Japan, is actively adopting facade greening techniques to reach sustainability targets. The green office concept is promoting facade greening technology in India.

The Indian facade market was valued at approx. USD 2.2 billion in 2023. The market is projected to reach around USD 4 billion by 2028. This growth projection is supported by the increasing demand for modern and sustainable building solutions. The compound annual growth rate (CAGR) is estimated to be between 8.3% from 2022 to 2028. This significant projected growth rate reflects the rising investments in infrastructure and real estate, alongside technological advancements in building materials and design.

Rapid urbanization in India is a major driver, with cities expanding and new urban centers being developed. This leads to a higher demand for residential, commercial, and industrial buildings, which in turn fuels the facade market. Large-scale infrastructure projects, including airports, metro systems, and smart cities, are increasing the need for advanced facade solutions.

There is a growing emphasis on sustainable construction practices. Facades play a crucial role in improving a building's energy efficiency by providing insulation, reducing heat gain, and allowing for natural light. Government incentives for green buildings, such as tax benefits and faster project approvals, encourage the adoption of energy-efficient facades. This aligns with India's broader goals of reducing carbon emissions and promoting sustainable development.

The architecture and construction industries are also carrying out major R & D operations to develop sustainable and eco-friendly facades that 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 façade & fenestration market in India is poised for substantial growth driven by urbanization, infrastructure development, and increasing emphasis on sustainability and energy efficiency. Innovations in materials, technologies, and design will play a crucial role in meeting these demands, while regulatory support and market incentives will further accelerate adoption.

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 continuously interested in glass and glass products. In the next few years, the Indian architectural glass market will move to much higher levels. 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.

Innovators Façade Systems Limited is a distinguished leader in the facade industry, specializing in the comprehensive design, engineering, fabrication, and installation of different types of facade systems. With over 25 years of operational excellence, the company has solidified its reputation as a pioneer known for delivering innovative and technically demanding facade solutions across diverse projects. The company's projects serve as benchmarks of excellence, integrating advanced materials and design principles to enhance building aesthetics and performance.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL PERFORMANCE

(₹ In Lakhs)

| Particulars | Standalone | | Consolidated | |
|--------------------------------------|------------|-----------|--------------|-----------|
| | 2023-24 | 2022-23 | 2023-24 | 2022-23 |
| Revenue from Operations | 21,510.91 | 18,097.69 | 21,510.91 | 18,097.69 |
| Other Income | 348.92 | 111.78 | 349.52 | 93.03 |
| Total Revenue | 21,859.83 | 18,209.47 | 21860.43 | 18,190.72 |
| EBITDA | 3,193.49 | 1,913.18 | 3,204.57 | 1,908.75 |
| Finance Cost | 832.62 | 643.51 | 832.62 | 641.50 |
| Depreciation | 365.12 | 294.99 | 365.12 | 294.99 |
| Profit Before Tax | 1,995.75 | 974.68 | 2006.83 | 972.26 |
| Current & Deferred Tax | 479.17 | 130.13 | 480.39 | 130.13 |
| Profit After Tax | 1,516.58 | 844.55 | 1,526.44 | 842.13 |
| Financial Ratios | | | | |
| EBITDA (% of Revenue from Operation) | 14.85 | 10.57 | 14.90 | 10.54 |
| PBT (% of Revenue from Operation) | 9.28 | 5.39 | 9.33 | 5.37 |
| PAT (% of Revenue from Operation) | 7.05 | 4.67 | 7.10 | 4.65 |

Revenue from Operations

During FY 2023-24, the Company recorded total revenue of ₹ 21,510.91 lakhs from its façade business. A growth of around 18.74 % as compared to previous financial year.

EBITDA

EBITDA (Standalone) for the current financial year has increased to ₹ 3,193.49 lakhs from ₹ 1,913.18 lakhs in previous financial year. EBITDA as a % of Revenue has shown a growth from 10.57% to 14.85%. Consolidated EBITDA in current financial year has increased to 3,204.57 lakhs from 1,908.75 lakhs in previous financial year.

Net Margin / Profit After Tax

Profit after Tax has increased to ₹ 1516.58 lakhs in FY 2023-24 as compared to ₹ 844.55 lakhs in previous financial year. Net Margin Ratio (Net profit after tax to turnover) in FY 2023-24 is 7.05 % against 4.67 % in FY 2022-23. Consolidated Profit after Tax in current financial year has increased to ₹ 1,526.44 lakhs from ₹ 842.13 lakhs in previous financial year.

Debtors Turnover

Debtors Turnover Ratio in FY 2023-24 is 17.51 % against 19.07 % in FY 2022-23.

Return on Net Worth

Return on Net Worth in FY 2023-24 is 11.93 % against 7.55 % in FY 2022-23

EXPANSION & CAPITAL EXPENDITURE

As a part of continuous expansion and upgradation plan of the management, the Company has spent ₹ 2,229.12 lakhs towards capital expenditure during the current financial year.

Also, the Company has expanded the landscape of its manufacturing facility situated in Wada by taking the additional constructed land area on lease, which is the adjoining area of the existing factory premises. The Company has also, set up an additional Coating Plant facility and Pre-Treatment Process Plant facility at factory. During the year the Company has also procured the various Plant & Machineries and equipment to facilitate the increased production requirements and to cater future demands.

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. As on March 31, 2024 the Company had 332 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 based on 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 2024, 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, 2024, its profit 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to be communicated in our report.

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 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 appears from our examination of those books except for the matters stated in paragraph 1(i)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
 - (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.

INDEPENDENT AUDITOR'S REPORT

- (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, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3)(b) of the Act and paragraph 1(i)(iv)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014
 - (g) 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 other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of 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.
 - (i) 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 30 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.
- iv (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
 - (d) Company has not declared dividend during the year hence reporting with respect to section 123 of the Companies Act is not applicable.
 - (e) As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in

“Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order.

- (f) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023,

On the basis of our examination of the accounting software maintained by the Company for its books of account, does not have a feature of recording audit trail facility and the same has not operated throughout the year for the transactions recorded in the software.

- 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: 24044739BKARLI2936

Place: Mumbai
Date: 27th May 2024

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S 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 Innovators Façade Systems Limited for the year ended 31st March, 2024.

As required by the Companies (Auditors Report) Order, 2020 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:

1. (A) a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment.
b) The Company has maintained proper records showing full particulars of intangibles assets.
(B) The Fixed Assets have been physically verified by the management in accordance with a phased programmed 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 (other than properties where the Company is the lessee, and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at the balance sheet date.
(D) According to the information and explanations given to us and on the basis of our examination of records of the Company the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
(E) According to the information and explanations given to us and on the basis of our examination of records of the Company, there is no proceeding have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
2. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. There is no discrepancies more than 10% in the aggregate for each class of inventory on physical verification of inventories.
(b) The Company has been sanctioned working capital limits in excess of ₹ five crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company except as disclosed in note 37(e) to the Standalone Financial Statements.
3. According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
4. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.
5. The Company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 of the Act and the rules framed thereunder.
6. 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.

7. a) The Company has been generally regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax and other material statutory dues applicable to it to the appropriate authorities. Considering the nature of business that the Company is engaged in, Sales Tax, Custom Duty, Excise Duty and Value Added Tax are not applicable to the Company. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax and other material statutory dues in arrears as at 31st March, 2024 for a period of 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 | ₹ In Lakhs | Forum where dispute is pending |
|-----------------|--------------------------------|------------|--------------------------------|
| GST / VAT | FY 2017-18 & 2018-19 | 592.85 | DGGI/ Asst. Commissioner |
| | FY 2018-19 | 47.08 | Asst. Commissioner |
| | FY 2017-18 | 18.5 | Addl. Commissioner |
| | FY 2007-08 | 9.44 | Sales Tax Appeal |
| | FY 2007-08 | 453.3 | Sales Tax Appeal |
| | FY 2010-11 | 262.56 | Sales Tax Appeal |
| Income Tax | AY 2009-10 | 29.7 | ITAT Mumbai |
| | AY 2020-21 | 46.99 | ITAT Mumbai |
| | AY 2022-23 | 581.48 | CIT |

8. According to the information and explanations given to us and based on our examination of records of the Company, there is no transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
9. a) According to the information and explanations given to us the Company has and based on our examination of records of the Company not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) According to the information and explanations given and based on our examination of records of the Company to us the Company is a not declared defaulter by any bank or financial institution or other lender.
- c) According to the information and explanations given to us and based on our examination of records of the Company the Company term loans were applied for the purpose for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) According to the information and explanations given to us the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- f) According to the information and explanations given to us the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate Companies.
10. a) The Company has not raised any money by way of initial public offer and further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause 3(x)(a) of the Order are not applicable to the Company.
- b) According to the information and explanations given to us and based on our examination since the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

- the year Clause 3(x)(b) of the Order are not applicable to the Company.
- (c) & (d) of the Order are not applicable to the Company.
11. a) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
 - b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies Act, 2013.
 - c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence paragraph XII (a), (b) & (c) of the Order are not applicable to the Company.
13. 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.
14. a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business
- b) We have considered the internal audit reports of the Company issued till date, for the period under audit, in determining the nature, timing and extent of our audit procedures
15. 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 any non-cash transactions with the directors or persons connected with him during the year under review. Accordingly, paragraph 3 (xv) of the Order is not applicable to the Company.
16. a) The Company has not required to registered under section 45 - IA of the Reserve Bank of India Act, 1934, Hence paragraph XVI (a), (b),
17. According to the information and explanation given to us and based on our examination of the records of the Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
18. There is no resignation of the statutory auditors has been during the year.
19. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. (a) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has spent all amount required under the section 135 of the Act and hence is not required to transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;
- (b) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has spent all amount required under the section 135 of the Act and hence is not required



to transfer any amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;

21. According to the information and explanation given to us and based on our examination of the records of the Company, there have been no qualifications or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For S G C O & Co. LLP

Chartered Accountants
FRN. 112081W/W100184

Suresh Murarka

Partner
Mem. No. 044739
UDIN: 24044739BKARLI2936

Place: Mumbai
Date: 27th May 2024

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 2024.

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, 2024 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, 2024, 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
FRN. 112081W/W100184

Suresh Murarka

Partner
Mem. No. 044739
UDIN: 24044739BKARLI2936

Place: Mumbai
Date: 27th May 2024

STANDALONE BALANCE SHEET

as at March 31, 2024

(₹ In Lakhs)

| Particulars | Note Nos. | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholder's funds | | | |
| Share capital | 2 | 1,886.78 | 1,886.78 |
| Reserves and surplus | 3 | 10,822.36 | 9,305.77 |
| | | 12,709.14 | 11,192.55 |
| Non-current liabilities | | | |
| Long-term borrowings | 4 | 983.87 | 1,037.44 |
| Deferred tax liabilities (Net) | 5 | 83.75 | 18.92 |
| Other Non current liabilities | 6 | 300.00 | 300.00 |
| Long-term provisions | 7 | 183.68 | 153.81 |
| | | 1,551.31 | 1,510.17 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 3,331.58 | 2,814.43 |
| Trade payables | 9 | | |
| - Due to micro and small enterprises | | 207.85 | 315.13 |
| - Due to other than micro and small enterprises | | 4,146.00 | 5,602.23 |
| Other current liabilities | 10 | 3,297.72 | 2,185.33 |
| Short-term provisions | 11 | 11.75 | 9.88 |
| | | 10,994.90 | 10,927.00 |
| | | 25,255.35 | 23,629.72 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant & equipment and intangible assets | 12 | | |
| - Property, plant & equipment | | 6,326.42 | 4,730.29 |
| - Intangible assets | | 12.21 | - |
| Non-current investments | 13 | 38.32 | 41.32 |
| Deferred tax assets (Net) | 5 | - | - |
| Long-term loans and advances | 14 | 1,153.76 | 939.38 |
| Other non-current assets | 15 | 546.03 | 778.96 |
| | | 8,076.74 | 6,489.95 |
| Current assets | | | |
| Inventories | 16 | 6,663.40 | 8,289.90 |
| Trade receivables | 17 | 3,688.33 | 3,450.82 |
| Unbilled revenue | 18 | 1,760.68 | 1,837.80 |
| Cash and bank balances | 19 | 2,390.98 | 1,581.57 |
| Short-term loans and advances | 20 | 599.31 | 921.26 |
| Other current assets | 21 | 2,075.91 | 1,058.40 |
| | | 17,178.61 | 17,139.76 |
| | | 25,255.35 | 23,629.72 |
| See significant accounting policies and notes to the financial statements | 1 to 40 | | |

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

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
CIN: L45200MH1999PLC120229

Suresh Murarka
Partner
Membership No. 044739

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
Director and Chief Executive Officer
DIN: 01484372

Vedashri Chaudhari
Company Secretary
Mem No. A55742

Priti Sharma
Chief Financial Officer

Place: Mumbai
Date: 27th May, 2024

Place: Thane
Date: 27th May, 2024

STANDALONE STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(₹ In Lakhs)

| Particulars | Note Nos. | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|-----------|------------------------------|------------------------------|
| REVENUE | | | |
| Revenue from operations | 22 | 21,510.91 | 18,097.69 |
| Other income | 23 | 348.92 | 111.78 |
| | | 21,859.83 | 18,209.47 |
| EXPENSES | | | |
| Cost of contracts | 24 | 15,204.49 | 13,579.79 |
| Employee benefit expense | 25 | 2,385.72 | 1,872.69 |
| Finance cost | 26 | 832.62 | 643.51 |
| Depreciation & amortisation | 12 | 365.12 | 294.99 |
| Other expenses | 27 | 1,076.13 | 843.81 |
| | | 19,864.07 | 17,234.78 |
| Profit before tax | | 1,995.75 | 974.68 |
| Less: Tax expenses | | | |
| Current tax | | 414.34 | 67.80 |
| Deferred tax liability / (asset) | 5 | 64.83 | 67.28 |
| Tax of earlier years | | - | (4.95) |
| Profit for the year | | 1,516.58 | 844.55 |
| Earnings per equity share: | | | |
| (Face value of ₹ 10/- each) | 28 | | |
| - Basic (₹) | | 8.04 | 4.48 |
| - Diluted (₹) | | 8.04 | 4.48 |
| See significant accounting policies and notes to the financial statements | 1 to 40 | | |

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: 27th May, 2024

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
 CIN: L45200MH1999PLC120229

Radheshyam Sharma
 Managing Director
 DIN: 00340865

Vedashri Chaudhari
 Company Secretary
 Mem No. A55742

Place: Thane
 Date: 27th May, 2024

Raman Sharma
 Director and Chief Executive Officer
 DIN: 01484372

Priti Sharma
 Chief Financial Officer

STATEMENT OF STANDALONE CASH FLOW

for the year ended March 31, 2024

(₹ In Lakhs)

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit before Tax | 1,995.75 | 974.68 |
| Adjustments for: | | |
| Depreciation | 365.12 | 294.99 |
| Finance Costs | 832.62 | 643.51 |
| Investments in Subsidiary Companies written off | 3.00 | - |
| (Profit)/loss on Sale / discard of Property Plant & Equipments | 21.28 | 0.42 |
| Interest income | (122.22) | (76.04) |
| Operating Profit before Working Capital changes | 3,095.55 | 1,837.57 |
| Adjustments for: | | |
| (Increase) / Decrease in Inventories | 1,626.50 | (3,604.21) |
| (Increase) / Decrease in Trade receivables & unbilled revenue | (160.39) | (834.24) |
| (Increase) / Decrease in Short term loans and advances | 321.95 | (165.13) |
| (Increase) / Decrease in Long term loans given & advances | (134.06) | (221.48) |
| (Increase) / Decrease in Other current & Non-current assets | (784.57) | (446.31) |
| Increase / (Decrease) in Trade payables | (1,563.51) | 3,803.59 |
| Increase / (Decrease) in Other current liabilities | 1,112.38 | 1,373.91 |
| Increase / (Decrease) in Other non current liabilities | - | - |
| Increase / (Decrease) in Provisions | 31.75 | 32.42 |
| CASH GENERATED FROM OPERATIONS | 3,545.61 | 1,776.11 |
| Income tax Paid | (494.65) | (145.59) |
| Net Cash inflow from/ (outflow) from Operating activities | 3,050.95 | 1,630.52 |
| B. Cash Flow from Investing Activities | | |
| Purchase of Property Plant & Equipment's (including capital work in progress) | (2,229.12) | (903.23) |
| Sale of Property Plant & Equipment's | 234.39 | - |
| Investments in Subsidiary Companies | - | (3.00) |
| Maturity / (Investment) in fixed deposits | (471.52) | (713.88) |
| Interest received | 122.22 | 76.04 |
| Net Cash inflow from/ (outflow) from Investing activities | (2,344.03) | (1,544.08) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from borrowings | 5,631.28 | 1,183.82 |
| Repayment of borrowings | (5,171.56) | (644.55) |
| Finance Cost | (828.75) | (643.51) |
| Net Cash inflow from/ (outflow) from Financing activities | (369.04) | (104.23) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 337.89 | (17.79) |



| Particulars | (₹ In Lakhs) | |
|--|------------------------------|------------------------------|
| | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
| Add: Opening Cash and Bank Balances | | |
| Cash and Cash Equivalents | | |
| Cash in hand | 6.39 | 37.77 |
| Bank balances | 40.32 | 26.73 |
| Closing Cash and Cash Equivalents | 384.60 | 46.71 |
| Break up of Cash and Cash Equivalents | | |
| Cash in hand | 32.14 | 6.39 |
| Bank balances | 352.46 | 40.32 |
| | 384.60 | 46.71 |

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

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
CIN: L45200MH1999PLC120229

Suresh Murarka
Partner
Membership No. 044739

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
Director and Chief Executive Officer
DIN: 01484372

Vedashri Chaudhari
Company Secretary
Mem No. A55742

Priti Sharma
Chief Financial Officer

Place: Mumbai
Date: 27th May, 2024

Place: Thane
Date: 27th May, 2024

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

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 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule II to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

E Revenue Recognition:

- i) Revenue from fixed price 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 a part of work executed but not billed until the last day of the reporting period due to contractual terms.
- iv) Interest income is recognized on time proportion basis.

F Property Plant & Equipment's :

i) Tangible Assets

Property Plant & Equipment's are stated at actual cost of acquisition net of recoverable taxes less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

ii) Intangible Assets

- Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets
- iii) Capital work- in- progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date.

G Depreciation & Amortisation:

Depreciation on tangible assets has been provided on 'Straight Line Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013.

Intangible assets are amortised over the life of underlying assets. Computer software are amortised over a period of 3 Years.

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 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 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) Short-term obligations

Liabilities for wages and salaries, Leave encashments including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Leave encashment liabilities are settled within twelve months after the end of the end of the period in which employee render the related services and hence considered short term obligation and charged to the statement of profit & loss on accrual basis.

ii) Post-employment

Defined contribution plan

The Company makes specified monthly contribution towards employee provident fund to Employees' Provident Fund. The Company's contributions to the fund are recognised in the Statement of Profit and Loss in the financial year to which the employee renders the service.

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the year-end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

M Leases :

i) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

ii) Finance Lease

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased assets, are classified as finance leases and are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges on account of finance leases are charged to statement of profit and loss.

N Earnings Per Share :

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

O Cash Flow Statement

Cash Flow Statement have been prepared on Indirect Method as prescribed under Accounting Standard -3 on Cash Flow Statements, whereby profit for the period is adjusted for the effects of

transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

P 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.

Q 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.

(₹ In Lakhs)

Note 2 : Share capital

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Authorised capital | | |
| 2,10,00,000 Equity shares of ₹ 10/- each | 2,100.00 | 2,100.00 |
| | 2,100.00 | 2,100.00 |
| Issued, subscribed and paid up capital | | |
| 1,88,67,808 Equity shares of ₹ 10/- each | 1,886.78 | 1,886.78 |
| | 1,886.78 | 1,886.78 |

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. Shareholders having more than 5% shareholding

| Name of Shareholder | As at March 31, 2024 | | As at March 31, 2023 | |
|----------------------------------|------------------------------|------------|------------------------------|------------|
| | 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% |
| Radheshyam Sharma | 34,57,009 | 18.32% | 23,80,209 | 12.62% |
| Vijay Kedia | 20,10,632 | 10.66% | 20,10,632 | 10.66% |
| Raman Sharma | 15,37,345 | 8.15% | 15,37,345 | 8.15% |

d. Reconciliation of number of equity shares

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | |
|---|-------------------------|----------|-------------------------|----------|
| | Nos. | ₹ | Nos. | ₹ |
| Shares outstanding at the beginning of the year | 1,88,67,808 | 1,886.78 | 1,88,67,808 | 1,886.78 |
| Add: Shares issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 1,88,67,808 | 1,886.78 | 1,88,67,808 | 1,886.78 |

e. Shareholding of Promoters / Promoter Group

| Particulars | As at March 31, 2024 | | As at March 31, 2023 | | % Change during the year |
|--|------------------------------|------------|------------------------------|------------|-----------------------------|
| | No. of equity shares held | Percentage | No. of equity shares held | Percentage | |
| Radheshyam Sharma | 34,57,009 | 18.32% | 23,80,209 | 12.62% | 5.71% |
| Jolly Multi Trade Private Limited | 45,41,022 | 24.07% | 45,41,022 | 24.07% | - |
| Raman Sharma | 15,37,345 | 8.15% | 15,37,345 | 8.15% | - |
| Shivchand Sharma | 1,600 | 0.01% | 9,00,000 | 4.77% | -4.76% |
| Anjana Sharma | 8,34,315 | 4.42% | 8,34,315 | 4.42% | - |
| Rohit Sharma | 3,14,400 | 1.67% | 3,14,400 | 1.67% | - |
| Draupadi Sharma | 1,600 | 0.01% | 1,80,000 | 0.95% | -0.95% |
| Vedika Sharma | 1,20,000 | 0.64% | 1,20,000 | 0.64% | - |
| Priti Sharma | 3,49,055 | 1.85% | 3,49,055 | 1.85% | - |
| Innovators Façade Solutions (Mumbai) Private Limited | 8,64,004 | 4.58% | 8,64,004 | 4.58% | - |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

- f. The Company has not issued any shares for a consideration other than cash during the previous 5 years.**

Note 3 : Reserves and surplus

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| a. Securities premium (refer note 3(i) below) | | |
| Opening balance | 6,083.51 | 6,083.51 |
| Additions / (utilised) during the year | - | - |
| Closing balance | 6,083.51 | 6,083.51 |
| b. Surplus in the statement of profit and loss (refer note 3(ii) below) | | |
| Opening balance | 3,222.26 | 2,377.70 |
| Add/(Less) : Profit/(Loss) for the year | 1,516.58 | 844.55 |
| Closing balance | 4,738.84 | 3,222.26 |
| Total | 10,822.36 | 9,305.77 |

Note 3 (i) : Amount received in excess of face value of the equity shares is recognised in Securities Premium. It will be used as per the provisions of Companies Act, 2013, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting costs, etc.

Note 3 (ii) : Surplus in the statement of profit and loss are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings is a free reserve available to the Company.

Note 4 : Long-term borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| SECURED LOANS | | |
| Working capital term loans from banks | 894.65 | 813.93 |
| Less: Current maturities of long term debt | 278.91 | 183.45 |
| | 615.74 | 630.48 |
| Finance lease obligation | 377.93 | 60.32 |
| Less: Current maturities of long term debt | 160.37 | 48.99 |
| | 217.56 | 11.33 |
| Vehicle loans from bank | 173.20 | 140.59 |
| Less: Current maturities of long term debt | 52.96 | 29.96 |
| | 120.24 | 110.64 |
| UNSECURED LOANS | | |
| From related parties: | | |
| - Inter Corporate deposits | - | 285.00 |
| From others | | |
| - From banks | 96.43 | - |
| - From non banking financial companies | 134.84 | - |
| | 231.27 | 285.00 |
| Less: Current maturities of long term debt | 200.93 | - |
| | 30.33 | 285.00 |
| | 983.87 | 1,037.44 |

(₹ In Lakhs)

Additional information pertaining to long term borrowings:

- (a) Working Capital Term loan from Indian Bank Limited amounting to ₹ 212.17 lakhs (PY ₹ 227.22 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 Repo Rate + 4.30 % per annum. The loan is repayable in 48 monthly instalments of ₹ 4.90 lakhs starting after a moratorium period of 12 months from first disbursements.
- (b) Working Capital Term loan from Indian Bank Limited amounting to ₹ 115.18 lakhs (PY ₹ 116.51 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 Repo Linked for MSME i.e. 4% + 4.35%. The loan is repayable in 48 monthly instalments of ₹ 2.44 Lakhs starting after a moratorium period of 24 months from first disbursements.
- (c) Working capital demand loan from Indian Bank amounting to ₹ Nil (PY ₹ 13.80 lakhs) is secured by extension of charges on the primary and collateral security (present & future) and existing personal guarantees for Cash credit facilities). They carry interest rate of MCLR (1 Year) + 2.50% Spread per annum. The loan is repayable in 30 equated monthly installments amounting to ₹ 3.45 lakhs after the Moratorium period of 6 months from disbursement.
- (d) Working Capital Term loan from Punjab National Bank amounting to ₹147.29 lakhs (PY ₹ 150.13 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 RLLR + 1.10 % Spread subject to maximum of 9.25%. The loan is repayable in 48 monthly instalments of ₹ 3.18 lakhs each after the moratorium period of 24 months from first disbursements.
- (e) Working Capital Term loan from Punjab National Bank amounting to ₹ 196.39 lakhs (PY ₹ 288.06 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 RLLR + 1% Spread. The loan is repayable in 36 monthly instalments of ₹ 8.47 lakhs each after the moratorium period of 12 months from first disbursements.
- (f) Term loan from bank of Baroda amounting to ₹ 223.62 lakhs (PY ₹ 22.66) is a part of overall sanctioned term loan of ₹ 720.00 lakhs. It is secured against first charge of respective plant and machinery financed out of the respective loan. It carries interest rate of BRLLR+SP 0.25%+ 1.25 % Spread per annum and is repayable in 48 equal monthly installment starting from the date of disbursement of each loan.
- (g) Finance lease obligation from amounting to ₹ 377.93 lakhs (PY ₹ 60.32 lakhs) are secured against respective leased assets. Lease rentals are payable on monthly basis for total tenure of 48 months
- (h) Vehicle loans from banks amounting to ₹ 173.20 lakhs (PY ₹ 140.59 lakhs) are secured against respective vehicles. They carry interest rate ranging between 7.36% to 9.80% per annum. The Instalments period of the loans ranges between 46 months to 60 months.
- (i) Unsecured loans from banks and non-banking financial companies are repayable over a period of 1 to 3 years and carries interest rate ranging from 11.75% to 18% per annum.

Note 5 : Deferred tax assets / (liabilities)

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Net Deferred Tax Asset / (Liabilities) | | |
| (i) Difference in WDV of property plant & equipment's as per books of accounts and the value considered for tax purpose | (166.43) | (92.28) |
| (ii) Provision for employee benefits | 49.19 | 39.87 |
| (iii) Provision doubtful debts | 33.49 | 33.49 |
| Net | (83.75) | (18.92) |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 6 : Other Non current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Security Deposits from related parties | 300.00 | 300.00 |
| | 300.00 | 300.00 |

Note 7 : Long-term provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for employee benefits: | | |
| Provision for gratuity | 183.68 | 153.81 |
| | 183.68 | 153.81 |

Note 8 : Short-term borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Secured | | |
| Working capital facilities from banks | | |
| - Cash credit facility | 2,139.40 | 2,552.03 |
| | 2,139.40 | 2,552.03 |
| Unsecured | | |
| - From banks | 499.00 | - |
| | 499.00 | - |
| Current maturities of long-term debt | 693.18 | 262.40 |
| | 3,331.58 | 2,814.43 |

Additional information pertaining to short term borrowings :

Cash credit facility from banks amounting to ₹ 2,139.40 lakhs (PY ₹ 2,552.03 lakhs) is secured against pari passu charges over Hypothecation of stock of raw material, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors.

Note 9 : Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Trade payables | | |
| Due to Micro and Small Enterprises * | 207.85 | 315.13 |
| Other than Micro and Small Enterprises | 4,146.00 | 5,602.23 |
| Net | 4,353.85 | 5,917.36 |

*Disclosures required under Sec 22 of MSMED Act, 2006

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year; | 207.85 | 315.13 |
| 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 | 10.83 | 5.63 |
| 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. | - | - |

(₹ In Lakhs)

Trade Payables Ageing Schedule for March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|----------------------------|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) MSME | 180.15 | 25.59 | 1.76 | 0.03 | 0.32 |
| (ii) Others | 3,001.08 | 951.96 | 162.35 | 15.93 | 14.69 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - |

Trade Payables Ageing Schedule for March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|----------------------------|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) MSME | 252.11 | 62.97 | 0.03 | - | - |
| (ii) Others | 3,615.57 | 1,946.87 | 27.19 | 9.22 | 3.41 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - |

Note 10 : Other current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|----------------------|----------------------|
| Advance from customers | 3,007.80 | 1,775.28 |
| Interest accrued but not due | 4.09 | 4.46 |
| Statutory dues payable | 47.88 | 209.97 |
| Expenses payable | 237.94 | 195.62 |
| | 3,297.72 | 2,185.33 |

Note 11 : Short-term provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|----------------------|----------------------|
| Provision for employee benefits: | | |
| Provision for gratuity | 5.02 | 4.61 |
| Provision for compensated absence | 6.74 | 5.27 |
| | 11.75 | 9.88 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 12 : Property, plant & equipment and intangible assets

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | |
|--------------------------|---------------------|---------------------------|--------------------------|--------------------------|----------------------------------|---|----------------------|----------------------|
| | As at April 1, 2023 | Additions during the Year | Deletion during the Year | As at March 31, 2024 | Depreciation charge for the year | Adjustments on Sale Or Assets Discarded | As at March 31, 2024 | As at March 31, 2023 |
| Tangible Assets | | | | | | | | |
| Freehold Land | 98.22 | - | - | 98.22 | - | - | - | 98.22 |
| Factory Building | 2,635.34 | - | - | 2,635.34 | 57.01 | - | 1,371.76 | 1,263.57 |
| Storage Rack Systems | 287.29 | 73.72 | - | 361.01 | 8.25 | - | 53.97 | 307.04 |
| Plant & Machinery | 4,088.68 | 1,996.96 | 264.14 | 5,821.50 | 224.22 | 8.47 | 1,507.35 | 4,314.14 |
| Furniture & Fixtures | 47.69 | 8.92 | - | 56.61 | 3.20 | - | 28.78 | 27.83 |
| Vehicles | 352.82 | 76.80 | - | 429.61 | 20.92 | - | 224.43 | 205.18 |
| Office Equipment | 115.23 | 14.25 | - | 129.48 | 11.08 | - | 91.91 | 37.57 |
| Computers | 149.17 | 42.35 | - | 191.51 | 36.54 | - | 118.67 | 72.85 |
| Total | 7,774.43 | 2,212.99 | 264.14 | 9,723.29 | 361.20 | 8.47 | 3,396.87 | 4,730.29 |
| Previous Year | 6,226.23 | 913.44 | 430.04 | 6,709.63 | 610.82 | 387.47 | 2,757.16 | 3,952.47 |
| Intangible Assets | | | | | | | | |
| Cad Software | - | 16.13 | - | 16.13 | 3.91 | - | 3.91 | 12.21 |
| Grand Total | 7,774.43 | 2,229.12 | 264.14 | 9,739.42 | 365.12 | 8.47 | 3,400.79 | 4,730.29 |
| Previous Year | 6,709.63 | 1,073.24 | 8.44 | 7,774.43 | 294.99 | 8.01 | 3,044.14 | 4,730.29 |

Note 12(B) : Value of property plant and equipment includes value of following assets acquired on Finance Lease (Disclosure in Terms of Accounting Standard-19) :

Refer Note 33 (B)

| Description of Assets | As at 31.03.2024 | | As at 31.03.2023 | |
|-----------------------|------------------|--------------------|------------------|--------------------|
| | Gross Value | Net Carrying Value | Gross Value | Net Carrying Value |
| Plant & Machinery | 424.44 | 342.34 | 190.05 | 128.87 |

(₹ In Lakhs)

Note 13 : Non-current investments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Unquoted, trade investments, valued at cost | | |
| Investments in Subsidiaries | | |
| Investment in equity instruments | | |
| Innovators Engineering Works Private Limited | | |
| 3,83,160 (P.Y. 3,83,160) equity shares of face value ₹10/- each, fully paid up | 38.32 | 38.32 |
| Innovators Façade Solutions (West) Private Limited (refer note 13(i) below) | | |
| 10,000 (P.Y. Nil) equity shares of face value ₹10/- each, fully paid up | - | 1.00 |
| Innovators Façade Solutions (North) Private Limited (refer note 13(i) below) | | |
| 10,000 (P.Y. Nil) equity shares of face value ₹10/- each, fully paid up | - | 1.00 |
| Innovators Façade Solutions (South) Private Limited (refer note 13(i) below) | | |
| 10,000 (P.Y. Nil) equity shares of face value ₹10/- each, fully paid up | - | 1.00 |
| | 38.32 | 41.32 |
| Aggregate book value of quoted investments | - | - |
| Aggregate market value of quoted investments | - | - |
| Aggregate book value of unquoted investments | 38.32 | 41.32 |

Note 13(i) : During the year, 3 wholly owned subsidiary Companies have applied for Strike Off with Registrar of Companies (ROC). These Companies could not commenced operation since their incorporation due to technical difficulties in mobilisation of the required resources to decentralise the operations of the Company. Accordingly, the Company has written off the investments of initial equity investments of ₹ 1 lakh in each subsidiary Company.

Note 14 : Long-term loans and advances

(Unsecured, considered good)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Capital Advances | 59.12 | 85.69 |
| Security Deposits | 346.53 | 166.98 |
| Advance Tax & TDS (Net of Provisions) | 413.76 | 333.43 |
| Balance with statutory authorities paid under protest | 250.00 | 250.00 |
| Balances with statutory authorities | 9.86 | 25.41 |
| Prepayments | - | 3.22 |
| Other Receivables | 74.50 | 74.65 |
| | 1,153.76 | 939.38 |

Note 15 : Other non-current assets

(Unsecured, considered good)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Retention money receivables | | |
| Unsecured, considered doubtful | 39.48 | 39.48 |
| Less - Provision for doubtful debtors | (39.48) | (39.48) |
| Unsecured, considered good | 210.12 | 504.07 |
| Fixed deposits (balance maturity period of more than 12 months) | 335.91 | 274.89 |
| (Held as margin money with banks against credit facilities/Govt Authority) | | |
| | 546.03 | 778.96 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 16 : Inventories

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| (Valued at lower of Cost or Net Realisable Value) | | |
| Raw materials and components | 6,663.40 | 8,289.90 |
| | 6,663.40 | 8,289.90 |

Note 17 : Trade receivables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good * | 3,688.33 | 3,450.82 |
| Unsecured, considered doubtful | 93.59 | 93.59 |
| Less - Provision for doubtful debtors | (93.59) | (93.59) |
| | - | - |
| | 3,688.33 | 3,450.82 |

Trade Receivables Ageing Schedule for March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) Undisputed Trade receivables - considered good | 2,808.86 | 735.19 | 129.00 | - | 15.28 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | 93.59 |
| (iii) Disputed Trade Receivables-considered good | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered doubtful | - | - | - | - | - |

Trade Payables Ageing Schedule for March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) Undisputed Trade receivables - considered good | 2,603.63 | 650.91 | 85.74 | 17.06 | 93.49 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | 93.59 |
| (iii) Disputed Trade Receivables-considered good | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered doubtful | - | - | - | - | - |

Note 18 : Unbilled revenue

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Unbilled Revenue* | 1,760.68 | 1,837.80 |
| | 1,760.68 | 1,837.80 |

*Unbilled Revenue is net of mobilization and material advances received amounting to ₹ 418.23 lakhs (P.Y. ₹ 1,785.72 lakhs)

(₹ In Lakhs)

Note 19 : Cash and bank balances

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Cash & cash equivalents | | |
| Balances with banks | | |
| - Current account | 352.46 | 40.32 |
| Cash on hand | 32.14 | 6.39 |
| Fixed deposits (original maturity period upto 3 months) | - | - |
| | 384.60 | 46.71 |
| Other bank balances | | |
| Fixed deposits (original maturity period 3 to 12 months) | 173.05 | 240.46 |
| Fixed deposits (original maturity period more than 12 months) | 2,169.23 | 1,569.29 |
| Less : Non current portion disclosed under non current (balance maturity more than 12 months) | (335.91) | (274.89) |
| | 2,006.38 | 1,534.86 |
| Total | 2,390.98 | 1,581.57 |
| Fixed Deposits under lien as margin money with banks against credit facilities | | |
| Original maturity upto 12 months | 173.05 | 240.46 |
| Original maturity more than 12 months | 2,169.23 | 1,569.29 |
| Less : Non current portion disclosed under non current (balance maturity more than 12 months) | (335.91) | (274.89) |
| | 2,006.38 | 1,534.86 |

Note 20 : Short-term loans and advances

(Unsecured, Considered Good)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| Security deposit | 81.88 | 129.19 |
| Advance to suppliers | 107.70 | 122.08 |
| Balances with statutory authorities | 272.44 | 610.87 |
| Advance to employees | 28.33 | 8.43 |
| Prepayments | 108.96 | 50.69 |
| | 599.31 | 921.26 |

Note 21 : Other current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Retention Money Receivables | 2,075.91 | 1,058.40 |
| | 2,075.91 | 1,058.40 |

Note 22 : Revenue from operations

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Operating revenue | | |
| Sales from works contract and façade materials | 21,495.90 | 18,064.92 |
| Other operating revenue | | |
| Sale of scrap | 15.01 | 32.77 |
| | 21,510.91 | 18,097.69 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 23 : Other income

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|-------------------------------|------------------------------|------------------------------|
| Interest Income | | |
| - fixed deposits | 122.22 | 76.04 |
| Interest on Income tax refund | - | 16.06 |
| Claims Received | 182.06 | - |
| Miscellaneous Receipts | 44.64 | 19.68 |
| | 348.92 | 111.78 |

Note 24 : Cost of contracts

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Facade materials | | |
| Opening stock of materials | 8,289.90 | 4,685.69 |
| Add: Purchases during the year | 9,059.56 | 13,304.27 |
| | 17,349.46 | 17,989.96 |
| Less: Material utilised for capital assets | 91.57 | - |
| Less: Closing stock of materials (including materials at site) | 6,663.40 | 8,289.90 |
| | 10,594.50 | 9,700.06 |
| Direct expenses | | |
| Installation charges | 932.11 | 774.19 |
| Coating expenses | 751.49 | 742.73 |
| Transportation expenses | 375.64 | 405.41 |
| Fabrication expenses | 960.78 | 872.36 |
| Other production and execution costs | 1,589.97 | 1,085.04 |
| | 4,609.99 | 3,879.72 |
| | 15,204.49 | 13,579.79 |

Note 25 : Employee benefit expense

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|-----------------------------|------------------------------|------------------------------|
| Directors remuneration | 170.00 | 85.04 |
| Salaries and incentives | 1,994.97 | 1,616.70 |
| Contribution to PF and ESIC | 43.73 | 36.63 |
| Gratuity expense | 38.10 | 31.39 |
| Leave encashment | 35.31 | 7.51 |
| Staff welfare expenses | 103.61 | 95.41 |
| | 2,385.72 | 1,872.69 |

Note 26 : Finance cost

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Interest expenses | | |
| - Banks | 329.04 | 312.99 |
| - Others | 214.15 | 9.95 |
| Bank guarantee and letter of credit charges and other borrowing cost | 289.42 | 320.57 |
| | 832.62 | 643.51 |

(₹ In Lakhs)

Note 27 : Other expenses

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---------------------------------------|------------------------------|------------------------------|
| Rent expenses | 334.89 | 207.04 |
| Rates and taxes | 4.99 | 5.25 |
| Electricity charges | 13.66 | 10.87 |
| Communication expenses | 32.34 | 24.35 |
| Insurance charges | 51.03 | 37.67 |
| Professional & consultancy charges | 123.35 | 88.69 |
| Auditors remuneration * | 11.48 | 5.00 |
| Security charges | 70.26 | 63.19 |
| Repairs & maintenance - Machinery | 50.25 | 60.69 |
| Repairs & maintenance - Building | 2.37 | 14.98 |
| Repairs & maintenance - Others | 25.32 | 20.80 |
| Printing & stationery | 21.10 | 24.52 |
| Conveyance and travelling | 133.05 | 111.27 |
| Vehicle maintenance and fuel expenses | 39.28 | 23.71 |
| Loss on fixed assets discarded / sold | 21.28 | 0.42 |
| CSR expenditure & donations | 15.06 | 0.08 |
| Balances Written off (net) | - | 66.84 |
| Investments in subsidiary written off | 3.00 | - |
| Miscellaneous expenses | 123.43 | 78.45 |
| | 1,076.13 | 843.81 |

* Auditors remuneration includes :

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|----------------------|------------------------------|------------------------------|
| Statutory audit fees | 10.98 | 4.50 |
| Tax audit fees | 0.50 | 0.50 |
| Other Services | - | - |
| | 11.48 | 5.00 |

Note 28 : Earning Per Share

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Basic Earnings per Share | | |
| Profit/(Loss) attributable to equity shareholders | 1,516.58 | 844.55 |
| Shares outstanding at the beginning of the year | 1,88,67,808 | 1,88,67,808 |
| 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 | 1,88,67,808 |
| Basic & Dilutive Earnings Per Share | 8.04 | 4.48 |
| Face value per Share | 10.00 | 10.00 |

Note 29 : 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 30 : Contingent Liabilities

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| (i) Disputed VAT/CST liabilities | 743.81 | 725.31 |
| (ii) Disputed income tax liabilities | 658.17 | 24.03 |
| (iii) Disputed goods and service tax liabilities | 639.93 | - |
| Total | 2,041.91 | 749.33 |

Note 30A : During the financial year 2022-23, a search operation under the Central Goods and Service Tax Act, 2017 was conducted at the premises of the Company by the Department of Directorate General of GST Intelligence. During the search operation, the Company has paid ₹ 250.00 lakhs "Under Protest" by reversal of input tax credit through filing of DRC-03. The Company has submitted all the details and documents asked for verification by the department from time to time. The management has replied to the show cause notice of Department received during the year. The management is confident for its outcome in the Company's favour and receipt back of amount paid under protest and hence no provision for the same is considered necessary in the books of accounts. Disputed liability amounting to ₹ 592.85 lakhs as per show cause notice has been disclosed as contingent liabilities in note 30.

Note 30B : Bank Guarantee amounting to ₹ 5,948.03 lakhs (PY ₹ 5,517.91 lakhs)

Note 31 : Capital Commitments

Capital Commitments (Net off advances) is Amounting to ₹ 42.79 lakhs (P.Y. ₹ 28.86 lakhs)

Note 32 : Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. Following are the disclosures in respect of CSR expenditure by the Company :

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|---|------------------------------|
| Short / (Excess) as at the beginning of the year | (0.65) | (0.65) |
| Amount required to be spent by the Company during the year | 7.66 | - |
| Amount of expenditure incurred | 15.00 | - |
| Short / (Excess) as at the end of the year | (7.99) | (0.65) |
| Reason for shortfall | NA | NA |
| Nature of CSR Activities | Vocational & self employment training in rural areas for tribal people and eradicate poverty & hunger | Animal Welfare |
| Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | NA | NA |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period | NA | NA |

Note 33 : Disclosure pursuant to Accounting Standard - 19 'Leases'

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| i) Lease payments recognized in the statement of profit and loss for the year | 334.89 | 207.04 |
| ii) A general description of the lessee's significant leasing arrangements: | | |
| - lease rent agreements are for Factory, offices and guest houses | | |
| - there are no restrictions imposed by lease arrangements. | | |
| - there are no subleases | | |

(₹ In Lakhs)

(B) Disclosures in respect of finance leases are given as follows:

In accordance with Accounting Standard - 19 : Leases, the assets acquired on finance lease are capitalized in the books of accounts and the liability is recognized for an equivalent amount. Consequently depreciation is provided on such leases. Lease rentals paid are allocated to the liability account and the interest is charged to the profit and loss account.

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Minimum lease payments | | |
| Not later than 1 year | 214.44 | 54.34 |
| Later than 1 year but not later than 5 years | 486.67 | 18.40 |
| Total | 701.10 | 72.74 |
| Less : Finance charges | 177.42 | 7.16 |
| Present value of minimum lease payments | 523.68 | 65.58 |

Present value of minimum lease payments :

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Present value of minimum lease payments : | | |
| Not later than 1 year | 160.37 | 48.99 |
| Later Than 1 year but not later than 5 years | 363.31 | 16.59 |
| Total | 523.68 | 65.58 |

Note 34 : Disclosure pursuant to Accounting Standard - 15 'Employee Benefits'

Actuarial assumption:

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---------------------------|---------------------------------------|---------------------------------------|
| Salary Growth* | 6.00% | 6.00% |
| Discount Rate | 7.20% | 7.50% |
| Rate of Employee Turnover | 10% at younger ages & 2% at older age | 10% at younger ages & 2% at older age |

* 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, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Present value of obligation as at the beginning of the year: | 158.41 | 131.26 |
| Interest cost | 11.71 | 9.38 |
| Current service cost | 36.96 | 30.87 |
| Benefits paid | 7.81 | 4.24 |
| Actuarial (gain) / loss on obligation | (10.57) | (8.86) |
| Closing Present value of obligation | 188.70 | 158.41 |

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Actuarial (gain)/ loss on obligation for the year | (10.57) | (8.86) |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Present value of obligation as at the end of the year | 188.70 | 158.41 |
| Funded value of assets (unfunded) | - | - |
| Net assets / (liability) recognised in balance sheet - Non-Current | 183.68 | 153.80 |
| Net assets / (liability) recognised in balance sheet - Current | 5.02 | 4.61 |

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Current service cost | 36.96 | 30.87 |
| Past service cost | - | - |
| Interest cost | 11.71 | 9.38 |
| Expected return on plan assets | - | - |
| Net actuarial (gain) / loss recognized in the year | (10.57) | (8.86) |
| Expenses recognised in the statement of profit and loss | 38.10 | 31.39 |

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

| Particulars | Gratuity | | | | |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | Year Ended March 31, 2024 | Year Ended March 31, 2023 | Year Ended March 31, 2022 | Year Ended March 31, 2021 | Year Ended March 31, 2020 |
| Defined benefit obligation | 188.70 | 158.41 | 131.26 | 82.08 | 82.75 |
| Plan assets | - | - | - | - | - |
| Surplus/(deficit) | (158.41) | (158.41) | (131.26) | (82.08) | (82.75) |
| Actuarial gain/(loss) on Defined benefit obligation | (10.57) | (8.86) | 26.64 | (6.82) | 7.54 |
| Actuarial gain/(loss) on plan assets | - | - | - | - | - |

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 on "Segment Reporting".

Note 36 : Related Party disclosures

A. List of related parties

(i) Key Management Personnel:

| Name | Designation |
|--------------------|---|
| Radheshyam Sharma | Managing Director |
| Anjana Sharma | Whole Time Director (untill 30-11-2022) |
| Shivchand Sharma | Director |
| Raman Sharma | Chief Executive Officer & Whole Time Director (w.e.f. 09-12-2022) |
| Priti Sharma | Chief Financial Officer |
| Vedashri Chaudhari | Company Secretary (w.e.f. 12 th December, 2023) |
| Radhika Agarwal | Company Secretary (upto 30 th November, 2023) |

(₹ In Lakhs)

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

| Name |
|-----------------|
| Dropadi Sharma |
| Narendra Sharma |
| Rohit Sharma |
| Vedika Sharma |
| Anjana Sharma |

(iii) Wholly Owned Subsidiary Companies:

Innovators Engineering Works Private Limited
Innovators Façade Solutions (West) Private Limited (under process of strike off)
Innovators Façade Solutions (South) Private Limited (under process of strike off)
Innovators Façade Solutions (North) Private Limited (under process of strike off)

(iv) Enterprise under significant influence and/or Same Key Management Personnel or their relatives with whom the company has entered into transactions during the year:

| Name of the Party |
|--|
| Innovators Contracting Works Private Limited (Associates of wholly owned subsidiary Company w.e.f. 31 st October, 2023) |
| Cleantech Engineering Private Limited |
| Innovators Building Products Private Limited |
| Innovators Facade Solutions (Mumbai) Private Limited |
| Parth Façade Solutions Private Limited |

B. Transactions with Related Parties :

| Nature of Transaction | Name of Party | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|--|------------------------------|------------------------------|
| Directors Remuneration | Radheshyam Sharma | 98.00 | 55.86 |
| | Raman Sharma | 72.00 | 12.50 |
| | Anjana Sharma | - | 16.68 |
| Salaries | Raman Sharma | - | 24.00 |
| | Anjana Sharma | 30.00 | 10.78 |
| | Rohit Sharma | 50.00 | 30.67 |
| | Priti Sharma | 30.00 | 27.21 |
| | Narendra Sharma | 30.00 | 28.10 |
| | Vedashri Chaudhari | 2.39 | - |
| | Radhika Agarwal | 3.20 | 4.50 |
| | Radheshyam Sharma | 5.91 | 1.57 |
| Leave Encashments | Raman Sharma | 5.15 | 0.50 |
| | Anjana Sharma | 1.01 | 0.82 |
| | Rohit Sharma | 3.40 | 1.64 |
| | Priti Sharma | 0.62 | 0.41 |
| | Narendra Sharma | 1.64 | 0.19 |
| | Narendra Sharma | 4.80 | 7.20 |
| Rent Expense | Anjana Sharma | 2.40 | 0.60 |
| | Raman Sharma | 3.60 | 3.60 |
| | Shivchand Sharma | 3.60 | 3.60 |
| | Dropadi Sharma | 4.80 | 4.80 |
| | Rohit Sharma | - | 3.60 |
| | Priti Sharma | 4.80 | 3.00 |
| | Innovators Building Products Private Limited | 80.50 | 7.00 |
| | Innovators Contracting Works Private Limited | 24.00 | - |
| Sales from works contract and façade materials | Innovators Contracting Works Private Limited | 507.73 | 405.55 |
| | Cleantech Engineering Works Private Limited | 15.01 | - |
| | Innovators Building Products Private Limited | 123.87 | 82.44 |
| Contract Labour & Execution Expenses | Parth Façade Solutions Private Limited | - | 51.76 |
| | Innovators Contracting Works Private Limited | 3,538.24 | 2,371.19 |

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

| Nature of Transaction | Name of Party | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|-----------------------------|--|------------------------------|------------------------------|
| Unsecured Loan Taken | Innovators Facade Solutions (Mumbai) Private Limited | 673.51 | 285.00 |
| | Raman Sharma | 668.00 | - |
| | Radheshyam Sharma | 937.96 | 473.11 |
| Unsecured Loan Repaid | Innovators Facade Solutions (Mumbai) Private Limited | 958.51 | - |
| | Raman Sharma | 668.00 | - |
| | Radheshyam Sharma | 937.96 | 473.11 |
| Rent Deposit Paid | Innovators Building Products Private Limited | 30.00 | - |
| | Innovators Contracting Works Private Limited | 19.50 | - |
| Security Deposits Paid Back | Innovators Building Products Private Limited | - | 300.00 |
| Capital Contribution | Innovators Façade Solutions (West) Private Limited | - | 1.00 |
| | Innovators Façade Solutions (South) Private Limited | - | 1.00 |
| | Innovators Façade Solutions (North) Private Limited | - | 1.00 |
| Investments Written off | Innovators Façade Solutions (West) Private Limited | 1.00 | - |
| | Innovators Façade Solutions (South) Private Limited | 1.00 | - |
| | Innovators Façade Solutions (North) Private Limited | 1.00 | - |

C. Balance Outstanding of Related Parties :

| Name of Party | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Unsecured Loan Payable | | |
| Innovators Facade Solutions (Mumbai) Private Limited | - | 285.00 |
| Security Deposits Taken | | |
| Innovators Building Products Private Limited | 300.00 | 300.00 |
| Rent Deposits Given | | |
| Innovators Building Products Private Limited | 30.00 | - |
| Innovators Contracting Works Private Limited | 19.50 | - |
| Payables / (Receivables) | | |
| Innovators Engineering Works Private Limited | - | 0.40 |
| Innovators Contracting Works Private Limited | 407.71 | 958.12 |
| Parth Façade Solutions Private Limited | - | 0.90 |
| Innovators Building Products Private Limited | - | (114.99) |
| Radheshyam S Sharma | 5.09 | 4.48 |
| Anjana Sharma | 1.62 | 3.38 |
| Raman Sharma | 3.91 | 6.30 |
| Priti Sharma | 0.31 | 4.57 |
| Narendra Sharma | 1.58 | 10.69 |
| Shivchand Sharma | - | 3.43 |
| Dropadi Sharma | - | 4.57 |
| Rohit Sharma | 2.70 | 3.52 |

(₹ In Lakhs)

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, 2024 | Year Ended March 31, 2023 |
|----------------------------|------------------------------|------------------------------|
| Raw Materials & Components | - | 139.82 |
| Plant and Machinery | - | 100.25 |
| Total | - | 240.06 |

(b) Expenditure in foreign currency - ₹ 9.99 lakhs (PY ₹ 7.47 lakhs)

(c) Consumption of raw materials:

| Particulars | Year Ended March 31, 2024 | | Year Ended March 31, 2023 | |
|--------------|------------------------------|----------------|------------------------------|----------------|
| | Amount | Percentage | Amount | Percentage |
| Imported | - | 0.00% | 139.82 | 1.44% |
| Indigenous | 10,594.50 | 100.00% | 9,560.25 | 98.56% |
| Total | 10,594.50 | 100.00% | 9,700.06 | 100.00% |

(d) Financial Ratios :

| Particulars | Numerator / Denominator | Year Ended March 31, 2024 | Year Ended March 31, 2023 | % Variations | Reasons for Major Variance |
|--|---|------------------------------|------------------------------|--------------|-----------------------------------|
| Current ratio (In Times) | Current Assets / Current Liabilities | 1.56 | 1.57 | -0.39% | - |
| Debt-Equity Ratio (In Times) | Total Debts / Shareholders Fund | 0.34 | 0.34 | -1.33% | - |
| Debt service coverage ratio (In Times) | (EBIDTA+Non Cash Operating Expenses) / (Finance Cost + Current Maturity of Long term Debts) | 0.74 | 0.50 | 48.99% | Due to Increased Gross margins |
| Return on Equity Ratio (In %) | Net Profit After Tax / Average Shareholders Fund | 12.69% | 7.84% | 61.83% | Due to Increased Gross margins |
| Inventory turnover ratio (In Times) | Cost of Contracts / Average Inventory | 2.03 | 2.09 | 2.84% | - |
| Trade receivables turnover ratio (In Times) | Sales / Average Trade Receivables | 6.03 | 6.39 | 5.72% | - |
| Trade payables turnover ratio (In Times) | Purchases / Average Trade Payable | 1.21 | 2.05 | 40.91% | Due reduced purchases |
| Net capital turnover ratio (In Times) | (Current Assets-Current Liabilities) / Turnover | 3.48 | 2.91 | 19.42% | - |
| Net profit ratio (In %) | Net Profit After Tax / Turnover | 7.05% | 4.67% | 51.08% | Due to Increased Gross margins |
| Return on capital employed (In %) | (Net Profit Before Tax + Finance Cost) / Capital Employed) | 18.67% | 12.70% | 46.97% | Due to Increased Gross margins |
| Return on investment (In %) | | | N/A * | | |

* Since the Company does not have any Investments other than Investments in wholly owned subsidiary companies (unlisted), the ratio of return on Investments is not calculated.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

(e) Reconciliation of Quarterly Returns submitted to Banks :

The Company has availed credit facilities from Punjab National Bank, Indian Bank & Bank of Baroda against security of its Current Assets. The Company has filed all returns regularly. There has been no material differences and the amount as per books of account are in agreement with amount as reported in quarterly returns except as mentioned herein below :

(i) For the Year ended 31st March, 2024 :

| Quarter Ended | Particulars of Account Balances | Amount as per Books of Accounts | Amount as reported in the quarterly return/ statement | Amount of Difference | Reason for Material Differences |
|---------------|---------------------------------|---------------------------------|---|----------------------|--|
| Jun-23 | Trade Receivables | 3,310.79 | 3,248.61 | 62.18 | - |
| | Trade Payables | 5,114.57 | 5,054.22 | 60.35 | - |
| | Advance to Creditors | 264.46 | 337.84 | (73.38) | Accounting of Deposits given in subsequent quarter |
| | Advance from Customer | 2,510.04 | 2,568.47 | (58.43) | - |
| Dec-23 | Trade Receivables | 4,111.11 | 4,148.98 | (37.87) | - |
| | Trade Payables | 3,977.50 | 3,973.80 | 3.70 | - |
| | Advance to Creditors | 205.20 | 218.92 | (13.72) | - |
| | Advance from Customer | 4,129.41 | 4,094.09 | 35.32 | - |

(ii) For the Year ended 31st March, 2023 :

| Quarter Ended | Particulars of Account Balances | Amount as per Books of Accounts | Amount as reported in the quarterly return/ statement | Amount of Difference | Amount of Difference |
|---------------|---------------------------------|---------------------------------|---|----------------------|---|
| Jun-22 | Trade Receivables | 1,616.83 | 1,659.93 | (43.10) | - |
| | Trade Payables | 1,909.68 | 1,877.55 | 32.13 | - |
| | Advance from Customer | 2,135.19 | 2,153.39 | (18.20) | - |
| Dec-22 | Trade Receivables | 3,611.24 | 5,329.28 | (1,718.04) | Retention Money and Advance from Customers accounted subsequently |
| | Advance from Customer | 4,805.99 | 6,312.09 | (1,506.10) | |
| | Trade Payables | 3,259.82 | 3,139.18 | 120.64 | Certain expenses accounted subsequently |
| Mar-23 | Trade Receivables | 3,450.82 | 3,499.56 | (48.73) | Write off of certain Balances |

- (f) The Company did not have any transactions with Companies which are struck off.
- (g) The Company has not made any delay in Registration of Charges under the Companies Act, 2013.
- (h) The Company does not own benami properties. Further, there are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (i) The Company has not traded or invested in Crypto currency or Virtual Currency during reporting period.
- (j) There were no Scheme of Arrangements entered by the Company during each reporting period, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(₹ In Lakhs)

- (k) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 38 : Disclosure with regards to section 186 of the Companies Act, 2013

- (a) The company has not granted loan or provided any guarantee or security to anybody corporate under Section 186 of the Companies Act, 2013.
- (b) For the purpose of disclosure w.r.t. Investments made by the Company - Refer Note 13 above

Note 39 : Disclosures under 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, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| The amount of contract revenue recognised as revenue in the period; | 21,495.90 | 18,064.92 |
| Aggregate amount of contract cost incurred for projects in progress | 47,638.53 | 31,955.40 |
| Recognised Profits less recognised losses | 13,692.19 | 7,858.09 |
| The amount of advances received; | 3,007.80 | 1,775.28 |
| The amount of retentions due from customers for contracts in progress | 2,325.51 | 1,601.95 |
| The gross amount due from customers for contract work as an asset (includes trade receivables and unbilled revenue) | 5,449.01 | 5,288.63 |

Note 40: Previous year figures have been re-grouped/ re-classified and or re-arranged wherever considered necessary to confirm Current period's figures.

See significant accounting policies and notes to the financial statements 1 to 40

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

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
 CIN: L45200MH1999PLC120229

Suresh Murarka
 Partner
 Membership No. 044739

Radheshyam Sharma
 Managing Director
 DIN: 00340865

Raman Sharma
 Director and Chief Executive Officer
 DIN: 01484372

Vedashri Chaudhari
 Company Secretary
 Mem No. A55742

Priti Sharma
 Chief Financial Officer

Place: Mumbai
 Date: 27th May, 2024

Place: Thane
 Date: 27th May, 2024

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, 2024, 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 Company 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 2024, its consolidated profit (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 Company 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 Company 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters:

We have determined that there are no key audit matters to be communicated in our report.

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 Company 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 company 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 company 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 company 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 Company 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.

INDEPENDENT AUDITOR'S REPORT

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.

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, except for the matters stated in paragraph 2(k) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (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) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3)(b) of the Act and paragraph 1(k) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company in India, none of the directors of the Group company is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) 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".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Company (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 30 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 company incorporated in India.
 - iv. (a) respective Managements of the Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether

recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary (“Ultimate Beneficiary”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary

- (b) The respective Managements of the Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiary”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiary.
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiary which is company incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-

clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- (j) Company has not declared dividend during the year hence reporting with respect to section 123 of the Company Act is not applicable.
- (k) The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023,

On the basis of our examination of the accounting software maintained by the holding and subsidiary Company for its books of account, does not have a feature of recording audit trail facility and the same has not operated throughout the year for the transactions recorded in the software

2. As respect to the matters specified in paragraphs 3(xxii) and 4 of the Company (Auditor’s Report) Order, 2020 (the “Order”/ “CARO”) issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor’s report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the Consolidated Financial Statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For S G C O & Co. LLP

Chartered Accountants
FRN. 112081W/W100184

Suresh Murarka

Partner
Mem. No. 044739
UDIN: 24044739BKARLJ7176

Place: Mumbai
Date: 27th May 2024

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 2024

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Company 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, 2024 in conjunction with our audit of the Consolidated 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 Company 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 Company 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, 2024, 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
FRN. 112081W/W100184

Suresh Murarka

Partner
Mem. No. 044739
UDIN: 24044739BKARLJ7176

Place: Mumbai
Date: 27th May 2024

CONSOLIDATED BALANCE SHEET

as at March 31, 2024

(₹ In Lakhs)

| Particulars | Note Nos. | As at March 31, 2024 | As at March 31, 2023 |
|---|-----------|-------------------------|-------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholder's funds | | | |
| Share capital | 2 | 1,886.78 | 1,886.78 |
| Reserves and surplus | 3 | 12,671.73 | 11,145.28 |
| | | 14,558.51 | 13,032.07 |
| Non-current liabilities | | | |
| Long-term borrowings | 4 | 983.87 | 1,037.44 |
| Deferred tax liabilities (Net) | 5 | 83.75 | 18.92 |
| Other Non current liabilities | 6 | 300.00 | 300.00 |
| Long-term provisions | 7 | 183.68 | 153.81 |
| | | 1,551.31 | 1,510.17 |
| Current liabilities | | | |
| Short-term borrowings | 8 | 3,331.58 | 2,814.43 |
| Trade payables | 9 | | |
| - Due to micro and small enterprises | | 208.09 | 315.36 |
| - Due to other than micro and small enterprises | | 4,146.17 | 5,602.25 |
| Other current liabilities | 10 | 3,297.72 | 2,185.81 |
| Short-term provisions | 11 | 11.75 | 9.88 |
| | | 10,995.31 | 10,927.71 |
| | | 27,105.13 | 25,469.95 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant & equipment and intangible assets | 12 | | |
| - Property, plant & equipment | | 6,326.42 | 4,730.29 |
| - Intangible assets | | 12.21 | - |
| Non-current investments | 13 | 1,573.15 | 1,560.41 |
| Deferred tax assets (Net) | 5 | - | - |
| Long-term loans and advances | 14 | 1,437.76 | 1,236.90 |
| Other non-current assets | 15 | 546.03 | 778.96 |
| | | 9,895.57 | 8,306.57 |
| Current assets | | | |
| Inventories | 16 | 6,663.40 | 8,289.90 |
| Trade receivables | 17 | 3,688.33 | 3,450.82 |
| Unbilled revenue | 18 | 1,760.68 | 1,837.80 |
| Cash and bank balances | 19 | 2,421.93 | 1,602.23 |
| Short-term loans and advances | 20 | 599.31 | 924.21 |
| Other current assets | 21 | 2,075.91 | 1,058.40 |
| | | 17,209.56 | 17,163.37 |
| | | 27,105.13 | 25,469.95 |
| See significant accounting policies and notes to the financial statements | 1 to 41 | | |

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

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
CIN: L45200MH1999PLC120229

Suresh Murarka
Partner
Membership No. 044739

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
Director and Chief Executive Officer
DIN: 01484372

Vedashri Chaudhari
Company Secretary
Mem No. A55742

Priti Sharma
Chief Financial Officer

Place: Mumbai
Date: 27th May, 2024

Place: Thane
Date: 27th May, 2024

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2024

(₹ In Lakhs)

| Particulars | Note Nos. | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|-----------|------------------------------|------------------------------|
| REVENUE | | | |
| Revenue from operations | 22 | 21,510.91 | 18,116.58 |
| Other income | 23 | 349.52 | 93.03 |
| | | 21,860.43 | 18,209.62 |
| EXPENSES | | | |
| Cost of contracts | 24 | 15,204.49 | 13,579.79 |
| Employee benefit expense | 25 | 2,385.72 | 1,872.69 |
| Finance cost | 26 | 832.62 | 641.50 |
| Depreciation | 12 | 365.12 | 294.99 |
| Other expenses | 27 | 1,078.40 | 848.38 |
| | | 19,866.34 | 17,237.35 |
| Profit before share of profit / (loss) of associates | | 1,994.09 | 972.26 |
| Share of profit / (loss) of associates | | 12.74 | - |
| Profit before tax | | 2,006.83 | 972.26 |
| Less: Tax expenses | | | |
| Current tax | | 414.34 | 67.80 |
| Deferred tax liability / (asset) | 5 | 64.83 | 67.28 |
| Tax of earlier years | | 1.21 | (4.95) |
| Profit for the year | | 1,526.44 | 842.13 |
| Earnings per equity share: | 28 | | |
| (Face value of ₹ 10/- each) | | | |
| - Basic (₹) | | 8.09 | 4.46 |
| - Diluted (₹) | | 8.09 | 4.46 |
| See significant accounting policies and notes to the financial statements | 1 to 41 | | |

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

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
 CIN: L45200MH1999PLC120229

Suresh Murarka
 Partner
 Membership No. 044739

Radheshyam Sharma
 Managing Director
 DIN: 00340865

Raman Sharma
 Director and Chief Executive Officer
 DIN: 01484372

Vedashri Chaudhari
 Company Secretary
 Mem No. A55742

Priti Sharma
 Chief Financial Officer

Place: Mumbai
 Date: 27th May, 2024

Place: Thane
 Date: 27th May, 2024

STATEMENT OF CONSOLIDATED CASH FLOW

for the year ended March 31, 2024

| Particulars | (₹ In Lakhs) | |
|---|------------------------------|------------------------------|
| | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
| A. Cash Flow from Operating Activities | | |
| Net Profit before Tax | 1,994.09 | 972.26 |
| Adjustments for: | | |
| Depreciation | 365.12 | 294.99 |
| Finance Costs | 832.62 | 641.50 |
| (Profit)/loss on Sale / discard of Property Plant & Equipments | 21.28 | 0.42 |
| Interest income | (122.22) | (76.04) |
| Operating Profit before Working Capital changes | 3,090.88 | 1,833.15 |
| Adjustments for: | | |
| (Increase) / Decrease in Inventories | 1,626.50 | (3,604.21) |
| (Increase) / Decrease in Trade receivables & unbilled revenue | (160.39) | (834.24) |
| (Increase) / Decrease in Short term loans and advances | 324.91 | (157.83) |
| (Increase) / Decrease in Long term loans given & advances | (134.21) | (221.34) |
| (Increase) / Decrease in Other current & Non-current assets | (784.57) | (446.32) |
| Increase / (Decrease) in Trade payables | (1,563.34) | 3,802.48 |
| Increase / (Decrease) in Other current liabilities | 1,111.91 | 1,368.65 |
| Increase / (Decrease) in Other non current liabilities | - | - |
| Increase / (Decrease) in Provisions | 31.75 | 32.42 |
| CASH GENERATED FROM OPERATIONS | 3,543.43 | 1,772.76 |
| Income tax Paid | (482.19) | (145.58) |
| Net Cash inflow from/ (outflow) from Operating activities | 3,061.24 | 1,627.18 |
| B. Cash Flow from Investing Activities | | |
| Purchase of Property Plant & Equipment's (including capital work in progress) | (2,229.12) | (903.23) |
| Sale of Property Plant & Equipment's | 234.39 | - |
| Maturity / (Investment) in fixed deposits | (471.52) | (693.88) |
| Interest received | 122.22 | 76.04 |
| Net Cash inflow from/ (outflow) from Investing activities | (2,344.03) | (1,521.08) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from borrowings | 5,631.28 | 1,183.82 |
| Repayment of borrowings | (5,171.56) | (652.39) |
| Finance Cost | (828.75) | (641.50) |
| Net Cash inflow from/ (outflow) from Financing activities | (369.04) | (110.07) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 348.18 | (3.97) |



| Particulars | (₹ In Lakhs) | |
|--|------------------------------|------------------------------|
| | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
| Add: Opening Cash and Bank Balances | | |
| Cash and Cash Equivalents | | |
| Cash in hand | 18.52 | 41.39 |
| Bank balances | 48.85 | 29.95 |
| Closing Cash and Cash Equivalents | 415.55 | 67.37 |
| Break up of Cash and Cash Equivalents | | |
| Cash in hand | 42.05 | 18.52 |
| Bank balances | 373.51 | 48.85 |
| | 415.55 | 67.37 |

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

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
CIN: L45200MH1999PLC120229

Suresh Murarka
Partner
Membership No. 044739

Radheshyam Sharma
Managing Director
DIN: 00340865

Raman Sharma
Director and Chief Executive Officer
DIN: 01484372

Vedashri Chaudhari
Company Secretary
Mem No. A55742

Priti Sharma
Chief Financial Officer

Place: Mumbai
Date: 27th May, 2024

Place: Thane
Date: 27th May, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

Note 1 : Significant Accounting Policies:

A Corporate Information:

Innovators Façade 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 subsidiaries, 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 (its Subsidiary) and Innovators Contracting Works Private Limited (an Associates of Wholly Owned Subsidiary Company) 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.

vi) Associates are the entities over which the Company has significant influence either direct or through subsidiary company but not control or joint control. This is generally the case where the Company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

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. 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 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule II to the Companies Act, 2013. The Company has ascertained its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities.

F 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 a part of work executed but not billed until the last day of the reporting period due to contractual terms.
- iv) Interest income is recognized on time proportion basis.

G Property Plant & Equipment's

i) Tangible Assets

Property Plant & Equipment's are stated at actual cost of acquisition net of recoverable taxes less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

ii) Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets

- iii) Capital work- in- progress includes cost of property, plant and equipment under installation/ under development as at the balance sheet date.

H Depreciation & Amortisation

Depreciation on tangible assets has been provided on 'Straight Line Method' based on the useful life of the assets and in the manner prescribed in the Schedule II of the Companies Act, 2013.

Intangible assets are amortised over the life of underlying assets. Computer software are amortised over a period of 3 Years.

I 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.

J 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.

K 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.

L 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.

M Employee Benefits :

i) Short-term obligations

Liabilities for wages and salaries, Leave encashments including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Leave encashment liabilities are settled within twelve months after the end of the end of the period in which employee render the related services and hence considered short term obligation and charged to the statement of profit & loss on accrual basis.

ii) Post-employment

Defined contribution plan

The Company makes specified monthly contribution towards employee provident fund to Employees' Provident Fund. The Company's contributions to the fund are recognised in the Statement of Profit and Loss in the financial year to which the employee renders the service.

Defined benefit plan

The Company's gratuity scheme is a defined benefit plan. The present value of obligation under such defined benefit plan is determined based on actuarial valuation carried at the year-end using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

N Leases :

i) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term

ii) Finance Lease

Leases which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased assets, are classified as finance leases and are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term

and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges on account of finance leases are charged to statement of profit and loss.

O Earnings Per Share :

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 'Earning per Share. Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) if any that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

P Cash Flow Statement

Cash Flow Statement have been prepared on Indirect Method as prescribed under Accounting Standard -3 on Cash Flow Statements, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Q 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.

R 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 2 : Share capital

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

| Particulars | As at | |
|---|-----------------|-----------------|
| | March 31, 2024 | March 31, 2023 |
| Authorised capital | | |
| 2,10,00,000 Equity shares of ₹ 10/- each | 2,100.00 | 2,100.00 |
| | 2,100.00 | 2,100.00 |
| Issued, subscribed and paid up capital | | |
| 1,88,67,808 Equity shares of ₹ 10/- each | 1,886.78 | 1,886.78 |
| | 1,886.78 | 1,886.78 |

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. Shareholders having more than 5% shareholding

| Name of Shareholder | As at | | As at | |
|----------------------------------|---------------------------|------------|---------------------------|------------|
| | March 31, 2024 | | March 31, 2023 | |
| | 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% |
| Radheshyam Sharma | 34,57,009 | 18.32% | 23,80,209 | 12.62% |
| Vijay Kedia | 20,10,632 | 10.66% | 20,10,632 | 10.66% |
| Raman Sharma | 15,37,345 | 8.15% | 15,37,345 | 8.15% |

d. Reconciliation of number of equity shares

| Particulars | As at | | As at | |
|---|----------------|----------|----------------|----------|
| | March 31, 2024 | | March 31, 2023 | |
| | Nos. | ₹ | Nos. | ₹ |
| Shares outstanding at the beginning of the year | 1,88,67,808 | 1,886.78 | 1,88,67,808.00 | 1,886.78 |
| Add: Shares issued during the year | - | - | - | - |
| Shares outstanding at the end of the year | 1,88,67,808 | 1,886.78 | 1,88,67,808 | 1,886.78 |

e. Shareholding of Promoters / Promoter Group

| Particulars | As at | | As at | | % Change during the year |
|--|---------------------------|------------|---------------------------|------------|--------------------------|
| | March 31, 2024 | | March 31, 2023 | | |
| | No. of equity shares held | Percentage | No. of equity shares held | Percentage | |
| Radheshyam Sharma | 34,57,009 | 18.32% | 23,80,209 | 12.62% | 5.71% |
| Jolly Multi Trade Private Limited | 45,41,022 | 24.07% | 45,41,022 | 24.07% | - |
| Raman Sharma | 15,37,345 | 8.15% | 15,37,345 | 8.15% | - |
| Shivchand Sharma | 1,600 | 0.01% | 9,00,000 | 4.77% | -4.76% |
| Anjana Sharma | 8,34,315 | 4.42% | 8,34,315 | 4.42% | - |
| Rohit Sharma | 3,14,400 | 1.67% | 3,14,400 | 1.67% | - |
| Draupadi Sharma | 1,600 | 0.01% | 1,80,000 | 0.95% | -0.95% |
| Vedika Sharma | 1,20,000 | 0.64% | 1,20,000 | 0.64% | - |
| Priti Sharma | 3,49,055 | 1.85% | 3,49,055 | 1.85% | - |
| Innovators Façade Solutions (Mumbai) Private Limited | 8,64,004 | 4.58% | 8,64,004 | 4.58% | - |

(₹ In Lakhs)

- f. The Company has not issued any shares for a consideration other than cash during the previous 5 years.

Note 3 : Reserves and surplus

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| a. Securities premium (refer note 3(i) below) | | |
| Opening balance | 6,083.51 | 6,083.51 |
| Additions / (utilised) during the year | - | - |
| Closing balance | 6,083.51 | 6,083.51 |
| b. Surplus in the statement of profit and loss (refer note 3(ii) below) | | |
| Opening balance | 3,233.04 | 2,390.91 |
| Add/(Less) : Profit/(Loss) for the year | 1,526.44 | 842.13 |
| Closing balance | 4,759.48 | 3,233.04 |
| c. Capital reserve on consolidation | 1,828.73 | 1,828.73 |
| Total | 12,671.73 | 11,145.28 |

Note 3 (i) : Amount received in excess of face value of the equity shares is recognised in Securities Premium. It will be used as per the provisions of Companies Act, 2013, to issue bonus shares, to provide for premium on redemption of shares, write-off equity related expenses like underwriting costs, etc.

Note 3 (ii) : Surplus in the statement of profit and loss are the profits that the Company has earned till date less any transfers to General Reserve, dividends or other distributions to shareholders. Retained earnings is a free reserve available to the Company.

Note 4 : Long-term borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| SECURED LOANS | | |
| Working capital term loans from banks | 894.65 | 813.93 |
| Less: Current maturities of long term debt | 278.91 | 183.45 |
| | 615.74 | 630.48 |
| Finance lease obligation | 377.93 | 60.32 |
| Less: Current maturities of long term debt | 160.37 | 48.99 |
| | 217.56 | 11.33 |
| Vehicle loans from bank | 173.20 | 140.59 |
| Less: Current maturities of long term debt | 52.96 | 29.96 |
| | 120.24 | 110.64 |
| UNSECURED LOANS | | |
| From related parties: | | |
| - Inter Corporate deposits | - | 285.00 |
| From others | | |
| - From banks | 96.43 | - |
| - From non banking financial companies | 134.84 | - |
| | 231.27 | 285.00 |
| Less: Current maturities of long term debt | 200.93 | - |
| | 30.33 | 285.00 |
| | 983.87 | 1,037.44 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Additional information pertaining to long term borrowings:

- (a) Working Capital Term loan from Indian Bank Limited amounting to ₹ 212.17 lakhs (PY ₹ 227.22 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 Repo Rate + 4.30 % per annum. The loan is repayable in 48 monthly instalments of ₹ 4.90 lakhs starting after a moratorium period of 12 months from first disbursements.
- (b) Working Capital Term loan from Indian Bank Limited amounting to ₹ 115.18 lakhs (PY ₹ 116.51 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 Repo Linked for MSME i.e. 4% + 4.35%. The loan is repayable in 48 monthly instalments of ₹ 2.44 Lakhs starting after a moratorium period of 24 months from first disbursements.
- (c) Working capital demand loan from Indian Bank amounting to ₹ Nil (PY ₹ 13.80 lakhs) is secured by extension of charges on the primary and collateral security (present & future) and existing personal guarantees for Cash credit facilities). They carry interest rate of MCLR (1 Year) + 2.50% Spread per annum. The loan is repayable in 30 equated monthly installments amounting to ₹ 3.45 lakhs after the Moratorium period of 6 months from disbursement.
- (d) Working Capital Term loan from Punjab National Bank amounting to ₹147.29 lakhs (PY ₹ 150.13 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 RLLR + 1.10 % Spread subject to maximum of 9.25%. The loan is repayable in 48 monthly instalments of ₹ 3.18 lakhs each after the moratorium period of 24 months from first disbursements.
- (e) Working Capital Term loan from Punjab National Bank amounting to ₹ 196.39 lakhs (PY ₹ 288.06 lakhs) is secured against first charge over factory land & building and hypothecation of Plant and machinery, 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 RLLR + 1% Spread. The loan is repayable in 36 monthly instalments of ₹ 8.47 lakhs each after the moratorium period of 12 months from first disbursements.
- (f) Term loan from bank of Baroda amounting to ₹ 223.62 lakhs (PY ₹ 22.66) is a part of overall sanctioned term loan of ₹ 720.00 lakhs. It is secured against first charge of respective plant and machinery financed out of the respective loan. It carries interest rate of BRLLR+SP 0.25%+ 1.25 % Spread per annum and is repayable in 48 equal monthly installment starting from the date of disbursement of each loan.
- (g) Finance lease obligation from amounting to ₹ 377.93 lakhs (PY ₹ 60.32 lakhs) are secured against respective leased assets. Lease rentals are payable on monthly basis for total tenure of 48 months.
- (h) Vehicle loans from banks amounting to ₹ 173.20 lakhs (PY ₹ 140.59 lakhs) are secured against respective vehicles. They carry interest rate ranging between 7.36% to 9.80% per annum. The Instalments period of the loans ranges between 46 months to 60 months.
- (i) Unsecured loans from banks and non-banking financial companies are repayable over a period of 1 to 3 years and carries interest rate ranging from 11.75% to 18% per annum.

Note 5 : Deferred tax assets / (liabilities)

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

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Net Deferred Tax Asset / (Liabilities) | | |
| (i) Difference in WDV of property plant & equipment's as per books of accounts and the value considered for tax purpose | (166.43) | (92.28) |
| (ii) Provision for employee benefits | 49.19 | 39.87 |
| (iii) Provision doubtful debts | 33.49 | 33.49 |
| Net | (83.75) | (18.92) |

(₹ In Lakhs)

Note 6 : Other Non current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Security Deposits | 300.00 | 300.00 |
| | 300.00 | 300.00 |

Note 7 : Long-term provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for employee benefits: | | |
| Provision for gratuity | 183.68 | 153.81 |
| | 183.68 | 153.81 |

Note 8 : Short-term borrowings

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Secured | | |
| Working capital facilities from banks | | |
| - Cash credit facility | 2,139.40 | 2,552.03 |
| | 2,139.40 | 2,552.03 |
| Unsecured | | |
| - From banks | 499.00 | - |
| | 499.00 | - |
| Current maturities of long-term debt | 693.18 | 262.40 |
| | 3,331.58 | 2,814.43 |

Additional information pertaining to short term borrowings :

Cash credit facility from banks amounting to ₹ 2,139.40 lakhs (PY ₹ 2,552.03 lakhs) is secured against pari passu charges over Hypothecation of stock of raw material, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors.

Note 9 : Trade payables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Trade payables | | |
| Due to Micro and Small Enterprises * | 208.09 | 315.36 |
| Other than Micro and Small Enterprises | 4,146.17 | 5,602.25 |
| Net | 4,354.26 | 5,917.60 |

*Disclosures required under Sec 22 of MSMED Act, 2006

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year; | 208.09 | 315.36 |
| 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 | 10.83 | 5.63 |
| 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. | - | - |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended March 31, 2024

(₹ In Lakhs)

Trade Payables Ageing Schedule for March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|----------------------------|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) MSME | 180.38 | 25.59 | 1.76 | 0.03 | 0.32 |
| (ii) Others | 3,001.25 | 951.96 | 162.35 | 15.93 | 14.69 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - |

Trade Payables Ageing Schedule for March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|----------------------------|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) MSME | 252.36 | 62.97 | 0.03 | - | - |
| (ii) Others | 3,615.56 | 1,946.87 | 27.19 | 9.22 | 3.41 |
| (iii) Disputed dues- MSME | - | - | - | - | - |
| (iv) Disputed dues- Others | - | - | - | - | - |

Note 10 : Other current liabilities

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|------------------------------|-------------------------|-------------------------|
| Advance from customers | 3,007.80 | 1,775.27 |
| Interest accrued but not due | 4.09 | 4.46 |
| Statutory dues payable | 47.88 | 209.97 |
| Retention money payable | - | 0.19 |
| Expenses payable | 237.94 | 195.92 |
| | 3,297.72 | 2,185.81 |

Note 11 : Short-term provisions

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Provision for employee benefits: | | |
| Provision for gratuity | 5.02 | 4.61 |
| Provision for compensated absence | 6.74 | 5.27 |
| | 11.75 | 9.88 |

(₹ In Lakhs)

Note 12 : Property, plant & equipment and intangible assets

| Particulars | Gross Block | | | Accumulated Depreciation | | | Net Block | | |
|--------------------------|---------------------|---------------------------|--------------------------|--------------------------|---------------------|----------------------------------|---|----------------------|----------------------|
| | As at April 1, 2023 | Additions during the Year | Deletion during the Year | As at March 31, 2024 | As at April 1, 2023 | Depreciation charge for the year | Adjustments on Sale Or Assets Discarded | As at March 31, 2024 | As at March 31, 2023 |
| Tangible Assets | | | | | | | | | |
| Freehold Land | 98.22 | - | - | 98.22 | - | - | - | 98.22 | 98.22 |
| Factory Building | 2,635.34 | - | - | 2,635.34 | 1,314.76 | 57.01 | - | 1,371.76 | 1,320.58 |
| Storage Rack Systems | 287.29 | 73.72 | - | 361.01 | 45.72 | 8.25 | - | 53.97 | 241.57 |
| Plant & Machinery | 4,088.68 | 1,996.96 | 264.14 | 5,821.50 | 1,291.61 | 224.22 | 8.47 | 1,507.35 | 2,797.07 |
| Furniture & Fixtures | 47.69 | 8.92 | - | 56.61 | 25.58 | 3.20 | - | 28.78 | 22.11 |
| Vehicles | 352.82 | 76.80 | - | 429.61 | 203.51 | 20.92 | - | 224.43 | 149.30 |
| Office Equipment | 115.23 | 14.25 | - | 129.48 | 80.83 | 11.08 | - | 91.91 | 34.41 |
| Computers | 149.17 | 42.35 | - | 191.51 | 82.13 | 36.54 | - | 118.67 | 67.04 |
| Total | 7,774.43 | 2,212.99 | 264.14 | 9,723.29 | 3,044.14 | 361.20 | 8.47 | 3,396.87 | 4,730.29 |
| Previous Year | 6,226.23 | 913.44 | 430.04 | 6,709.63 | 2,533.82 | 610.82 | 387.47 | 2,757.16 | 3,952.47 |
| Intangible Assets | | | | | | | | | |
| Cad Software | - | 16.13 | - | 16.13 | - | 3.91 | - | 3.91 | - |
| Grand Total | 7,774.43 | 2,229.12 | 264.14 | 9,739.42 | 3,044.14 | 365.12 | 8.47 | 3,400.79 | 4,730.29 |

Note 12(B) : Value of property plant and equipment includes value of following assets acquired on Finance Lease (Disclosure in Terms of Accounting Standard-19) :

Refer Note 33 (B)

| Description of Assets | As at 31.03.2024 | | As at 31.03.2023 | |
|-----------------------|------------------|--------------------|------------------|--------------------|
| | Gross Value | Net Carrying Value | Gross Value | Net Carrying Value |
| Plant & Machinery | 424.44 | 342.34 | 190.05 | 128.87 |

(₹ In Lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 13 : Non-current investments

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Unquoted, trade investments, valued at cost | | |
| I. Investments in Debentures | | |
| Innovators Contracting Works Private Limited | - | 1,560.41 |
| Nil (P.Y. 1,56,041) 0% Compulsory Convertible Debentures of face value ₹1,000/- each. | | |
| II. Investments in Associates | | |
| Investments in Equity Shares | | |
| Innovators Contracting Works Private Limited | 1560.41 | - |
| 9,69,198 (P.Y. Nil) Equity shares of face value ₹10/- each. (Goodwill on acquisition - ₹ 1,390.69 lakhs) | | |
| Add : Share of accumulated profit & reserves | - | - |
| Add : Share of Current Year Profit / (Loss) | 12.74 | - |
| | 1,573.15 | - |
| | 1,573.15 | 1,560.41 |
| Aggregate book value of quoted investments | - | - |
| Aggregate market value of quoted investments | - | - |
| Aggregate book value of unquoted investments | 1,573.15 | 1,560.41 |

Note 14 : Long-term loans and advances

(Unsecured, considered good)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|-------------------------|-------------------------|
| Loans and advances to related parties | | |
| - Inter corporate deposits | 284.00 | 284.00 |
| Capital Advances | 59.12 | 85.69 |
| Security Deposits | 346.53 | 166.98 |
| Advance Tax & TDS (Net of Provisions) | 413.76 | 347.11 |
| Balance with statutory authorities paid under protest (refer note 30A) | 250.00 | 250.00 |
| Balances with statutory authorities | 9.86 | 25.41 |
| Prepayments | - | 3.22 |
| Other Receivables | 74.50 | 74.50 |
| | 1,437.76 | 1,236.90 |

Note 15 : Other non-current assets

(Unsecured, considered good)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Retention money receivables | | |
| Unsecured, considered doubtful | 39.48 | 39.48 |
| Less - Provision for doubtful debtors | (39.48) | (39.48) |
| Unsecured, considered good | 210.12 | 504.07 |
| Fixed deposits (balance maturity period of more than 12 months) (Held as margin money with banks against credit facilities/Govt Authority) | 335.91 | 274.89 |
| | 546.03 | 778.96 |

(₹ In Lakhs)

Note 16 : Inventories

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| (Valued at lower of Cost or Net Realisable Value) | | |
| Raw materials and components | 6,663.40 | 8,289.90 |
| | 6,663.40 | 8,289.90 |

Note 17 : Trade receivables

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---------------------------------------|-------------------------|-------------------------|
| Unsecured, considered good * | 3,688.33 | 3,450.82 |
| Unsecured, considered doubtful | 93.59 | 93.59 |
| Less - Provision for doubtful debtors | (93.59) | (93.59) |
| | - | - |
| | 3,688.33 | 3,450.82 |

Trade Receivables Ageing Schedule for March 31, 2024

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) Undisputed Trade receivables - considered good | 2,808.86 | 735.19 | 129.00 | - | 15.28 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | 93.59 |
| (iii) Disputed Trade Receivables-considered good | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered doubtful | - | - | - | - | - |

Trade Payables Ageing Schedule for March 31, 2023

| Particulars | Outstanding for following periods from due date of payment | | | | |
|---|--|------------------|-----------|-----------|-------------------|
| | Not Due | Less than 1 year | 1-2 years | 2-3 years | More than 3 years |
| (i) Undisputed Trade receivables - considered good | 2,603.63 | 650.91 | 85.74 | 17.06 | 93.49 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | 93.59 |
| (iii) Disputed Trade Receivables-considered good | - | - | - | - | - |
| (iv) Disputed Trade Receivables-considered doubtful | - | - | - | - | - |

Note 18 : Unbilled revenue

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------|-------------------------|-------------------------|
| Unbilled Revenue* | 1,760.68 | 1,837.80 |
| | 1,760.68 | 1,837.80 |

*Unbilled Revenue is net of mobilization and material advances received amounting to ₹ 418.23 lakhs (P.Y. ₹ 1,785.72 lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 19 : Cash and bank balances

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|---|-------------------------|-------------------------|
| Cash & cash equivalents | | |
| Balances with banks | | |
| - Current account | 373.51 | 48.85 |
| Cash on hand | 42.05 | 18.52 |
| Fixed deposits (original maturity period upto 3 months) | - | - |
| | 415.55 | 67.37 |
| Other bank balances | | |
| Fixed deposits (original maturity period 3 to 12 months) | 173.05 | 240.46 |
| Fixed deposits (original maturity period more than 12 months) | 2,169.23 | 1,569.29 |
| Less : Non current portion disclosed under non current (balance maturity more than 12 months) | (335.91) | (274.89) |
| | 2,006.38 | 1,534.86 |
| Total | 2,421.93 | 1,602.23 |
| Fixed Deposits under lien as margin money with banks against credit facilities | | |
| Original maturity upto 12 months | 173.05 | 240.46 |
| Original maturity more than 12 months | 2,169.23 | 1,569.29 |
| Less : Non current portion disclosed under non current (balance maturity more than 12 months) | (335.91) | (274.89) |
| | 2,006.38 | 1,534.86 |

Note 20 : Short-term loans and advances

(Unsecured, Considered Good)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-------------------------------------|-------------------------|-------------------------|
| Security deposit | 81.88 | 129.19 |
| Advance to suppliers | 107.70 | 122.45 |
| Balances with statutory authorities | 272.44 | 610.87 |
| Advance to employees | 28.33 | 11.00 |
| Prepayments | 108.96 | 50.70 |
| | 599.31 | 924.21 |

Note 21 : Other current assets

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|-----------------------------|-------------------------|-------------------------|
| Unsecured, considered good | | |
| Retention Money Receivables | 2,075.91 | 1,058.40 |
| | 2,075.91 | 1,058.40 |

Note 22 : Revenue from operations

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Operating revenue | | |
| Sales from works contract and façade materials | 21,495.90 | 18,064.92 |
| Other operating revenue | | |
| Sale of scrap | 15.01 | 51.67 |
| | 21,510.91 | 18,116.58 |

(₹ In Lakhs)

Note 23 : Other income

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|-------------------------------|------------------------------|------------------------------|
| Interest Income | | |
| - fixed deposits | 122.22 | 76.04 |
| Interest on Income tax refund | 0.60 | 16.06 |
| Claims Received | 182.06 | - |
| Miscellaneous Receipts | 44.64 | 0.93 |
| | 349.52 | 93.03 |

Note 24 : Cost of contracts

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Facade materials | | |
| Opening stock of materials | 8,289.90 | 4,685.69 |
| Add: Purchases during the year | 9,059.56 | 13,304.27 |
| | 17,349.46 | 17,989.96 |
| Less: Material utilised for capital assets | 91.57 | - |
| Less: Closing stock of materials (including materials at site) | 6,663.40 | 8,289.90 |
| | 10,594.50 | 9,700.06 |
| Direct expenses | | |
| Installation charges | 932.11 | 770.51 |
| Coating expenses | 751.49 | 742.73 |
| Transportation expenses | 375.64 | 405.41 |
| Fabrication expenses | 960.78 | 872.36 |
| Other production and execution costs | 1,589.97 | 1,088.72 |
| | 4,609.99 | 3,879.72 |
| | 15,204.49 | 13,579.79 |

Note 25 : Employee benefit expense

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|-----------------------------|------------------------------|------------------------------|
| Directors remuneration | 170.00 | 85.04 |
| Salaries and incentives | 1,994.97 | 1,618.94 |
| Contribution to PF and ESIC | 43.73 | 36.63 |
| Gratuity expense | 38.10 | 31.39 |
| Leave encashment | 35.31 | 5.27 |
| Staff welfare expenses | 103.61 | 95.41 |
| | 2,385.72 | 1,872.69 |

Note 26 : Finance cost

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Interest expenses | | |
| - Banks | 329.04 | 312.99 |
| - Others | 214.15 | 9.95 |
| Bank guarantee and letter of credit charges and other borrowing cost | 289.42 | 318.57 |
| | 832.62 | 641.50 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

Note 27 : Other expenses

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---------------------------------------|------------------------------|------------------------------|
| Rent expenses | 334.89 | 207.04 |
| Rates and taxes | 4.99 | 5.25 |
| Electricity charges | 13.66 | 10.87 |
| Communication expenses | 32.34 | 24.35 |
| Insurance charges | 51.03 | 37.67 |
| Professional & consultancy charges | 123.44 | 89.13 |
| Auditors remuneration * | 11.70 | 5.52 |
| Security charges | 70.26 | 63.19 |
| Repairs & maintenance - Machinery | 50.25 | 60.69 |
| Repairs & maintenance - Building | 2.37 | 14.98 |
| Repairs & maintenance - Others | 25.32 | 20.80 |
| Printing & stationery | 21.10 | 24.52 |
| Conveyance and travelling | 133.05 | 111.27 |
| Vehicle maintenance and fuel expenses | 39.28 | 23.71 |
| Loss on fixed assets discarded / sold | 21.28 | 0.42 |
| CSR expenditure & donations | 15.06 | 0.08 |
| Balances Written off (net) | - | 68.13 |
| Investments in subsidiary written off | 3.00 | - |
| Miscellaneous expenses | 125.38 | 80.76 |
| | 1,078.40 | 848.38 |

* Auditors remuneration includes :

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|----------------------|------------------------------|------------------------------|
| Statutory audit fees | 11.20 | 5.02 |
| Tax audit fees | 0.50 | 0.50 |
| Other Services | - | - |
| | 11.70 | 5.52 |

Note 28 : Earning Per Share

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Basic Earnings per Share | | |
| Profit/(Loss) attributable to equity shareholders | 1,526.44 | 842.13 |
| Shares outstanding at the beginning of the year | 1,88,67,808 | 1,88,67,808 |
| 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 | 1,88,67,808 |
| Basic & Dilutive Earnings Per Share | 8.09 | 4.46 |
| Face value per Share | 10.00 | 10.00 |

Note 29 : 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.

(₹ In Lakhs)

Note 30 : Contingent Liabilities

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| (i) Disputed VAT/CST liabilities | 743.81 | 725.31 |
| (ii) Disputed income tax liabilities | 807.24 | 173.10 |
| (iii) Disputed goods and service tax liabilities | 639.93 | - |
| Total | 2,190.98 | 898.40 |

Note 30A : During the financial year 2022-23, a search operation under the Central Goods and Service Tax Act, 2017 was conducted at the premises of the Company by the Department of Directorate General of GST Intelligence. During the search operation, the Company has paid ₹ 250.00 lakhs “Under Protest” by reversal of input tax credit through filing of DRC-03. The Company has submitted all the details and documents asked for verification by the department from time to time. The management has replied to the show cause notice of Department received during the year. The management is confident for its outcome in the Company’s favour and receipt back of amount paid under protest and hence no provision for the same is considered necessary in the books of accounts. Disputed liability amounting to ₹ 592.85 lakhs as per show cause notice has been disclosed as contingent liabilities in note 30.

Note 30B : Bank Guarantee amounting to ₹ 5,948.03 lakhs (PY ₹ 5,517.91 lakhs)

Note 31 : Capital Commitments

Capital Commitments (Net off advances) is Amounting to ₹ 42.79 lakhs (P.Y. ₹ 28.86 lakhs)

Note 32 : Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. A CSR committee has been formed by the company as per the Act. Following are the disclosures in respect of CSR expenditure by the Company :

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|---|------------------------------|
| Short / (Excess) as at the beginning of the year | (0.65) | (0.65) |
| Amount required to be spent by the Company during the year | 7.66 | - |
| Amount of expenditure incurred | 15.00 | - |
| Short / (Excess) as at the end of the year | (7.99) | (0.65) |
| Reason for shortfall | NA | NA |
| Nature of CSR Activities | Vocational & self employment training in rural areas for tribal people and eradicate poverty & hunger | Animal Welfare |
| Details of related party transactions, e.g. contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard | NA | NA |
| Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the period | NA | NA |

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

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| i) Lease payments recognized in the statement of profit and loss for the year | 334.89 | 207.04 |
| ii) A general description of the lessee’s significant leasing arrangements: | | |
| - lease rent agreements are for Factory, offices and guest houses | | |
| - there are no restrictions imposed by lease arrangements. | | |
| - there are no subleases | | |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

(B) Disclosures in respect of finance leases are given as follows:

In accordance with Accounting Standard - 19 : Leases, the assets acquired on finance lease are capitalized in the books of accounts and the liability is recognized for an equivalent amount. Consequently depreciation is provided on such leases. Lease rentals paid are allocated to the liability account and the interest is charged to the profit and loss account.

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Minimum lease payments | | |
| Not later than 1 year | 214.44 | 54.34 |
| Later than 1 year but not later than 5 years | 486.67 | 18.40 |
| Total | 701.10 | 72.74 |
| Less : Finance charges | 177.42 | 7.16 |
| Present value of minimum lease payments | 523.68 | 65.58 |

Present value of minimum lease payments :

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Present value of minimum lease payments : | | |
| Not later than 1 year | 160.37 | 48.99 |
| Later Than 1 year but not later than 5 years | 363.31 | 16.59 |
| Total | 523.68 | 65.58 |

Note 34 : Disclosure pursuant to Accounting Standard - 15 'Employee Benefits'

Actuarial assumption:

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---------------------------|---------------------------------------|---------------------------------------|
| Salary Growth* | 6.00% | 6.00% |
| Discount Rate | 7.20% | 7.50% |
| Rate of Employee Turnover | 10% at younger ages & 2% at older age | 10% at younger ages & 2% at older age |

* 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, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Present value of obligation as at the beginning of the year: | 158.41 | 131.26 |
| Interest cost | 11.71 | 9.38 |
| Current service cost | 36.96 | 30.87 |
| Benefits paid | 7.81 | 4.24 |
| Actuarial (gain) / loss on obligation | (10.57) | (8.86) |
| Closing Present value of obligation | 188.70 | 158.41 |

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Actuarial (gain)/ loss on obligation for the year | (10.57) | (8.86) |

(₹ In Lakhs)

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Present value of obligation as at the end of the year | 188.70 | 158.41 |
| Funded value of assets (unfunded) | - | - |
| Net assets / (liability) recognised in balance sheet - Non-Current | 183.68 | 153.80 |
| Net assets / (liability) recognised in balance sheet - Current | 5.02 | 4.61 |

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

| Particulars | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| Current service cost | 36.96 | 30.87 |
| Past service cost | - | - |
| Interest cost | 11.71 | 9.38 |
| Expected return on plan assets | - | - |
| Net actuarial (gain) / loss recognized in the year | (10.57) | (8.86) |
| Expenses recognised in the statement of profit and loss | 38.10 | 31.39 |

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

| Particulars | Gratuity | | | | |
|---|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | Year Ended March 31, 2024 | Year Ended March 31, 2023 | Year Ended March 31, 2022 | Year Ended March 31, 2021 | Year Ended March 31, 2020 |
| Defined benefit obligation | 188.70 | 158.41 | 131.26 | 82.08 | 82.75 |
| Plan assets | - | - | - | - | - |
| Surplus/(deficit) | (158.41) | (158.41) | (131.26) | (82.08) | (82.75) |
| Actuarial gain/(loss) on Defined benefit obligation | (10.57) | (8.86) | 26.64 | (6.82) | 7.54 |
| Actuarial gain/(loss) on plan assets | - | - | - | - | - |

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 on "Segment Reporting".

Note 36 : Related Party disclosures

A. List of related parties

(i) Key Management Personnel:

| Name | Designation |
|--------------------|---|
| Radheshyam Sharma | Managing Director |
| Anjana Sharma | Whole Time Director (until 30-11-2022) |
| Shivchand Sharma | Director |
| Raman Sharma | Chief Executive Officer & Whole Time Director (w.e.f. 09-12-2022) |
| Priti Sharma | Chief Financial Officer |
| Vedashri Chaudhari | Company Secretary (w.e.f. 12 th December, 2023) |
| Radhika Agarwal | Company Secretary (upto 30 th November, 2023) |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

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

| Name |
|-----------------|
| Dropadi Sharma |
| Narendra Sharma |
| Rohit Sharma |
| Vedika Sharma |
| Anjana Sharma |

(iii) Enterprise under significant influence and/or Same Key Management Personnel or their relatives with whom the company has entered into transactions during the year:

| Name of the Party |
|--|
| Innovators Contracting Works Private Limited (Associates of wholly owned subsidiary Company w.e.f. 31 st October, 2023) |
| Cleantech Engineering Private Limited |
| Innovators Building Products Private Limited |
| Innovators Facade Solutions (Mumbai) Private Limited |
| Parth Façade Solutions Private Limited |

B. Transactions with Related Parties :

| Nature of Transaction | Name of Party | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|--|------------------------------|------------------------------|
| Directors Remuneration | Radheshyam Sharma | 98.00 | 55.86 |
| | Raman Sharma | 72.00 | 12.50 |
| | Anjana Sharma | - | 16.68 |
| Salaries | Raman Sharma | - | 24.00 |
| | Anjana Sharma | 30.00 | 10.78 |
| | Rohit Sharma | 50.00 | 30.67 |
| | Priti Sharma | 30.00 | 27.21 |
| | Narendra Sharma | 30.00 | 28.10 |
| | Vedashri Chaudhari | 2.39 | - |
| | Radhika Agarwal | 3.20 | 4.50 |
| | | | |
| Leave Encashments | Radheshyam Sharma | 5.91 | 1.57 |
| | Raman Sharma | 5.15 | 0.50 |
| | Anjana Sharma | 1.01 | 0.82 |
| | Rohit Sharma | 3.40 | 1.64 |
| | Priti Sharma | 0.62 | 0.41 |
| | Narendra Sharma | 1.64 | 0.19 |
| Rent Expense | Narendra Sharma | 4.80 | 1.57 |
| | Anjana Sharma | 2.40 | 0.60 |
| | Raman Sharma | 3.60 | 3.60 |
| | Shivchand Sharma | 3.60 | 3.60 |
| | Dropadi Sharma | 4.80 | 4.80 |
| | Rohit Sharma | - | 3.60 |
| | Priti Sharma | 4.80 | 3.00 |
| | Innovators Building Products Private Limited | 80.50 | 7.00 |
| | Innovators Contracting Works Private Limited | 24.00 | - |
| | | | |
| Sales from works contract and façade materials | Innovators Contracting Works Private Limited | 507.73 | 405.55 |
| | Cleantech Engineering Works Private Limited | 15.01 | - |
| | Innovators Building Products Private Limited | 123.87 | 82.44 |

(₹ In Lakhs)

| Nature of Transaction | Name of Party | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|---|--|------------------------------|------------------------------|
| Contracts Execution Expenses & Labour Services | Parth Façade Solutions Private Limited | - | 51.76 |
| | Innovators Contracting Works Private Limited | 3,538.24 | 2,371.19 |
| Unsecured Loan Taken | Innovators Facade Solutions (Mumbai) Private Limited | 673.51 | 285.00 |
| | Raman Sharma | 668.00 | - |
| | Radheshyam Sharma | 937.96 | 473.11 |
| Unsecured Loan Repaid | Innovators Facade Solutions (Mumbai) Private Limited | 958.51 | - |
| | Raman Sharma | 668.00 | - |
| | Radheshyam Sharma | 937.96 | 473.11 |
| Rent Deposit Paid | Innovators Building Products Private Limited | 30.00 | - |
| | Innovators Contracting Works Private Limited | 19.50 | - |
| Security Deposits Paid Back | Innovators Building Products Private Limited | - | 300.00 |

C. Balance Outstanding of Related Parties :

| Name of Party | Year Ended March 31, 2024 | Year Ended March 31, 2023 |
|--|------------------------------|------------------------------|
| Unsecured Loan Payable | | |
| Innovators Facade Solutions (Mumbai) Private Limited | - | 285.00 |
| Security Deposits Payable | | |
| Innovators Building Products Private Limited | 300.00 | 600.00 |
| Rent Deposits Given | | |
| Innovators Building Products Private Limited | 30.00 | - |
| Innovators Contracting Works Private Limited | 19.50 | - |
| Payables / (Receivables) | | |
| Innovators Contracting Works Private Limited | 407.71 | 958.12 |
| Parth Façade Solutions Private Limited | - | 0.90 |
| Innovators Building Products Private Limited | - | (114.99) |
| Radheshyam S Sharma | 5.09 | 4.48 |
| Anjana Sharma | 1.62 | 3.38 |
| Raman Sharma | 3.91 | 6.30 |
| Priti Sharma | 0.31 | 4.57 |
| Narendra Sharma | 1.58 | 10.69 |
| Shivchand Sharma | - | 3.43 |
| Dropadi Sharma | - | 4.57 |
| Rohit Sharma | 2.70 | 3.52 |

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, 2024 | Year Ended March 31, 2023 |
|----------------------------|------------------------------|------------------------------|
| Raw Materials & Components | - | 139.82 |
| Plant and Machinery | - | 100.25 |
| Total | - | 240.06 |

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

(b) Expenditure in foreign currency - ₹ 9.99 lakhs (PY ₹ 7.47 lakhs)

(c) Consumption of raw materials:

| Particulars | Year Ended March 31, 2024 | | Year Ended March 31, 2023 | |
|--------------|------------------------------|----------------|------------------------------|----------------|
| | Amount | Percentage | Amount | Percentage |
| Imported | - | - | 139.82 | 1.44% |
| Indigenous | 10,594.50 | 100.00% | 9,560.25 | 98.56% |
| Total | 10,594.50 | 100.00% | 9,700.06 | 100.00% |

(d) Financial Ratios :

| Particulars | Numerator / Denominator | Year Ended March 31, 2024 | Year Ended March 31, 2023 | % Variations | Reasons for Major Variance |
|--|---|------------------------------|------------------------------|--------------|-----------------------------------|
| Current ratio (In Times) | Current Assets / Current Liabilities | 1.57 | 1.57 | 0.27% | - |
| Debt-Equity Ratio (In Times) | Total Debts / Shareholders Fund | 0.30 | 0.30 | 0.29% | - |
| Debt service coverage ratio (In Times) | (EBIDTA+Non Cash Operating Expenses) / (Finance Cost + Current Maturity of Long term Debts) | 0.74 | 0.50 | 49.26% | Due to Increased Gross margins |
| Return on Equity Ratio (In %) | Net Profit After Tax / Average Shareholders Fund | 11.06% | 6.68% | 65.70% | Due to Increased Gross margins |
| Inventory turnover ratio (In Times) | Cost of Contracts / Average Inventory | 2.03 | 2.09 | 2.84% | - |
| Trade receivables turnover ratio (In Times) | Sales / Average Trade Receivables | 6.03 | 6.40 | 5.82% | - |
| Trade payables turnover ratio (In Times) | Purchases / Average Trade Payable | 1.76 | 3.31 | 46.75% | Due reduced purchases |
| Net capital turnover ratio (In Times) | (Current Assets-Current Liabilities) / Turnover | 3.46 | 2.91 | 19.15% | - |
| Net profit ratio (In %) | Net Profit After Tax / Turnover | 7.10% | 4.65% | 52.66% | Due to Increased Gross margins |
| Return on capital employed (In %) | (Net Profit Before Tax + Finance Cost) / Capital Employed) | 16.84% | 11.29% | 49.09% | Due to Increased Gross margins |
| Return on investment (In %) | | | N/A * | | |

* Since the Company does not have any Investments other than Investments in wholly owned subsidiary companies (unlisted), the ratio of return on Investments is not calculated.

(₹ In Lakhs)

(e) Reconciliation of Quarterly Returns submitted to Banks :

The Company has availed credit facilities from Punjab National Bank, Indian Bank & Bank of Baroda against security of its Current Assets. The Company has filed all returns regularly. There has been no material differences and the amount as per books of account are in agreement with amount as reported in quarterly returns except as mentioned herein below :

(i) For the Year ended 31st March, 2024 :

| Quarter Ended | Particulars of Account Balances | Amount as per Books of Accounts | Amount as reported in the quarterly return/ statement | Amount of Difference | Reason for Material Differences |
|---------------|---------------------------------|---------------------------------|---|----------------------|--|
| Jun-23 | Trade Receivables | 3,310.79 | 3,248.61 | 62.18 | - |
| | Trade Payables | 5,114.57 | 5,054.22 | 60.35 | - |
| | Advance to Creditors | 264.46 | 337.84 | (73.38) | Accounting of Deposits given in subsequent quarter |
| | Advance from Customer | 2,510.04 | 2,568.47 | (58.43) | - |
| Dec-23 | Trade Receivables | 4,111.11 | 4,148.98 | (37.87) | - |
| | Trade Payables | 3,977.50 | 3,973.80 | 3.70 | - |
| | Advance to Creditors | 205.20 | 218.92 | (13.72) | - |
| | Advance from Customer | 4,129.41 | 4,094.09 | 35.32 | - |

(ii) For the Year ended 31st March, 2023 :

| Quarter Ended | Particulars of Account Balances | Amount as per Books of Accounts | Amount as reported in the quarterly return/ statement | Amount of Difference | Amount of Difference |
|---------------|---------------------------------|---------------------------------|---|----------------------|---|
| Jun-22 | Trade Receivables | 1,616.83 | 1,659.93 | (43.10) | - |
| | Trade Payables | 1,909.68 | 1,877.55 | 32.13 | - |
| | Advance from Customer | 2,135.19 | 2,153.39 | (18.20) | - |
| Dec-22 | Trade Receivables | 3,611.24 | 5,329.28 | (1,718.04) | Retention Money and Advance from Customers accounted subsequently |
| | Advance from Customer | 4,805.99 | 6,312.09 | (1,506.10) | |
| | Trade Payables | 3,259.82 | 3,139.18 | 120.64 | Certain expenses accounted subsequently |
| Mar-23 | Trade Receivables | 3,450.82 | 3,499.56 | (48.73) | Write off of certain Balances |

- (f) The Company did not have any transactions with Companies which are struck off.
- (g) The Company has not made any delay in Registration of Charges under the Companies Act, 2013.
- (h) The Company does not own benami properties. Further, there are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (i) The Company has not traded or invested in Crypto currency or Virtual Currency during reporting period.
- (j) There were no Scheme of Arrangements entered by the Company during each reporting period, which required approval from the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended March 31, 2024

(₹ In Lakhs)

(k) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

Note 38 : Disclosure with regards to section 186 of the Companies Act, 2013

(a) The company has not granted loan or provided any guarantee or security to anybody corporate under Section 186 of the Companies Act, 2013.

(b) For the purpose of disclosure w.r.t. Investments made by the Company - Refer Note 13 above

Note 39 : Disclosures under 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, 2024 | Year Ended March 31, 2023 |
|---|------------------------------|------------------------------|
| The amount of contract revenue recognised as revenue in the period; | 21,495.90 | 18,064.92 |
| Aggregate amount of contract cost incurred for projects in progress | 47,638.53 | 31,955.40 |
| Recognised Profits less recognised losses | 13,692.19 | 7,858.09 |
| The amount of advances received; | 3,007.80 | 1,775.28 |
| The amount of retentions due from customers for contracts in progress | 2,325.51 | 1,601.95 |
| The gross amount due from customers for contract work as an asset (includes trade receivables and unbilled revenue) | 5,449.01 | 5,288.63 |

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

| Name of Subsidiary | Date of becoming subsidiary | Date of Member's Approval for Strike off Application * | Country of Incorporation | % of Voting held on 31st March 2024 | % of Voting held on 31st March 2023 |
|---|-----------------------------|--|--------------------------|-------------------------------------|-------------------------------------|
| Innovators Engineering Works Private Limited | 22 nd June, 2010 | - | India | 100% | 100% |
| Innovators Façade Solutions (West) Private Limited | 3 rd April, 2022 | 1 st March, 2024 | India | N.A. | 100% |
| Innovators Façade Solutions (South) Private Limited | 5 th April, 2022 | 1 st March, 2024 | India | | 100% |
| Innovators Façade Solutions (North) Private Limited | 3 rd April, 2022 | 1 st March, 2024 | India | | 100% |

* During the year, 3 wholly owned subsidiary Companies have applied for Strike Off with Registrar of Companies (ROC). These Companies could not commenced operation since their incorporation due to technical difficulties in mobilisation of the required resources to decentralise the operations of the Company.

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 (₹) | As % of Consolidated Profit & Loss | Amount (₹) |
| Parent | | | | |
| Innovators Façade Systems Private Limited | 87.30% | 12,709.14 | 99.35% | 1,516.58 |
| Total | 87.30% | 12,709.14 | 99.35% | 1,516.58 |
| Previous Year | 85.57% | 11,192.55 | 100.29% | 844.55 |

(₹ In Lakhs)

| Name of the Enterprise | Net Assets i.e. total assets minus total liabilities | | Share in Profit & Loss | |
|---|---|------------------|--|-----------------|
| | As % of Consolidated Net Assets | Amount (₹) | As % of Consolidated Profit & Loss | Amount (₹) |
| | | | | |
| Subsidiary Companies | | | | |
| Innovators Engineering Works Private Limited | 12.70% | 1,849.37 | 0.65% | 9.86 |
| Innovators Façade Solutions (West) Private Limited | 0.00% | - | 0.00% | - |
| Innovators Façade Solutions (South) Private Limited | 0.00% | - | 0.00% | - |
| Innovators Façade Solutions (North) Private Limited | 0.00% | - | 0.00% | - |
| Total | 12.70% | 1,849.37 | 0.65% | 9.86 |
| Previous Year | 14.43% | 1,880.83 | -0.29% | (2.42) |
| Minority Interest in Subsidiary | 0.00% | - | 0.00% | - |
| Previous Year | 0.00% | - | 0.00% | - |
| Grand Total | 100% | 14,558.51 | 100% | 1,526.44 |
| Previous Year | 100% | 13,073.38 | 100% | 842.13 |

Note 41: Previous year figures have been re-grouped/ re-classified and or re-arranged wherever considered necessary to confirm Current period's figures.

See significant accounting policies and notes to the financial statements 1 to 41

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

For and on behalf of the Board of Directors of
Innovators Façade Systems Limited
 CIN: L45200MH1999PLC120229

Suresh Murarka
 Partner
 Membership No. 044739

Radheshyam Sharma
 Managing Director
 DIN: 00340865

Raman Sharma
 Director and Chief Executive Officer
 DIN: 01484372

Vedashri Chaudhari
 Company Secretary
 Mem No. A55742

Priti Sharma
 Chief Financial Officer

Place: Mumbai
 Date: 27th May, 2024

Place: Thane
 Date: 27th May, 2024



INNOVATORS

Innovators Facade Systems Ltd.

204, Bldg No. B-65, Jaydeep Shanti Nagar,
Sector No. 1, Mira Road (E), Thane,
Maharashtra - 401107