

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai– 400 001

BSE Scrip Code: 541353

Sub.: Intimation for 24th Annual General Meeting (AGM), Book Closure and fixation of cut-off date for e-voting, period of remote e-voting for the Financial Year 2022-2023.

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 24th Annual General Meeting (AGM), Book Closure and fixation of cut-off date for e-voting, period of remote e-voting for the Financial Year 2022-2023. Further, we have also enclosed herewith copy of Annual Report for the Financial Year 2022-2023 and the same also be made available on Company's website at www.innovators.in. The company has commenced the dispatching the annual report. The schedule of AGM is as set out below:

Sr. No.	Event	Date	Time
1.	Annual General Meeting	Tuesday, 08 th August, 2023	11.30 a.m.
2.	Relevant Date/ Cut-off date to vote on AGM Resolutions	Tuesday, 01 st August, 2023	-
3.	Book Closure Date- 24 th AGM	Wednesday, 02 nd August, 2023 to Tuesday, 08 th August, 2023	-
4.	Commencement of E-Voting	Saturday, 05 th August, 2023 at	9.00 a.m. (IST)
5.	End of E-Voting	Monday, 08 th August, 2023 at	5.00 p.m. (IST)

We request you to take this intimation on record.

Thanking you,

Yours faithfully,

FOR INNOVATORS FAÇADE SYSTEMS LIMITED

Radhika Agarwal
Company Secretary & Compliance Officer
Membership: A48119

Date: 17th July, 2023

Place: Thane





INNOVATORS

FACADE AND FENESTRATION

**24th ANNUAL
REPORT**
2022-2023

CONTENTS

Corporate Information	01
Message from the Chairman	02
Notice of 24 th Annual General Meeting.....	03
Director’s Report	24
Annexures to Director’s Report	36
Secretarial Audit Report (MR-3)	43
Management Discussion & Analysis.....	48
Independent Auditor’s Report on Standalone Financial Statements	51
Standalone Financial Statements	65
Independent Auditor’s Report on Consolidated Financial Statements	100
Consolidated Financial Statements	109

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Radheshyam Sharma	<i>Managing Director</i>
Mr. Raman Sharma	<i>Additional Director & CEO</i>
Mr. Shivchand Sharma	<i>Director</i>
Mr. Subhash Gupta	<i>Independent Director</i>
Mr. Sunil Deshpande	<i>Independent Director</i>
Mrs. Poonam Bhati	<i>Independent Director</i>

REGISTERED OFFICE

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

FACTORY

Factory Survey No. 404/B, Kudus – Chinchghar
Taluka - Wada, Dist – Palghar
Maharashtra - 421312.

ASSEMBLY & GLAZING UNITS:
IMT-Manesar, Gurgaon
Bangaluru, Karnataka

AUDITORS

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

REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
LISTED ON BSE (SME PLATFORM)
C 101, 1ST Floor, 247 Park, L.B.S Marg,
Vikhroli – (West), Mumbai – 400083

BANKERS

Punjab National Bank
Indian Bank
Bank of Baroda

OTHER INFORMATION

WEBSITE: <http://www.innovators.in>
ISIN: INE870Z01015
SCRIP CODE: 541353

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Radhika Agarwal

CHIEF FINANCIAL OFFICER

Mrs. Priti Sharma

Chairman's Message

Dear Shareholders,

It gives me immense pleasure to be present amongst you in the ensuing 24th Annual General Meeting (AGM) of the Company, which is being organized via audio / video conferencing. I request all of you with your near and dear ones to stay safe and healthy.

The Company is an emerging market leader in providing the complete end-to-end facade solutions. I place on record my sincere gratitude to all the stakeholders for bestowing their faith and continuous support.

Dear Shareholders, the FY 2022-23 was a year of remarkable growth for your Company. Company's financial performance for FY 2022-23 was excellent as compared to previous financial year. Also, with improved market sentiments during FY 2022-23, the Company was able to secure good amounts of projects and has built up the considerable amount of order book.

Our constant focus on improving design and execution is adding more value to our client service and quality products. Management is very optimistic about changing scenario and growth of the façade industry in India in medium and long term.

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

***With Best Wishes,
Sincerely,***

***Radheshyam Sharma
Chairman & Managing Director***

NOTICE OF 24TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF INNOVATORS FAÇADE SYSTEMS LIMITED WILL BE HELD ON TUESDAY, 08TH AUGUST, 2023 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, 2023, 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;

SPECIAL BUSINESS:

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

Appointment of M/s. Y.R. Doshi & Co., Cost Accountants, Mumbai (FRN: 000003) as Cost Auditors for financial year 2023-24.

“**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, 2024, be paid the remuneration of INR 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 Mrs. Radhika Agarwal, 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.”

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

Regularization of Mr. Raman Sharma (DIN: 01484372) as Whole-Time Director

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and 203 of the Companies Act, 2013 (“Act”) read with Schedule V to the Act and the Companies (Appointment and Remuneration

of Managerial Personnel) Rules, 2014 (including any statutory modification(s) and enactment(s) thereof for the time being in force), pursuant to Articles of Association of the company and subject to any other approvals as may be required, the consent of the members be and is hereby accorded for the appointment of Mr. Raman Sharma (DIN: 01484372) as a Whole-Time Director of the Company for a period of 5 years, with effect from 08th August, 2023 with the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting and as recommended by Nomination and Remuneration Committee (“Committee”) and approved by the Board, with liberty to the Board of Directors (including Committee) to alter and vary the terms and conditions of the said re-appointment /remuneration in such manner as deemed fit necessary.

RESOLVED FURTHER THAT the remuneration payable to Mr. Raman Sharma (DIN: 01484372), shall not exceed the overall ceiling of the total managerial remuneration as provided under section 197 and Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Mr. Raman Sharma, Whole-Time Director by way of salary, perquisites and allowances shall not exceed the maximum managerial remuneration payable in accordance with Section II of Part II of Schedule V of the Companies Act, 2013 with liberty to the Board / Committee to decide the breakup of the remuneration from time to time in consultation with the Whole Time Director.

RESOLVED FURTHER THAT Mr. Raman Sharma, Whole-Time Director be entrusted with such powers and perform such duties as may from time to time be delegated / entrusted to him subject to the supervision and control of the Board.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, usual or expedient, to give effect to the aforesaid resolution.”

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

Regularization of Mr. Sunil Deshpande (DIN: 08065585) as Non-Executive Independent Director

“**RESOLVED THAT**, pursuant to provision of Section 149, 150, 152 read with Schedule IV to the Companies Act, 2013 , and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mr. Sunil Deshpande (DIN: 08065585) who was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. 08th May, 2023 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing his candidature for the office of the Director and declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for the maximum period upto 08th May, 2028.”

RESOLVED FURTHER THAT Mr. Sunil Deshpande shall not be liable to retire by rotation during his tenure as a Non-Executive Independent Director of the Company.

RESOLVED FURTHER THAT any director, be and are 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.

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

Regularization of Mrs. Poonam Bhati (DIN: 08081236) as Non-Executive Independent Director

“RESOLVED THAT, pursuant to provision of Section 149, 150, 152 read with Schedule IV to the Companies Act, 2013 , and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Mrs. Poonam Bhati (DIN: 08081236) who was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. 08th May, 2023 in terms of Section 161(1) of the Companies Act, 2013 and Article of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act proposing her candidature for the office of the Director and declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and hereby appointed as an Independent Director of the Company to hold office for five (5) consecutive years for the maximum period upto 08th May, 2028.”

RESOLVED FURTHER THAT Mrs. Poonam Bhati shall not be liable to retire by rotation during her tenure as a Non-Executive Independent Director of the Company.

RESOLVED FURTHER THAT any director, be and are 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.

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

Continuation of directorship of Mr. Sunil Deshpande (DIN: 08065585) after attaining the age of 70 years on 30th August 2023

“RESOLVED THAT pursuant to the provisions contained in Sections 196(3) and all others applicable provisions, if any of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, (“the Rules”), approval of the Members be and is hereby accorded for the continuation of directorship of Mr. Sunil Deshpande (DIN: 08065585) who was appointed an Additional Non-Executive Independent Director of the Company w.e.f. 08th May, 2023 and who will attain the age of 70 years on 30th August, 2023, be and is hereby allowed to continue to function as Non-Executive Independent Director for the remainder of his term after attaining the age of 70 years.”

8. To consider, and if thought fit, to pass with or without modifications the following resolution as a Special Resolution:

INCREASE IN MANAGERIAL REMUNERATION OF WHOLE-TIME DIRECTOR OF THE COMPANY:

“RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 and other applicable provisions, if any, and pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the ‘Act’) read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of managerial remuneration of Mr. Raman Sharma, Whole-Time Director of the Company, which is in excess of threshold limits as prescribed under Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (SEBI LODR Regulations) and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Directors of the Company be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.

RESOLVED FURTHER THAT the terms and remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits during this financial year, the remuneration comprising salary, perquisites and benefits approved by the Board of Directors be paid as minimum remuneration to the Whole-Time Director.

RESOLVED FURTHER THAT any Director 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.”

9. To consider, and if thought fit, to pass with or without modifications the following resolution as a Special Resolution:

INCREASE IN MANAGERIAL REMUNERATION OF MANAGING DIRECTOR OF THE COMPANY:

“RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (LODR) (Amendment) Regulations, 2018 and other applicable provisions, if any, and pursuant to Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, (the ‘Act’) read with Schedule V of the Companies Act, 2013 and the rules made thereunder, including any amendment(s), modification(s) or re-enactment(s) thereof for the time being in force; upon recommendation of the Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for revision of managerial remuneration of Mr. Radheshyam Sharma, Managing Director of the Company, which is in excess of threshold limits as prescribed under Securities and Exchange of Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (SEBI LODR Regulations) and Schedule V of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the extent and scope of salary and perquisites of the Directors of the Company be altered, enhanced, widened or varied by the Board of Directors in accordance with the provisions of Companies Act, 2013 and other applicable provisions.

RESOLVED FURTHER THAT the terms and remuneration as set out in the Explanatory Statement of this Resolution shall be deemed to form part hereof and in the event of inadequacy or absence of profits during this financial year, the remuneration comprising salary, perquisites and benefits approved by the Board of Directors be paid as minimum remuneration to the Managing Director.

RESOLVED FURTHER THAT any Director 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.”

10. To consider, and if thought fit, to pass with or without modifications the following resolution as a Special Resolution:

INCREASE IN SALARY OF MR. ROHIT SHARMA AS PER THE PROVISIONS OF SECTION 188 OF THE COMPANIES ACT, 2013:

“**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) and all other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any statutory modifications (s) or re-enactment thereof, for the time being in force), as per the recommendation and approval of the Audit Committee, approval of shareholders be and is hereby accorded to enhance the prescribed limit of salary payable to Mr. Rohit Sharma, who is holding office or place of profit in the Company, as computed under applicable provisions of the Companies Act, 2013 and its allied rules to salary of Rs. 500,000/- per month and such other perquisites in accordance with the Company rules.

RESOLVED FURTHER THAT any Director 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.”

Date : 11th July, 2023
Place : Thane

By Order of the Board

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

Sd/-
Radhika Agarwal
Company Secretary

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, General Circular No. 02/2022 dated 13th January, 2022 and General Circular No. 2/2023 dated 05th May, 2023 (collectively referred to as “MCA Circulars”) 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 24th 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. Tuesday, 01st August, 2023 (“cut-off date”).
10. A person who is not a member as on Tuesday, 01st August, 2023 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 Tuesday, 01st August, 2023 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 from Wednesday, 02nd August, 2023 to Tuesday, 08th August, 2023 (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 2022- 23 ("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 Tuesday 08th August, 2023. 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.3 to 10 of the Notice dated **11th July, 2023** and the same should be taken as forming part of the notice.

Item No. 3

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, 2024 at a remuneration of INR. 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, 2024 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. 3.

Item No. 4

The Board, in its meeting held on 09th December 2023, has appointed of Mr. Raman Sharma as Additional Director of the Company. The Board has taken decision of appointing him as Whole-Time Director of the Company for a period of 5 years, with effect from 08th August, 2023 with the terms and conditions based on recommendation of Nomination and Remuneration Committee and subject to the approval of the members of the company

Mr. Raman Sharma is not disqualified from being appointed as a Director or Whole-Time Director in terms of Section 164 of the Companies Act, 2013. He has communicated his willingness to be appointed and has given his consent to act as Whole-Time Director of the company. He satisfies all the conditions as set out in section 196 of the said Act and Part – I of Schedule V thereof and hence, is eligible for appointment.

A brief profile of Mr. Raman Sharma is provided in “Annexure” to the Notice pursuant to provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (“SS-2”), issued by ICSI.

It is proposed to seek Members’ approval for the appointment of and remuneration payable to Mr. Raman Sharma as a Whole Time Director, in terms of the applicable provisions of the said Act and the Rules made thereunder.

Broad particulars of the terms of appointment of and remuneration payable to Mr. Raman Sharma are as under:

A. REMUNERATION:

- 1. Basic Pay & Allowances:** Rs. 7,50,000 per month.
- 2. Other Allowances:** The Company's contribution to provident fund is included in Basic Pay & Allowances above. Encashment of leave and other statutory retirements benefits, as per the rules of the company, shall be in addition to the basic salary & allowances mentioned under clause A point no. 1 and as per the limits prescribed under the applicable laws of the country.
- 3. Reimbursement of Expenses:** The Whole-Time Director shall be reimbursed at actuals for all the expenses incurred on behalf of the company during the course of her employment with the company. This reimbursement of expenses will not be included in the calculation of the remuneration or perquisites of the Whole-Time Director.

B. MINIMUM REMUNERATION:

Notwithstanding anything contained herein, in the event of any loss, absence or inadequacy of profits in any financial year, during the term of office of the Whole Time Director, the Remuneration by way of salary, perquisites, commissions and other benefits shall not, without the permission of Central Government (if required) exceed the limits prescribed under the Act including Section II of Part II of Schedule V of the Companies Act, 2013 and rules made thereunder or any amendment, modification, variation or re-enactment thereof.

Subject to such approval(s) as may be required, the terms and conditions of the above appointment may be altered, enhanced or varied from time to time by the Board as it may, in its discretion, deem fit, within the limits specified and in accordance with the provisions of the Companies Act, 2013 or otherwise as may be permissible at law.

In accordance with Section 196(4) of the Companies Act, 2013, the approval by a resolution at the general meeting of the members of the Company is required for the appointment and terms of remuneration of Mr. Raman Sharma as the Whole-Time Director of the Company.

Accordingly, consent of the members of the Company is sought for passing Special Resolution as set out in item no. 04 of the accompanying notice for appointment and terms of remuneration of Mr. Raman Sharma as the Whole Time Director of the Company for a period of five years with effect from 08th August, 2023.

Except Mr. Raman Sharma, none of the Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out above.

Item No. 5

Mr. Sunil Deshpande (DIN: 08065585) who was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. 08th May, 2023 in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuring Annual General Meeting of the Company. The Board is of the view that the appointment of Mr. Sunil Deshpande on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No 5 for approval by the members of the Company.

None of the Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out in item No. 5.

Item No. 6

Mrs. Poonam Bhati (DIN: 08081236) who was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. 08th May, 2023 in accordance with the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office up to the date of ensuring Annual General Meeting of the Company. The Board is of the view that the appointment of Mrs. Poonam Bhati on the Company Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No 6 for approval by the members of the Company.

None of the Directors and Key Managerial Personnel (KMP) of the Company or their relatives are concerned or interested, financial or otherwise, in the resolution set out in item No. 6.

Item No. 7

Mr. Sunil Deshpande (DIN: 08065585), aged 69 years, is Non-Executive Independent Director of the Company holds the experience in finance and operation. Mr. Sunil Deshpande would be attaining the age of 70 years on 30th August 2023. In view Sections 196(3) and all others applicable provisions, if any of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, (“the Rules”) for the continuation Mr. Sunil Deshpande as Non-Executive Independent Director beyond 30th August 2023, consent of the Members would be required by way of a Special Resolution. It is in the interest of the Company to continue to avail his valuable expertise and immense contribution in the growth of the Company. The Board of Directors recommends the Special Resolution for the approval of the Members.

Except Mr. Sunil Deshpande, none of the Directors, Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise as set out in the item No. 7.

Item No. 8

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 11th July, 2023 approved the revision of remuneration payable to Mr. Raman Sharma, Whole-Time Director of the Company effective from 08th August, 2023. Further, the members are requested to authorize the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time for Mr. Raman Sharma as mentioned below.

Terms and Conditions of Remuneration:

- 1. Basic Pay & Allowances:** Rs. 7,50,000 per month.
- 2. Other Allowances:** The Company’s contribution to provident fund is included in Basic Pay & Allowances above. Encashment of leave and other statutory retirement’s benefits, as per the rules of the company, shall be in addition to the basic salary & allowances mentioned under clause A point no. 1 and as per the limits prescribed under the applicable laws of the country.
- 3. Reimbursement of Expenses:** The Whole-Time Director shall be reimbursed at actuals for all the expenses incurred on behalf of the company during the course of her employment with the company. This reimbursement of expenses will not be included in the calculation of the remuneration or perquisites of the Whole-Time Director.

The Board of Directors in their meeting held on 11th July, 2023 proposed to increase remuneration payable to Mr. Raman Sharma, subject to approval of members of the Company. In accordance with the applicable provisions of the Companies Act, 2013, approval of members is being sought, by way of special resolution, for payment of remuneration to Mr. Raman Sharma, Whole-Time Director.

Accordingly, the Board recommends the resolution set forth in Item No. 8 relating to increase in the managerial remuneration payable to Mr. Raman Sharma, Whole-Time Director, by way of Special Resolution.

Except Mr. Raman Sharma, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 9

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 11th July, 2023 approved the revision of remuneration payable to Mr. Radheshyam Sharma, Managing Director of the Company effective from 08th August, 2023. Further, the members are requested to authorize the Board to alter and vary the terms and conditions including remuneration and incremental thereof, from time to time for Mr. Radheshyam Sharma as mentioned below.

Terms and Conditions of Remuneration:

- 1. Basic Pay & Allowances:** Rs. 10,00,000 per month.
- 2. Other Allowances:** The Company's contribution to provident fund is included in Basic Pay & Allowances above. Encashment of leave and other statutory retirement's benefits, as per the rules of the company, shall be in addition to the basic salary & allowances mentioned under clause A point no. 1 and as per the limits prescribed under the applicable laws of the country.
- 3. Reimbursement of Expenses:** The Managing Director shall be reimbursed at actuals for all the expenses incurred on behalf of the company during the course of her employment with the company. This reimbursement of expenses will not be included in the calculation of the remuneration or perquisites of the Whole-Time Director.

The Board of Directors in their meeting held on 11th July, 2023 proposed to increase remuneration payable to Mr. Radheshyam Sharma, subject to approval of members of the Company. In accordance with the applicable provisions of the Companies Act, 2013, approval of members is being sought, by way of special resolution, for payment of remuneration to Mr. Radheshyam Sharma, Managing Director.

Accordingly, the Board recommends the resolution set forth in Item No. 9 relating to increase in the managerial remuneration payable to Mr. Radheshyam Sharma, Managing Director, by way of Special Resolution.

Except Mr. Radheshyam Sharma, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 10

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in their meeting held on 11th July, 2023 approved the revision of salary payable to Mr. Rohit

Sharma, Director of Projects of the Company effective from 08th August, 2023. As per the provisions of the Section 188 of the Companies Act, 2013. Further, the members are requested to authorize the Board to alter and vary the terms and conditions including salary and incremental thereof, from time to time for Mr. Rohit Sharma as mentioned below.

Terms and Conditions of Salary Payable:

1. **Basic Pay & Allowances:** Rs. 5,00,000 per month.
2. **Other Allowances:** The Company's contribution to provident fund is included in Basic Pay & Allowances above. Encashment of leave and other statutory retirement's benefits, as per the rules of the company, shall be in addition to the basic salary & allowances mentioned under clause A point no. 1 and as per the limits prescribed under the applicable laws of the country.
3. **Reimbursement of Expenses:** Mr. Rohit Sharma, Director of Projects shall be reimbursed at actuals for all the expenses incurred on behalf of the company during the course of her employment with the company. This reimbursement of expenses will not be included in the calculation of the salary or perquisites of Mr. Rohit Sharma.

The Board of Directors in their meeting held on 11th July, 2023 proposed to increase salary payable to Mr. Rohit Sharma, subject to approval of members of the Company. In accordance with the applicable provisions of the Companies Act, 2013, approval of members is being sought, by way of special resolution, for payment of salary to Mr. Rohit Sharma.

Accordingly, the Board recommends the resolution set forth in Item No. 10 relating to increase in the salary payable to Mr. Rohit Sharma, Director of Projects, by way of Special Resolution.

Except Mr. Rohit Sharma, no other director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

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 Saturday, 05th August, 2023 at 9.00 a.m. (IST) and ends on Monday, 07th August, 2023 at 5.00 p.m. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut- off date Tuesday, 01st August, 2023 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.

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

<u>Type of shareholders</u>	<u>Login Method</u>
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> • If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> • Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi TAB and then use your existing my easi username & password. • After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting

<u>Type of shareholders</u>	<u>Login Method</u>
	<p>during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <ul style="list-style-type: none"> • If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E-Voting is in progress and also able to directly access the system of all e-voting service providers.
<p>Individual Shareholders (holding securities in demat mode) & login through their depository participants</p>	<ul style="list-style-type: none"> • You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
<p>Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME.</p>	<ol style="list-style-type: none"> 1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in <ul style="list-style-type: none"> • Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: - <ol style="list-style-type: none"> A. User ID: Shareholders/ members holding shares in physical form shall provide Event No + Folio Number registered with the Company. B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

<u>Type of shareholders</u>	<u>Login Method</u>
	<ul style="list-style-type: none"> • Shareholders/ members 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). <ol style="list-style-type: none"> 1. Click "confirm" (Your password is now generated). 1. Click on 'Login' under 'SHARE HOLDER' tab. 2. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'.
	<ol style="list-style-type: none"> 3. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. 4. E-voting page will appear. 5. 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). 6. 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.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

- o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click 'forgot password?'
- o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- 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

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

- ❖ Shareholders/ members 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”.

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINK INTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e- voting, they may refer the **Frequently Asked Questions (‘FAQs’)** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

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).

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

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

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

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

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

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

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email id) received during registration for InstaME ET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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

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

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

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

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

ANNEXURE TO NOTICE

INFORMATION ON DIRECTOR SEEKING APPOINTMENT/RE-APPOINTMENT 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. Raman Sharma
DIN	01484372
Designation	Additional Director (Executive) & CEO
Date of Birth	08/04/1975
Age	48 years
Date of Appointment on current position	09-12-2022
Nationality	Indian
Qualifications	Bachelors in Civil Engineering
Expertise in specific Functional Areas	Façade & Engineering
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 Executive directors	1537345 shares
Disclosure of relationships between directors inter-se	Son of Mr. Shivchand Sharma Brother of Mr. Radheshyam Sharma
Remuneration last drawn (including sitting fees, if any) for the financial year 2022-23	Rs. 300,000 per month

Name of the Director	Sunil Deshpande
DIN	08065585
Designation	Non-Executive Independent Director
Date of Birth	30-08-1953
Age	69 years
Date of Appointment on current position	08 th May, 2023
Nationality	Indian
Qualifications	Bachelors of Science
Expertise in specific Functional Areas	Finance and Operations
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 directors	Nil
Disclosure of relationships between directors inter-se	Not related to any directors
Remuneration last drawn (including sitting fees and arrears, if any) for the financial year 2022-23	Nil

Name of the Directors	Poonam Bhati
DIN	08081236
Designation	Non-Executive Independent Director
Date of Birth	15/12/1969
Age	53 years
Date of Appointment on current position	08 th May, 2023
Nationality	Indian
Qualifications	Bachelor of Arts
Expertise in specific Functional Areas	Accounts and Compliance
Directorships held in other public companies <i>(excluding foreign companies and Section 8 companies)</i>	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 directors	Nil
Disclosure of relationships between directors inter-se	Not related to any Directors
Remuneration last drawn (including sitting fees and arrears, if any) for the financial year 2022-23	Nil

DIRECTORS REPORT

To,
The Members,
Innovators Facade Systems Limited

Your directors are presenting Twenty Fourth Annual Report on the operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2023.

1. FINANCIAL STATEMENTS & RESULTS:

I. FINANCIAL RESULTS:

The Company's performance for the year ended 31st March 2023 as compared to the previous financial year, is summarized below:

Particulars	Standalone		Consolidated	
	FY 2023-23	FY 2022-22	FY 2023-23	FY 2022-22
Revenue from Operations	18116.58	8923.63	18116.58	8923.63
Other Income	92.88	142.00	93.03	142.81
Total Revenue	18209.47	9,065.63	18209.62	9066.44
EBITDA	1911.18	1,193.64	1908.76	1191.47
Finance Cost	641.50	451.66	641.50	451.66
Depreciation	294.99	610.82	294.99	610.82
Profit Before Exceptional Items and Tax	974.68	131.16	972.26	128.99
Less: Exceptional Items	-	-	-	-
Profit Before Tax	974.68	131.16	972.26	128.99
Tax Expenses (Current Tax & Deferred Tax)	(130.13)	(31.84)	(130.13)	(30.90)
Profit After Tax	844.55	163.01	842.13	159.89

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, 2023.

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

- Revenue from Operation in the Financial Year 2023 is Rs. 18,116.58 lakhs as compared to Rs. 8,923.63 lakhs in previous Financial Year 2022.
- EBITDA in Financial Year 2023 is Rs. 1,911.18 lakhs (i.e.10.55% of the Revenue from Operations) as compared to Rs. 1193.63 lakhs (i.e. 13.38% of the Revenue from Operations) in previous Financial Year 2022.
- Profit Before Tax is Rs. 974.68 lakhs in Financial Year 2023 as compared to Profit of Rs. 131.16 lakhs in previous Financial Year 2022.

- Profit After Tax is Rs. 844.55 lakhs in Financial Year 2023 as compared to Profit of Rs. 163.01 lakhs in previous Financial Year 2022.

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

- Consolidated Profit After Tax in the Financial Year 2023 is Rs. 842.13 lakhs as compared to Profit of Rs. 159.90 lakhs in previous Financial Year 2022.

2. **DIVIDEND:**

In order to conserve the resources of company, the directors are not recommending any dividend for the FY 2022-23.

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
3.	Innovators Façade Solutions (South) Private Limited	Wholly Owned Subsidiary Company
4.	Innovators Façade Solutions (North) Private Limited	Wholly Owned Subsidiary Company

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:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year of the Company i.e. 31st March, 2023 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 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 2022-23 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 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 24th 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/ RESIGNATION	DATE OF EVENT
Mrs. Anjana Sharma	Whole-Time Director	Resignation	09 th December, 2022
Mr. Raman Sharma	Additional Director (Executive)	Appointment	09 th December, 2022

13. **SHARE CAPITAL:**

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

Particulars	As at 31 st March 2023		As at 31 st March 2022	
	Number of Shares	Amount (In Rs.)	Number of Shares	Amount (In Rs.)
(a) Authorised Capital: Equity Shares of Rs. 10/- each	2,10,00,000	21,00,00,000	2,10,00,000	21,00,00,000
(b) Issued, Subscribed & Paid-up Capital: Equity Shares of Rs. 10/- each	1,88,67,808	18,86,78,080	1,88,67,808	18,86,78,080

14. **DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES:**

I. **BOARD OF DIRECTORS:**

The composition of the Board as on 31st March, 2023 is in conformity with the provisions of the Companies Act, 2013.

The Board of Directors met nine times during the financial year under review on 18th April 2022, 12th May 2022, 09th June 2022, 17th August 2022, 14th October 2022, 14th November 2022, 09th December 2022, 01st February 2023 and 16th March 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 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:

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

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

A. AUDIT COMMITTEE:

Pursuant to Provisions of Section 177 of the Companies Act, 2013 during the financial year under review the Audit Committee met Five times on 18th April 2022, 12th May 2022, 17th August 2022, 14th November 2022 and 16th March, 2023.

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 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 Once on 09th December 2022.

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 Thrice (3) times on 18th April 2022, 17th August 2022 & 14th November 2022.

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 01st February, 2023. 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 01st February, 2023. 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 AUDITORS:

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], subject to ratification of their appointment by Member’s at every AGM, if do required under the Act. The requirement to place the matter relating to appointment of auditors for ratification by members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from 07th May, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM.

ii. OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31st MARCH 2023:

The auditor’s report for the financial year ended 31st March, 2023 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 2022-23 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:

During the financial year the Company has appointed M/s. Y.R. Doshi & Co., Cost Accountants, Mumbai (FRN: 000003), as Cost Auditor of the Company as per the provision of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2023.

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

b) Technology Absorption:

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

c) Foreign Exchange Earnings and Outgo:

(Amount in Lakhs.)

Particulars	FY 2022-23	FY 2021-22
Actual Foreign Exchange earnings	Nil	Nil
Actual Foreign Exchange outgo	147.29	0.41

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 of during the year 2022-23:

- a) No of complaints received: Nil
- b) 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:

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

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:

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

33. GREEN INITIATIVE:

Electronic copies of the Annual Report 2022-23 and the Notice of the 24th 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.

Date: 11th July, 2023

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
Director & CEO
DIN: 01484372

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 Rs. In Lakhs)			
Sr. No.	Particulars	Details of Subsidiary	Details of Subsidiary
1.	Name of the subsidiary	Innovators Engineering Works Private Limited	Innovators Façade Solutions (West) Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company	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	INR
4.	Share capital	38.32	1.00
5.	Reserves & surplus	1839.83	(0.10)
6.	Total assets	1878.55	1.05
7.	Total Liabilities	0.41	0.15
8.	Investments	1560.41	-
9.	Turnover	-	-
10.	Profit/Loss before taxation	(2.11)	(0.10)
11.	Provision for taxation/Deferred Tax/Current Tax	-	-
12.	Profit/Loss after taxation	(2.11)	(0.10)
13.	Proposed Dividend	-	-
14.	% of shareholding	100	100

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts Rs. In Lakhs)

Sr. No.	Particulars	Details of Subsidiary	Details of Subsidiary
1.	Name of the subsidiary	Innovators Façade Solutions (South) Private Limited	Innovators Façade Solutions (North) Private Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as of Holding Company	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	INR
4.	Share capital	1.00	1.00
5.	Reserves & surplus	(0.10)	(0.10)
6.	Total assets	1.05	1.05
7.	Total Liabilities	0.15	0.15
8.	Investments	-	-
9.	Turnover	-	-
10.	Profit/Loss before taxation	(0.10)	(0.10)
11.	Provision for taxation/Deferred Tax/Current Tax	-	-
12.	Profit/Loss after taxation	(0.10)	(0.10)
13.	Proposed Dividend	-	-
14.	% of shareholding	100	100

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

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

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

- 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

Date: 11th July, 2023

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
Director & CEO
DIN: 01484372

Annual Report on Corporate Social Responsibility (CSR) Activities for Financial year ended 31st March, 2023

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. Shivchand Sharma	Member & Non-Executive Non -Independent Director	1	1
3	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): **Rs. (157. 29) Lakhs**
7.
 - a. Two percent of average net profit of the Company as per section 135(5): **Rs. Nil**
 - b. Surplus arising out of the CSR projects or programs or activities of the previous financial years: **(0.65) Lakhs**
 - c. Amount required to be set off for the financial year, if any: **NIL**
 - d. Total CSR obligation / (surplus) for the financial year (7a+7b- 7c): **NIL**

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

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (Rs. 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 Rs.)	Amount spent in the Current FY (in Rs.)	Amount transferred to Unspent CSR account for the project as per Section 13(6) (in Rs.)	Mode of Implementation Direct (Yes/No)
NIL									

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 Rs.)	Mode of Implementation Direct (Yes/No)	Mode of implementation – Through implementing Agency	
				State	District			Name	CSR Registration No.
NIL									

d. Amount spent in Administrative Overheads: **NIL**

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

f. Total amount spent for the Financial Year: **NIL**

(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)	Nil
ii)	Total amount spent for the Financial Year	-
iii)	Excess/ short amount spent for the financial year [(ii)-(i)]	Nil
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)]	0.65

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 Rs.)	Amount spent in the reporting Financial Year (in Rs.).	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 Rs).	Date of transfer.	
Nil							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
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 Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	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: 11th July, 2023

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
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, 2023:

(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	11.60
2	Mrs. Anjana Sharma, Whole Time Director	06.44
(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	-
2	* Mrs. Anjana Sharma, Whole Time Director	-
3	* Mr. Raman Sharma, CEO	-
4	* Mrs. Priti Sharma, CFO	-
5	Mrs. Radhika Agarwal, Company Secretary & Compliance Officer	-
(iii)	The percentage increase/ decrease in the median remuneration of employees in the financial year	2.11
(iv)	The number of permanent employees on the rolls of the Company as on 31 st March, 2023	328
(v)	Average percentile increase / decrease in the salaries of employees other than the managerial personnel in the last financial year	53.88
(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.

FORM NO. MR-3**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023**

[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: L45200MH1999PLC120239) (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, 2023, 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, 2023, 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
- (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 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 held on 09th December, 2022 has considered the appointment of Mr. Raman Shivchand Sharma as an Additional Director w.e.f. 09th December, 2022 and Resignation of Mrs. Anjana Radheshyam Sharma w.e.f. 30th November, 2022.

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

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

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

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

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

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

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

FOR JAJODIA & ASSOCIATES

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

Place: Mumbai

Date: 11th July, 2023

UDIN: A036944E000589056

'Annexure A'

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

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. 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: 11th July, 2023
UDIN: A036944E000589056

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRIAL STRUCTURE AND DEVELOPMENT

The Global Façade Market is projected to grow with high CAGR in near future. With the growing investments in research and development, the façade market has undergone a number of technological advancements and changes, especially those related to resistance to extreme weather conditions, durability, waterproofing and permitting more natural light to enter the building.

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

FUTURE OUTLOOK, OPPORTUNITIES & THREATS

Indian façade and fenestration industry is directly linked to the construction industry's performance. The improved market sentiments during FY 2022-23 as compared to FY 2021-22, shows the remarkable growth trends. This has also been witnessed in the company's financial performance for FY 2022-23 and its current order book position.

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

Also, the Company is now fully equipped and successfully entered into the diversified segment of façade products being retail window, clean room panel & fire doors.

FINANCIAL PERFORMANCE

(Rs. In Lakhs)

Particulars	Standalone		Consolidated	
	FY 2023-23	FY 2022-22	FY 2023-23	FY 2022-22
Revenue from Operations	18116.58	8923.63	18116.58	8923.63
Other Income	92.88	142.00	93.03	142.81
Total Revenue	18209.47	9,065.63	18209.62	9066.44
EBITDA	1911.18	1,193.64	1908.76	1191.47
Finance Cost	641.50	451.66	641.50	451.66
Depreciation	294.99	610.82	294.99	610.82
Profit Before Exceptional Items and Tax	974.68	131.16	972.26	128.99
Less: Exceptional Items	-	-	-	-
Profit Before Tax	974.68	131.16	972.26	128.99
Tax Expenses (Current Tax & Deferred Tax)	(130.13)	(31.84)	(130.13)	(30.90)
Profit After Tax	844.55	163.01	842.13	159.89

A. Revenue from Operations

During FY 2022-23, the Company has reported total revenues of Rs. 18,116.58 lakhs (PY Rs. 8,923.63 lakhs). A growth of around 103 %

B. EBIDTA (Before Exceptional Item)

EBIDTA for the current financial year was Rs. 1911.18 lakhs (PY Rs. 1193.64 lakhs).

C. Net Margin / Profit After Tax

Profit after Tax to Rs. 844.55 lakhs in FY 2022-23 as compared to Rs. 163.01 lakhs in previous financial year. Net Margin Ratio (Net profit after tax to turnover) in FY 2022-23 is 4.66 % against 1.83 % in FY 2021-22.

D. Debtors Turnover

Debtors Turnover Ratio in FY 2022-23 is 6.40 times against 3.40 times in FY 2021-22.

E. Return on Net Worth

Return on Net Worth in FY 2022-23 is 7.84 % against 1.59 % in FY 2021-22

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, 2023 the Company had 328 permanent employees on the payroll.

CAUTIONARY STATEMENT

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

INDEPENDENT AUDITOR’S REPORT

To the Members of Innovators Façade Systems Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Innovators Façade Systems Limited (“the Company”), which comprise the balance sheet as at 31st March 2023, 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, 2023, 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report :

Key Audit Matters	Auditor’s Response
<p><u>Changed in method of depreciation from WDV method to SLM method w.e.f. 1st April, 2022 onwards.</u></p> <p>1. The Company has changed the method of Depreciation from WDV to SLM w.e.f. 1st April 2022 onwards. (Refer Note No 12 (c) of the financial statements)</p>	<p>Our audit procedures included and were not limited to the following.</p> <p>1. Internal assessment done by the competent technical person of the Company and evaluating the reasonableness of the assumptions considered for change in method.</p>

Key Audit Matters	Auditor's Response
<p>2. As per AS 10 - Property, Plant & Equipment's the depreciation method applied to an asset should be reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method should be changed to reflect the changed pattern. Such a change should be accounted for as a change in an accounting estimate in accordance with AS 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.</p> <p>3. Assessment of change in the depreciation method involves management judgment, assessment of technical and other factors and future use of assets, etc.</p>	<p>2. Assessing whether the impact on account of the change has been appropriately recognized in the financial statements.</p> <p>3. Review of the disclosures made in the financial statements in this regard.</p>
<p><u>Claims and exposures relating to indirect tax (GST) Litigation.</u></p> <p>1. The Company is subject to a GST search by DGGI which have been disclosed in the note no. 30A of the standalone financial statements. The Company has paid Rs 250 Lakhs through utilization of ITC.</p> <p>2. Search and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the exposure of the case and thus a risk that such cases may not be adequately provided for or disclosed.</p>	<p>Our audit procedures included and were not limited to the following.</p> <p>1. Gained an understanding of the litigations and obtained the summary the matter and assessed management's position through discussions with the management and their team.</p> <p>2. Examined external legal opinion and other evidence to corroborate management's assessment.</p> <p>3. Engaged specialists to technically appraise the positions taken by management.</p> <p>4. Assessed the relevant disclosures made within the financial statements to reflect the facts and circumstances of tax and legal exposures and the requirements of relevant accounting standards</p> <p>5. Assessed the competence and objectivity of the Company's experts, to satisfy ourselves.</p>

Key Audit Matters	Auditor's Response
<p data-bbox="115 138 676 209"><u>Accuracy of estimated cost in respect of fixed price contract</u></p> <p data-bbox="115 227 676 455">1. Estimated cost is a critical estimate to determine revenues for ongoing projects. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, cost incurred till date and cost required to complete the remaining contract performance obligations.</p> <p data-bbox="115 473 676 536">Refer note no. 1 (C) (ii) under the head “use of estimates” in significant accounting policies</p>	<p data-bbox="676 138 1240 209">Our audit procedures included and were not limited to the following.</p> <ol data-bbox="676 227 1240 815" style="list-style-type: none"> <li data-bbox="676 227 1240 354">1. Evaluated the design of internal controls relating to recording of cost incurred and estimation of cost required to complete the contract. <li data-bbox="676 373 1240 500">2. Basic rate contract (BRC) is prepared by Project Management team having details of budgeted cost for Material, execution and installation etc. <li data-bbox="676 518 1240 682">3. Selected a sample of contract and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to cost incurred and estimated. <li data-bbox="676 700 1240 815">4. Performed analytical procedures and test of details for reasonableness of incurred and estimated cost.

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

The 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 it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) 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

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 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
- Company has not declared dividend during the year hence reporting with respect to section 123 of the Companies Act is not applicable.
 - 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.

- Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

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

Sd/-

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 23044739BGUNOP4019

Place: Mumbai

Date: 29th May 2023

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, 2023.

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) Since the Company does not have any intangible assets, paragraph 3 (i) of the said Order is not applicable to the Company.
- (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 Rs. 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.
 - (a) The Company has made investments in subsidiaries, and not provided any guarantee or security, any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties.
 - (b) According to the information and explanations given to us, the terms and conditions of the Investment made by the company are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - (c) According to the information and explanations given to us the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
 - (d) According to the information and explanations given to us the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
 - (e) According to the information and explanations given to us the Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
 - (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
4. According to the information and explanations given to us the Company has not granted any loans or provided any guarantees or security to the parties covered under the Section 185 of the Act. with regards to investments in Securities made by the company, the company has complied with the provisions of Section 186 of the Companies Act, 2013 to the extent applicable. Further the company has not granted any loan or given any guarantee or provided any security to any other body corporate under Section 186 of the Act.
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, 2023 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	Amount in Rs.	Forum where dispute is pending
CST / VAT	FY 2007-08	9,44,301	Sales Tax (Appeals)
	FY 2007-08	4,53,30,167	
	FY 2010-11	2,62,56,119	
Income Tax	AY 2010-11 to 2011-12	24,02,531	CIT (Appeals)

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 the year Clause 3(x) (b) 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), (c) & (d) of the Order are not applicable to the Company.
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 has already spent the required amount as per the section 135 of the said Act
- (b) Since there is not any amount remaining unspent under section (5) of the section 135 of the Act and hence clause (xx)(b) is not applicable.
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

Sd/-

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 23044739BGUNOP4019

Place: Mumbai

Date: 29th May 2023

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 2023.

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, 2023 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, 2023, 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

Sd/-

Suresh Murarka
Partner

Mem. No. 044739

UDIN: 23044739BGUNOP4019

Place: Mumbai

Date: 29th May 2023

INNOVATORS FAÇADE SYSTEMS LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2023

(Rs. In Lakhs)

Particulars	Note Nos.	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	1,886.78	1,886.78
Reserves and surplus	3	9,305.77	8,461.22
		11,192.55	10,348.00
Non-current liabilities			
Long-term borrowings	4	1,037.44	788.30
Deferred tax liabilities (Net)	5	18.92	-
Other Non current liabilities	6	300.00	300.00
Long-term provisions	7	153.81	127.41
		1,510.17	1,215.70
Current liabilities			
Short-term borrowings	8	2,814.43	2,524.30
Trade payables	9		
- Due to Micro and Small Enterprises		315.13	584.45
- Due to Other than Micro and Small Enterprises		5,602.24	1,529.33
Other current liabilities	10	2,185.32	811.42
Short-term provisions	11	9.88	3.85
		10,927.00	5,453.34
		23,629.72	17,017.05
ASSETS			
Non-current assets			
Property Plant & Equipment	12		
- Property Plant & Equipment		4,730.29	3,952.47
- Capital Work in Progress		-	170.01
Non-current investments	13	41.32	38.32
Deferred tax assets (Net)	5	-	48.36
Long-term loans and advances	14	939.38	635.22
Other non-current assets	15	778.96	472.69
		6,489.95	5,317.06
Current assets			
Inventories	16	8,289.90	4,685.69
Trade receivables	17	3,450.82	2,212.01
Unbilled revenue	18	1,837.80	2,242.38
Cash and bank balances	19	1,579.00	1,117.84
Short-term loans and advances	20	923.84	764.30
Other current assets	21	1,058.40	677.77
		17,139.77	11,699.99
		23,629.72	17,017.05
Significant Accounting Policies	1		

See accompanying 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: 29th May 2023

For and on behalf of the Board of Directors of

Innovators Façade Systems Limited

Radheshyam Sharma

Managing Director

DIN: 00340865

Priti Sharma

Chief Financial Officer

Place: Thane

Date: 29th May 2023

Raman Sharma

Director and Chief Executive Officer

DIN: 01484372

Radhika Agarwal

Company Secretary

Mem No. A48119

Innovators Façade Systems Limited
Standalone Statement of Profit and Loss for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Note Nos.	Year Ended March 31, 2023	Year Ended March 31, 2022
REVENUE			
Revenue from operations	22	18,116.58	8,923.63
Other income	23	92.88	142.00
		18,209.47	9,065.63
EXPENSES			
Cost of contracts	24	13,579.79	6,009.77
Employee benefit expense	25	1,872.69	1,261.79
Finance cost	26	641.50	451.66
Depreciation	12	294.99	610.82
Other expenses	27	845.81	600.44
		17,234.78	8,934.47
Profit before tax		974.68	131.16
Less: Tax expenses			
Current tax		67.80	-
Deferred tax liability / (asset)	5	67.28	(45.22)
Tax of earlier years		(4.95)	13.37
Profit for the year		844.55	163.01
Earnings per equity share:	28		
(Face value of Rs. 10/- each)			
- Basic (Rs.)		4.48	0.86
- Diluted (Rs.)		4.48	0.86
Significant Accounting Policies	1		

See accompanying 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: 29th May 2023

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

Radheshyam Sharma
Managing Director
DIN: 00340865

Priti Sharma
Chief Financial Officer

Place: Thane
Date: 29th May 2023

Raman Sharma
Director and Chief Executive Officer
DIN: 01484372

Radhika Agarwal
Company Secretary
Mem No. A48119

Innovators Façade Systems Limited
Statement of Standalone Cash Flow for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A. Cash Flow from w		
Net Profit before Tax	974.68	131.16
Adjustments for:		
Depreciation	294.99	610.82
Finance Costs	641.50	451.66
Loss on Property Plant & Equipments discarded	0.42	25.40
(Profit)/loss on Sale of Property Plant & Equipments	-	(60.34)
Interest income	(76.04)	(41.12)
Operating Profit before Working Capital changes	1,835.56	1,117.58
<u>Adjustments for:</u>		
(Increase) / Decrease in Inventories	(3,604.21)	(2,081.78)
(Increase) / Decrease in Trade receivables & unbilled revenue	(834.24)	(134.73)
(Increase) / Decrease in Short term loans and advances	(159.54)	(282.04)
(Increase) / Decrease in Long term loans given & advances	(221.48)	(125.78)
(Increase) / Decrease in Other current & Non-current assets	(446.31)	889.18
Increase / (Decrease) in Trade payables	3,803.60	674.87
Increase / (Decrease) in Other current liabilities	1,374.00	448.28
Increase / (Decrease) in Other non current liabilities	-	300.00
Increase / (Decrease) in Provisions	32.42	49.18
CASH GENERATED FROM OPERATIONS	1,779.81	854.75
Income tax Paid	(145.58)	87.34
Net Cash inflow from/ (outflow) from Operating activities	1,634.22	942.10
B. Cash Flow from Investing Activities		
Purchase of Property Plant & Equipment's	(903.23)	(1,083.45)
Sale of Property Plant & Equipment's	-	77.51
Investments in Subsidiary Companies	(3.00)	
Maturity / (Investment) in fixed deposits	(713.88)	(375.38)
Interest received	76.04	41.12
Net Cash inflow from/ (outflow) from Investing activities	(1,544.08)	(1,340.21)
C. Cash Flow from Financing Activities		
Proceeds from borrowings	1,183.82	2,206.45
Repayment of borrowings	(644.55)	(1,357.94)
Finance Cost	(641.50)	(451.66)
Net Cash inflow from/ (outflow) from Financing activities	(102.23)	396.86

Innovators Façade Systems Limited
Statement of Standalone Cash Flow for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(12.09)	(1.25)
Add: Opening Cash and Bank Balances		
Cash and Cash Equivalents		
Cash in hand	29.49	38.04
Bank balances	26.73	19.44
Closing Cash and Cash Equivalents	44.14	56.22
Break up of Cash and Cash Equivalents		
Cash in hand	3.82	29.49
Bank balances	40.32	26.73
	44.14	56.22

Note :

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

In terms of our report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No. 112081W/W100184

Suresh Murarka

Partner

Membership No. 044739

Place: Mumbai

Date: 29th May 2023

For and on behalf of the Board of Directors of

Innovators Façade Systems Limited

Radheshyam Sharma

Managing Director

DIN: 00340865

Priti Sharma

Chief Financial Officer

Place: Thane

Date: 29th May 2023

Raman Sharma

Director and Chief Executive Officer

DIN: 01484372

Radhika Agarwal

Company Secretary

Mem No. A48119

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 1 : Significant Accounting Policies:

A Corporate Information:

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

B Basis of Accounting:

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

C Use of Estimates:

- i) The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.
- ii) The Company uses the percentage-of-completion method in accounting for its fixed-price contracts. Use of the percentage-of-completion method requires the Company to estimate the total costs and balance cost to be incurred. Costs incurred have been used to measure progress towards completion as there is a direct relationship between cost incurred and revenue recognition. The Company uses significant judgments while determining the estimated cost.

D Revenue Recognition:

- i) Revenue from fixed price 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 obligations.
- iv) Interest income is recognized on time proportion basis.

E Property Plant & Equipment's :

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

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

F Depreciation & Amortisation:

Depreciation on Property Plant & Equipment's 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.

G Investments:

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

H Inventories:

- i) Raw Material are valued at lower of Cost or net realisable value and Stores & Spares are valued at cost.
- ii) Work in Progress and Finished Goods are valued at lower of cost or net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

I 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.

J Accounting for Taxes of Income:

Current Taxes

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

Deferred Taxes

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

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

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.

K Employee Benefits:

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.
- ii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.
- iii) Leave encashment is accounted on accrual basis and charged to the statement of profit & loss account for the year.

L 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.

M 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.

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 2 : Share capital

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

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised capital		
2,10,00,000 Equity shares of Rs. 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 Rs. 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 Rs.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, 2023		As at March 31, 2022	
	No. of equity shares held	Percentage	No. of equity shares held	Percentage
Jolly Multitrade Private Limited	45,41,022	24.07%	45,41,022	24.07%
Mr.Radheshyam Sharma	23,80,209	12.62%	23,80,209	12.62%
Mr. Vijay Kedia	20,10,632	10.66%	20,10,632	10.66%
Mr. Raman Sharma	15,37,345	8.15%	18,86,400	10.00%

d. Reconciliation of number of equity shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	Rs.	Nos.	Rs.
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

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

e. Shareholding of Promoters / Promoter Group

Name of Promoters	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of equity shares held	Percentage	No. of equity shares held	Percentage	
Radheshyam Sharma	23,80,209	12.62%	23,80,209	12.62%	-
Jolly Multi Trade Private Limited	45,41,022	24.07%	45,41,022	24.07%	-
Raman Sharma	15,37,345	8.15%	18,86,400	10.00%	1.85%
Shivchand Sharma	9,00,000	4.77%	9,00,000	4.77%	-
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	1,80,000	0.95%	1,80,000	0.95%	-
Vedika Sharma	1,20,000	0.64%	1,20,000	0.64%	-
Innovators Façade Solutions (Mumbai) Private Limited	8,64,004	4.58%	8,64,004	4.58%	0.00%

Note 3 : Reserves and surplus

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a. Securities premium		
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		
Opening balance	2,377.70	2,214.70
Add/(Less) : Profit/(Loss) for the year	844.55	163.01
Closing balance	3,222.26	2,377.70
Total	9,305.77	8,461.22

Note 4 : Long-term borrowings

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Loans		
Working capital term / demand loans from banks	813.93	790.63
Less: Current maturities of long term debt	183.45	111.06
	630.48	679.58

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Finance lease obligation	60.32	109.41
Less: Current maturities of long term debt	48.99	48.99
	11.33	60.41
Vehicle loans from bank	140.59	61.71
Less: Current maturities of long term debt	29.96	13.41
	110.64	48.30
Unsecured Loans		
From related parties:		
- Inter Corporate deposits	285.00	-
	285.00	-
	1,037.44	788.30

Additional information pertaining to long term borrowings:

- (a) Working Capital Term loan from Indian Bank Limited amounting to Rs. 225.20 lakhs (PY Rs. 236.66 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 60 monthly instalments of Rs. 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 Rs. 115.60 lakhs (PY Rs. Nil) 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 Rs. 2.44 Lakhs starting after a moratorium period of 24 months from first disbursements.
- (c) Working capital demand loan from Indian Bank amounting to Rs. 12.80 lakhs (PY Rs. 55.55 lakhs) is secured by extension of charges on the primary and collateral security (present & future) and existing personal guarantes for Cash credit facilities) .They carry interest rate of MCLR (1 Year) + 2.50% Spread per annum.The laon is repayable in 30 equated monthly installments amounting to Rs. 3.45 lakhs after the Moratorium period of 6 months from disbursement.
- (d) Working Capital Term loan from Punjab National Bank amounting to Rs.150.13 lakhs (PY Rs. 150.13 lakhs) is secured against first charge over factory land & building and hypothecation of 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 72 monthly instalments of Rs. 3.18 lakhs each after the moratorium period of 24 months from first disbursements.

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

- (e) Working Capital Term loan from Punjab National Bank amounting to Rs. 283.81 lakhs (PY Rs. 305.00 lakhs) is secured against first charge over factory land & building and hypothecation of 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 Rs. 8.47 lakhs each after the moratorium period of 12 months from first disbursements.
- (f) Working capital demand loan from Punjab National Bank amounting to Rs. Nil (PY Rs. 43.30 lakhs) is secured against pari pasu first charge by hypothecation of stock of raw material, work in process and finished goods, stores & spares and receivables, both present & future, along with collateral security of various immovable properties of directors their personal guarantees. It carries interest rate of MCLR (1 Year) per annum. The loan has been repaid fully during the year.
- (g) Term Loan loan from bank of Baroda amounting to Rs. 22.66 lakhs (PY Rs. Nil) is a part of overall sanctioned term loan of Rs. 720.00 lakhs. It is secured against first and charge of respective plant and machinery financed out of the respective loan. It carries interest rate of BRLLR + 1.25 % Spread per annum and is repayable in 48 equal monthly installment starting from the date of disbursement of each loan.
- (h) Finance lease obligation from Siemens Financial Services Private Limited amounting to Rs 60.32 lakhs (PY Rs. 109.41 lakhs) are secured against respective machinery. Lease rentals are payable on monthly basis for total tenure of 48 months
- (i) Vehicle loans from ICICI bank amounting to Rs. 140.59 lakhs (PY Rs. 61.71 lakhs) are secured against respective vehicles. They carry interest rate ranging between 8.70% to 9.40% per annum. The Instalments period of the loans ranges between 46 months to 60 months.
- (j) Intercorporate deposit amounting to Rs 285.00 Lakhs (PY Rs. Nil) are unsecured and interest free and repayable after 31st March, 2024.

Note 5 : Deferred tax assets / (liabilities)

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

(Rs. In Lakhs)		
Particulars	As at March 31, 2023	As at March 31, 2022
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	(92.28)	15.32
(ii) Provision for employee benefits	39.87	33.04
(iii) Provision doubtful debts	33.49	-
Net	(18.92)	48.36

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 6 : Other Non current liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	300.00	300.00
	300.00	300.00

Note 7 : Long-term provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
Provision for gratuity	153.81	127.41
	153.81	127.41

Note 8 : Short-term borrowings

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital facilities from banks		
- Cash credit facility	2,552.03	2,350.85
Current maturities of long-term debt	262.40	173.45
	2,814.43	2,524.30

Additional information pertaining to short term borrowings :

- a. Cash Credit facility from Punjab National Bank amounting to Rs. 1,333.09 lakhs (PY Rs. 1,364.16 lakhs) is secured against paripassu charges over Hypothecation of stock of raw material, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of RLLR + 1%.
- b. Cash Credit facility from Indian Bank amounting to Rs. 992.11 lakhs (PY Rs. 986.69 lakhs) is secured against paripassu charges over Hypothecation of stocks of raw materials, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 4.10% over Repo Rate.

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

- c. Cash Credit facility from Bank of Baroda amounting to Rs. 226.83 lakhs (PY Rs. Nil) is secured against paripassu charges over Hypothecation of stocks of raw materials, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of BRLLR + 2%.

Note 9 : Trade payables

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Due to Micro and Small Enterprises *	315.13	584.45
Other than Micro and Small Enterprises	5,602.24	1,529.33
	5,917.37	2,113.78

*Disclosures required under Sec 22 of MSMED Act, 2006

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	315.13	584.45
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	5.63	1.76
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.	-	-

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Trade Payables Ageing Schedule for March 31, 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	315.13	-	-	-	315.13
(ii) Others	5,562.42	27.19	9.22	3.41	5,602.24
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

Trade Payables Ageing Schedule for March 31, 2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	584.45	-	-	-	584.45
(ii) Others	1,512.01	13.91	2.81	0.60	1,529.33
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

Note 10 : Other current liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	1,775.27	360.72
Interest accrued	4.46	-
Security Deposit	-	300.00
Statutory dues payable	209.97	28.76
Retention money payable	-	1.57
Expenses payable	195.62	120.37
	2,185.32	811.42

Note 11 : Short-term provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
Provision for gratuity	4.61	3.85
Provision for compensated absence	5.27	-
	9.88	3.85

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 12 : Property Plant & Equipment

Particulars	Gross Block			Accumulated Depreciation	Net Block		
	As at April 1, 2022	Additions during the Year	Deletion during the Year		As at March 31, 2023	As at April 1, 2022	As at March 31, 2023
Tangible Assets							
Freehold Land	98.22	-	-	-	-	98.22	98.22
Factory Building	2,428.08	207.26	-	1,263.81	2,635.34	1,314.76	1,164.27
Storage Rack Systems	175.17	112.12	-	40.95	287.29	45.72	134.23
Plant & Machinery	3,495.13	593.55	-	1,101.07	4,088.68	1,291.61	2,394.06
Furniture & Fixtures	37.29	10.40	-	23.22	47.69	25.58	14.07
Vehicles	277.27	83.99	8.44	193.66	352.82	203.51	83.61
Office Equipment	99.35	15.88	-	71.94	115.23	80.83	27.41
Computers	99.12	50.05	-	62.52	149.17	82.13	36.60
Total	6,709.63	1,073.24	8.44	2,757.16	7,774.43	3,044.14	3,952.47
Previous Year	6,226.23	913.44	430.04	610.82	6,709.63	2,757.16	3,952.47
<u>Capital Work in Progress</u>							
Factory Building Extension Work	170.01	37.25	207.26	-	-	-	-
Previous Year	-	170.01	-	-	170.01	-	-

Note 12A : Capital Work in Progress ageing schedule

Capital Work in Progress	Amount in CWIP for a Period of 31st March, 2023			Amount in CWIP for a Period of 31st March, 2022		
	Less than 1 year	1-2 years	Total	Less than 1 year	1-2 years	Total
Projects in progress	-	-	-	170.01	-	170.01
Projects temporarily suspended	-	-	-	-	-	-

Innovators Façade Systems Limited
 Accompanying notes to the standalone financial statements for the year ended March 31, 2023

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 31.03.2023		As at 31.03.2022	
	Gross Value	Net Carrying Value	Gross Value	Net Carrying Value
Plant & Machinery	190.05	128.87	190.05	138.50

Note 12(C) : Change in accounting estimates for method of charging the depreciation & amortisation

During the year, the management has reviewed the existing written down value method of depreciation based on the factors such as vary nature of its business, commensurate use and wear & tear of assets, future economic benefits expected from assets etc. Accordingly, based on such review, the method of depreciation has been to change to “Straight Line Method” w.e.f. 1st April, 2022 onwards for the property, plant and equipment so as to reflect the pattern in which future economic benefits of the assets are expected to be consumed by the Company and for appropriate presentation of financial statements of the Company. The effect of this change, being the change in accounting estimates, has been given prospectively in the statement of profit and loss account for the year. Due to such change the depreciation and amortisation amount for the year is lower and profit before tax for year is higher by Rs.429.82 lakhs as compared to depreciation and amortisation amount which would have been under the previous method.

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 13 : Non-current investments

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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 Rs.10/- each, fully paid up	38.32	38.32
Innovators Façade Solutions (West) Private Limited 10,000 (P.Y. Nil) equity shares of face value Rs.10/- each, fully paid up	1.00	-
Innovators Façade Solutions (North) Private Limited 10,000 (P.Y. Nil) equity shares of face value Rs.10/- each, fully paid up	1.00	-
Innovators Façade Solutions (South) Private Limited 10,000 (P.Y. Nil) equity shares of face value Rs.10/- each, fully paid up	1.00	-
	41.32	38.32

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of unquoted investments	41.32	38.32

Note 14 : Long-term loans and advances

(Unsecured, considered good)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	166.98	130.94
Capital Advances	85.69	130.88
Advance Tax & TDS (Net of Provisions)	333.43	250.75
Balance with statutory authorities paid under protest (refer note 30A)	250.00	-
Balances with statutory authorities	25.41	48.14
Prepayments	3.22	-
Other Receivables	74.65	74.50
	939.38	635.22

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 15 : Other non-current assets

(Unsecured, considered good)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention money receivable	504.07	438.39
Fixed deposits (maturity period of more than 12 months) (Held as margin money with banks against credit facilities/ Govt Authority)	274.89	34.30
	778.96	472.69

Note 16 : Inventories

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Valued at lower of Cost or Net Realisable Value)		
Materials and components at factory	6,499.27	3,723.44
Material at project sites	1,790.63	962.25
	8,289.90	4,685.69

Note 17 : Trade receivables

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good *	3,450.82	2,212.01
Unsecured, considered doubtful	93.59	93.59
Less - Provision for doubtful debtors	(93.59)	(93.59)
	-	-
	3,450.82	2,212.01

* Other Debts includes amount due from related parties :

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Innovators Building Products Private Limited	114.99	-

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Trade Receivables Ageing Schedule for March 31, 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	3,254.53	85.74	17.06	93.49	3,450.82
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	93.59	93.59
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-
(iv) Disputed Trade Receivables– considered doubtful	-	-	-	-	-

Trade Receivables Ageing Schedule for March 31, 2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	1,490.59	591.43	42.72	87.27	2,212.01
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	93.59	93.59
(iii) Disputed Trade Receivables– considered good	-	-	-	-	-
(iv) Disputed Trade Receivables– considered doubtful	-	-	-	-	-

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 18 : Unbilled revenue

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unbilled Revenue*	1,837.80	2,242.38
	1,837.80	2,242.38

*Unbilled Revenue is net of Mobilization Advances received amounting to Rs. 1,785.72 Lakhs (P.Y. Rs. 1,197.33 Lakhs)

Note 19 : Cash and bank balances

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash & cash equivalents		
Balances with banks		
- Current account	40.32	26.73
Cash on hand	3.82	29.54
Other bank balances		
Fixed deposits (maturity period of 3 to 12 months) (held as margin money with banks against credit facilities)	1,534.86	1,061.57
	1,579.00	1,117.84

Note 20 : Short-term loans and advances

(Unsecured, Considered Good)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposit	129.19	81.65
Advance to suppliers	122.08	89.82
Balances with statutory authorities	610.87	556.84
Advance to employees	11.00	18.48
Prepayments	50.70	17.51
	923.84	764.30

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 21 : Other current assets

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention money receivables		
Unsecured, considered doubtful	39.48	39.48
Less - Provision for doubtful debtors	(39.48)	(39.48)
	-	-
Unsecured, considered good	1,058.40	677.77
	1,058.40	677.77

Note 22 : Revenue from operations

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Operating revenue		
Sales from works contract and façade materials	18,064.92	8,735.76
Other operating revenue		
Sale of scrap & other operating income	51.67	187.87
	18,116.58	8,923.63

Note 23 : Other income

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest Income		
- fixed deposits	76.04	41.12
- others	-	4.42
Interest on Income tax refund	16.06	14.20
Profit on sale of fixed asset	-	60.34
Insurance Claim Received	-	21.93
Misc. Receipts	0.78	-
	92.88	142.00

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 24 : Cost of contracts

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Facade materials		
Opening stock of materials	4,685.69	2,603.91
Add: Purchases during the year	13,304.27	6,366.41
	17,989.96	8,970.33
Less: Utilised for capital assets	-	250.66
Less: Closing stock of materials (including materials at site)	8,289.90	4,685.69
	9,700.06	4,033.97
Direct expenses		
Installation charges	770.51	518.53
Coating expenses	742.73	261.77
Transportation expenses	405.41	170.56
Fabrication expenses	872.36	454.51
Other production and execution costs	1,088.72	570.42
	3,879.72	1,975.79
	13,579.79	6,009.77

Note 25 : Employee benefit expense

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Directors remuneration	85.04	80.00
Salaries and incentives	1,618.94	1,048.36
Provision for gratuity	31.39	51.14
Provision for leave encashment	5.27	-
Contribution to PF and ESIC	36.63	25.81
Staff welfare expenses	95.41	56.48
	1,872.69	1,261.79

Note 26 : Finance cost

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest expenses		
- Banks	312.99	198.59
- Others	9.95	41.61
Bank guarantee and letter of credit charges and other borrowing cost	318.57	211.47
	641.50	451.66

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 27 : Other expenses

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Rent expenses	207.04	105.90
Rates and taxes	5.25	44.71
Electricity charges	10.87	8.98
Communication expenses	24.35	22.93
Insurance charges	37.67	19.09
Professional & consultancy charges	88.69	81.18
Auditors remuneration *	5.00	5.00
Security charges	63.19	25.28
Repairs & maintenance - Machinery	60.69	35.30
Repairs & maintenance - Building	14.98	13.10
Repairs & maintenance - Others	20.80	21.77
Printing & stationery	24.52	22.24
Conveyance and travelling	111.27	83.52
Vehicle maintenance and fuel expenses	23.71	33.65
Loss on fixed assets discarded	0.42	25.40
CSR expenditure & donations	0.08	0.21
Balances Written off (net)	66.84	15.23
Miscellaneous expenses	80.45	36.95
	845.81	600.44

* Auditors remuneration includes :

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Statutory audit fees	4.50	4.50
Tax audit fees	0.50	0.50
Other Services	-	-
	5.00	5.00

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Note 28 : Earnings per equity share:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Basic Earnings per Share		
Profit/(Loss) attributable to equity shareholders	844.55	163.01
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	4.48	0.86
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.

Note 30 : Contingent Liabilities

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(i) Bank Guarantees	5,517.91	2,814.31
(ii) Disputed VAT/CST liabilities	725.31	725.31
(ii) Disputed Income tax liabilities (including interest)	24.03	7.47
TOTAL	6,267.25	3,547.08

Note 30A : During the year, 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 Rs. 250.00 lakhs "Under Protest" by reversal of input 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. No show cause or further notice has been received till date in this matter. 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.

Note 31 : Capital Commitments

Capital Commitments (Net off advances) is Amounting to Rs. 28.86 lakhs (P.Y. Rs. 16.93 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 :

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Short / (Excess) as at the beginning of the year	(0.65)	6.45
Amount required to be spent by the Company during the year	-	7.91
Amount of expenditure incurred	-	15.00
Short / (Excess) as at the end of the year	(0.65)	(0.65)
Reason for shortfall	NA	NA
Nature of CSR Activities	Animal Welfare	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	NA	NA

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

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
i) Lease payments recognized in the statement of profit and loss for the year	207.04	105.90
ii) A general description of the lessee’ significant leasing arrangements:		
<ul style="list-style-type: none"> - lease rent agreements are for Factory, offices and guest houses - there are no restrictions imposed by lease arrangements. - there are no subleases 		

(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.

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Minimum lease payments		
Not later than 1 year	54.34	54.36
Later than 1 year but not later than 5 years	18.40	72.78
Total	72.74	127.14
Less : Finance charges	7.16	12.52
Present value of minimum lease payments	65.58	114.62

Present value of minimum lease payments :

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Present value of minimum lease payments :		
Not later than 1 year	48.99	49.01
Later Than 1 year but not later than 5 years	16.59	65.61
Total	65.58	114.62

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

Actuarial assumption:

(Rs. In Lakhs)

Services Rendered	Year Ended March 31, 2023	Year Ended March 31, 2022
Salary Growth*	6.00%	6.00%
Discount Rate	7.25%	7.25%
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:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Present value of obligation as at the beginning of the year:	131.26	82.08
Interest cost	9.38	5.51
Current service cost	30.87	18.99
Benefits paid	4.24	1.96
Actuarial (gain) / loss on obligation	(8.86)	26.64
Closing Present value of obligation	158.41	131.26

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Actuarial (gain)/ loss on obligation for the year	(8.86)	26.64

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Present value of obligation as at the end of the year	158.41	131.26
Funded value of assets (unfunded)	-	-
Net assets / (liability) recognised in balance sheet - Non-Current	153.80	127.41
Net assets / (liability) recognised in balance sheet - Current	4.61	3.85

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Current service cost	30.87	18.99
Past service cost	-	-
Interest cost	9.38	5.51
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	(8.86)	26.64
Expenses recognised in the statement of profit and loss	31.39	51.14

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

(Rs. In Lakhs)

Particulars	Gratuity				
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
Defined benefit obligation	158.41	131.26	82.08	82.75	77.20
Plan assets	-	-	-	-	-
Surplus/(deficit)	(158.41)	(131.26)	(82.08)	(82.75)	(77.20)
Actuarial gain/(loss) on Defined benefit obligation	(8.86)	26.64	(6.82)	7.54	(3.80)
Actuarial gain/(loss) on plan assets	-	-	-	-	-

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

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
Mr. Radheshyam Sharma	Managing Director
Mrs. Anjana Sharma	Whole Time Director (uptill 30-11-2022)
Mr. Shivchand Sharma	Director
Mr. Raman Sharma	Chief Executive Officer & Director (w.e.f. 09-12-2022)
Mrs. Priti Sharma	Chief Financial Officer
Ms. Radhika Agarwal	Company Secretary

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

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

(iii) Wholly Owned Subsidiary Company:

Innovators Engineering Works Private Limited

Innovators Façade Solutions (West) Private Limited (w.e.f. 3rd April, 2022)

Innovators Façade Solutions (South) Private Limited (w.e.f. 5th April, 2022)

Innovators Façade Solutions (North) Private Limited (w.e.f. 3rd April, 2022)

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

- (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 Cleantech Private Limited
Innovators Building Products Private Limited
Innovators Façade Solutions (Mumbai) Private Limited
Parth Façade Solutions Private Limited

B. Transactions with Related Parties :

(Rs. In Lakhs)

Nature of Transaction	Name of Party	Year Ended March 31, 2023	Year Ended March 31, 2022
Directors Remuneration	Mr. Radheshyam Sharma	55.86	57.16
	Mr. Raman Sharma	12.50	-
	Mrs. Anjana Sharma	16.68	22.84
Salaries	Mr. Raman Sharma	24.00	31.50
	Mrs. Anjana Sharma	10.78	-
	Mr. Rohit Sharma	30.67	25.60
	Ms. Vedika Sharma	-	9.00
	Mrs. Priti Sharma	27.21	21.59
	Mr. Narendra Sharma	28.10	24.96
	Ms. Radhika Agarwal	4.50	3.83
Office Rent	Mr. Narendra Sharma	7.20	5.04
	Mrs. Anjana Sharma	0.60	-
	Mr. Raman Sharma	3.60	2.52
	Mr. Shivchand Sharma	3.60	2.52
	Mrs. Dropadi Sharma	4.80	3.36
	Mr. Rohit Sharma	3.60	3.36
	Mrs. Priti Sharma	3.00	1.68
Sales from works contract and façade materials	Innovators Cleantech Private Limited	405.55	822.20
	Innovators Building Products Private Limited	82.44	-
Contract Purchases	Innovators Cleantech Private Limited	-	10.23
Provision for Expenses (Rent)	Innovators Building Products Private Limited	7.00	-
Sale of Freehold Land	Innovators Cleantech Private Limited	-	65.00
Purchase of Fixed Assets	Parth Façade Solutions Private Limited	-	144.35

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Nature of Transaction	Name of Party	Year Ended March 31, 2023	Year Ended March 31, 2022
Contracts Execution Expenses & Labour Services	Parth Façade Solutions Private Limited	51.76	33.28
	Innovators Cleantech Private Limited	2,371.19	1,636.84
Unsecured Loan Taken	Innovators Façade Solutions (Mumbai) Private Limited	285.00	215.00
	Radheshyam Sharma	473.11	145.00
Unsecured Loan Repaid	Innovators Façade Solutions (Mumbai) Private Limited	-	1,005.00
	Radheshyam Sharma	473.11	145.00
Security Deposits Taken	Innovators Building Products Private Limited	-	600.00
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	-

B. Transactions with Related Parties :

(Rs. In Lakhs)

Name of Party	Year Ended March 31, 2023	Year Ended March 31, 2022
Unsecured Loan Payable		
Innovators Façade Solutions (Mumbai) Private Limited	285.00	-
Security Deposits Payable		
Innovators Building Products Private Limited	300.00	600.00
Payables / (Receivables)		
Innovators Engineering Works Private Limited	0.40	0.40
Innovators Cleantech Private Limited	958.12	412.40
Parth Façade Solutions Private Limited	0.90	-
Innovators Building Products Private Limited	(114.99)	-
Mr. Radheshyam S Sharma	4.48	3.26
Mrs. Anjana Sharma	3.38	1.30
Mr. Raman Sharma	6.30	2.01
Mrs. Priti Sharma	4.57	1.69

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Name of Party	Year Ended March 31, 2023	Year Ended March 31, 2022
Mr. Narendra Sharma	10.69	1.75
Mr. Shivshand Sharma	3.43	0.19
Mrs.Dropadi Sharma	4.57	0.25
Mr. Rohit Sharma	3.52	1.02
Miss. Vedika Sharma	-	0.60

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:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Raw Materials & Components	139.82	0.41
Plant and Machinery	100.25	-
Total	240.06	0.41

(b) Expenditure in foreign currency - Rs. 7.47 lakhs (PY Rs. Nil)

(c) Consumption of raw materials:

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Amount	Percentage	Amount	Percentage
Imported	139.82	1.44%	0.41	0.01%
Indigenous	9,560.25	98.56%	4,033.56	99.99%
Total	9,700.06	100.00%	4,033.97	100.00%

(d) Financial Ratios :

Particulars	Numerator / Denominator	Year Ended March 31, 2023	Year Ended March 31, 2022	% Variations	Reasons for Major Variance
Current ratio (In Times)	Current Assets / Current Liabilities	1.57	2.15	-26.89%	Due to Increase in Outstanding Trade Payable at reporting date
Debt-Equity Ratio (In Times)	Total Debts / Shareholders Fund	0.34	0.32	7.51%	N/A

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

Particulars	Numerator / Denominator	Year Ended March 31, 2023	Year Ended March 31, 2022	% Variations	Reasons for Major Variance
Debt service coverage ratio (In Times)	(EBIDTA+Non Cash Opertaing Expenses) / (Finance Cost + Current Maturity of Long term Debts)	0.50	0.36	37.70%	Increase in operating and net profit as Compared to previous year
Return on Equity Ratio (In %)	Net Profit After Tax / Avergare Shareholders Fund	0.08	0.02	393.88%	Incease in operating and ner profit as Compared to previous year
Inventory turnover ratio (In Times)	Cost of Contracts / Average Inventory	2.09	1.43	45.90%	Improved Inventory turnover ratio
Trade receivables turnover ratio (In Times)	Sales / Average Trade Receivables	6.40	3.40	87.99%	Improved realisation period of trade receivables with increase in turnover
Trade payables turnover ratio (In Times)	Purchases / Average Trade Payable	3.31	3.58	-7.56%	N/A
Net capital turnover ratio (In Times)	(Current Assets- Current Liabilities) / Turnover	2.92	1.43	104.12%	Increase in turnover
Net profit ratio (In %)	Net Profit After Tax / Turnover	0.05	0.02	155.20%	Incease in operating and net profit as Compared to previous year
Return on capital employed (In %)	(Net Profit Before Tax + Finance Cost) / Capital Employed)	0.13	0.09	45.20%	Incease in operating and net profit as Compared to previous year
Return on investment (In %)	N/A *				

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

(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 the amount as per books of account are in agreement with amount as reported in quarterly returns except as mentioned herein below :

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

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

(Rs. In Lakhs)

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-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

(ii) For the Year ended 31st March, 2022 :

(Rs. In Lakhs)

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-21	Trade Receivables	3,255.08	3,245.68	9.40	-
	Advance to Suppliers	142.45	154.56	(12.12)	
Sep-21	Trade Receivables	2,828.72	2,851.70	(22.99)	
	Advance to Suppliers	90.77	91.05	(0.28)	
Dec-21	Trade Receivables	2,952.74	2,967.50	(14.75)	
	Advance to Suppliers	104.54	110.25	(5.70)	
Mar-22	Trade Receivables	2,212.01	2,227.56	(15.55)	
	Advance to Suppliers	77.03	77.03	(0.00)	

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

- (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.
- (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 any body 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	(Rs. In Lakhs)	
	Year Ended March 31, 2023	Year Ended March 31, 2022
The amount of contract revenue recognised as revenue in the period;	18,064.92	8,735.76
Aggregate amount of contract cost incurred for projects in progress	31,955.40	32,412.00
Recognised Profits less recognised losses	7,858.09	10,808.40
The amount of advances received;	1,775.27	360.72
The amount of retentions due from customers for contracts in progress	1,601.95	1,155.64
The gross amount due from customers for contract work as an asset (includes trade receivables and unbilled revenue)	5,288.63	4,454.39

Innovators Façade Systems Limited

Accompanying notes to the standalone financial statements for the year ended March 31, 2023

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

Significant Accounting Policies	1
See accompanying 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: 29th May 2023

For and on behalf of the Board of Directors of

Innovators Façade Systems Limited

Radheshyam Sharma

Managing Director

DIN: 00340865

Priti Sharma

Chief Financial Officer

Place: Thane

Date: 29th May 2023

Raman Sharma

Director and Chief Executive Officer

DIN: 01484372

Radhika Agarwal

Company Secretary

Mem No. A48119

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, 2023, 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 2023, 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report :

Key Audit Matters	Auditor’s Response
<p><u>Changed in method of depreciation from WDV method to SLM method w.e.f. 1st April, 2022 onwards.</u></p> <p>1. The Company has changed the method of Depreciation from WDV to SLM w.e.f. 1st April 2022 onwards. (Refer Note No 12 (c) of the financial statements)</p>	<p>Our audit procedures included and were not limited to the following.</p> <p>1. Internal assessment done by the competent technical person of the Company and evaluating the reasonableness of the assumptions considered for change in method.</p>

Key Audit Matters	Auditor's Response
<p>2. As per AS 10 - Property, Plant & Equipment's the depreciation method applied to an asset should be reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method should be changed to reflect the changed pattern. Such a change should be accounted for as a change in an accounting estimate in accordance with AS 5 - Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.</p> <p>3. Assessment of change in the depreciation method involves management judgment, assessment of technical and other factors and future use of assets, etc.</p>	<p>2. Assessing whether the impact on account of the change has been appropriately recognized in the financial statements.</p> <p>3. Review of the disclosures made in the financial statements in this regard.</p>
<p><u>Claims and exposures relating to indirect tax (GST) Litigation.</u></p> <p>1. The Company is subject to a GST search by DGGI which have been disclosed in the note no. 30A of the standalone financial statements. The Company has paid Rs 250 Lakhs through utilization of ITC.</p> <p>2. Search and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, timescales involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the exposure of the case and thus a risk that such cases may not be adequately provided for or disclosed.</p>	<p>Our audit procedures included and were not limited to the following.</p> <p>1. Gained an understanding of the litigations and obtained the summary the matter and assessed management's position through discussions with the management and their team.</p> <p>2. Examined external legal opinion and other evidence to corroborate management's assessment.</p> <p>3. Engaged specialists to technically appraise the positions taken by management.</p> <p>4. Assessed the relevant disclosures made within the financial statements to reflect the facts and circumstances of tax and legal exposures and the requirements of relevant accounting standards</p> <p>5. Assessed the competence and objectivity of the Company's experts, to satisfy ourselves.</p>

Key Audit Matters	Auditor's Response
<p data-bbox="137 145 679 209"><u>Accuracy of estimated cost in respect of fixed price contract</u></p> <p data-bbox="137 227 679 455">1. Estimated cost is a critical estimate to determine revenues for ongoing projects. This estimate has a high inherent uncertainty as it requires consideration of progress of the contract, cost incurred till date and cost required to complete the remaining contract performance obligations.</p> <p data-bbox="137 473 679 546">Refer note no. 1 (C) (ii) under the head “use of estimates” in significant accounting policies</p>	<p data-bbox="699 145 1248 209">Our audit procedures included and were not limited to the following.</p> <ol data-bbox="699 227 1248 800" style="list-style-type: none"> <li data-bbox="699 227 1248 354">1. Evaluated the design of internal controls relating to recording of cost incurred and estimation of cost required to complete the contract. <li data-bbox="699 373 1248 500">2. Basic rate contract (BRC) is prepared by Project Management team having details of budgeted cost for Material, execution and installation etc. <li data-bbox="699 518 1248 682">3. Selected a sample of contract and through inspection of evidence of performance of these controls, tested the operating effectiveness of the internal controls relating to cost incurred and estimated. <li data-bbox="699 700 1248 800">4. Performed analytical procedures and test of details for reasonableness of incurred and estimated cost.

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

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

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements in term of the requirements of the 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.

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.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the

relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 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, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **“Annexure A”**.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with 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
- (h) 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.
 - (d) Company has not declared dividend during the year hence reporting with respect to section 123 of the Company Act is not applicable.
2. As respect to the matters specified in paragraphs 3(xxi) 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

Sd/-

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 23044739BGUNOQ4679

Place: Mumbai

Date: 29th May 2023

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 2023.

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, 2023 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, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S G C O & Co. LLP

Chartered Accountants

Firm's Reg. No. 112081W/W100184

Sd/-

Suresh Murarka

Partner

Mem. No. 044739

UDIN: 23044739BGUNOQ4679

Place: Mumbai

Date: 29th May 2023

Innovators Façade Systems Limited
Consolidated Balance Sheet as at March 31, 2023

(Rs. In Lakhs)

Particulars	Note Nos.	As at March 31, 2023	As at March 31, 2022
EQUITY AND LIABILITIES			
Shareholder's funds			
Share capital	2	1,886.78	1,886.78
Reserves and surplus	3	11,145.28	10,303.15
		13,032.07	12,189.93
Non-current liabilities			
Long-term borrowings	4	1,037.44	796.13
Other Non current liabilities	6	300.00	300.00
Deferred tax liabilities (Net)	5	18.92	-
Long-term provisions	7	153.81	127.41
		1,510.17	1,223.53
Current liabilities			
Short-term borrowings	8	2,814.43	2,524.31
Trade payables	9		
- Due to Micro and Small Enterprises		315.36	585.09
- Due to Other than Micro and Small Enterprises		5,602.25	1,530.03
Other current liabilities	10	2,185.81	817.21
Short-term provisions	11	9.88	3.85
		10,927.71	5,460.49
		25,469.95	18,873.96
ASSETS			
Non-current assets			
Property Plant & Equipment	12		
- Property Plant & Equipment		4,730.29	3,952.47
- Capital Work in Progress		-	170.01
Non-current investments	13	1,560.41	1,560.41
Deferred tax assets (Net)	5	-	48.36
Long-term loans and advances	14	1,236.90	932.89
Other non-current assets	15	778.96	472.69
		8,306.57	7,136.82
Current assets			
Inventories	16	8,289.90	4,685.69
Trade receivables	17	3,450.82	2,212.01
Unbilled revenue	18	1,837.80	2,242.38
Cash and bank balances	19	1,602.23	1,152.91
Short-term loans and advances	20	924.21	766.38
Other current assets	21	1,058.40	677.77
		17,163.37	11,737.13
		25,469.95	18,873.96
Significant Accounting Policies	1		

See accompanying 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

Suresh Murarka

Partner

Membership No. 044739

Place: Mumbai

Date: 29th May 2023

For and on behalf of the Board of Directors of

Innovators Façade Systems Limited

Radheshyam Sharma

Managing Director

DIN: 00340865

Priti Sharma

Chief Financial Officer

Place: Thane

Date: 29th May 2023

Raman Sharma

Director and Chief Executive Officer

DIN: 01484372

Radhika Agarwal

Company Secretary

Mem No. A48119

Innovators Façade Systems Limited
Consolidated Statement of Profit and Loss for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Note Nos.	Year Ended March 31, 2023	Year Ended March 31, 2022
REVENUE			
Revenue from operations	22	18,116.58	8,923.63
Other income	23	93.03	142.81
		18,209.62	9,066.44
EXPENSES			
Cost of contracts	24	13,579.79	6,025.11
Employee benefit expense	25	1,872.69	1,265.64
Finance cost	26	641.50	451.66
Depreciation	12	294.99	610.81
Other expenses	27	848.38	584.23
		17,237.35	8,937.44
Profit before tax		972.26	129.00
Less: Tax expenses			
Current tax		67.80	-
Deferred tax liability / (asset)	5	67.28	(44.27)
Tax of earlier years		(4.95)	13.37
Profit for the year		842.13	159.90
Earnings per equity share:	28		
(Face value of Rs. 10/- each)			
- Basic (Rs.)		4.46	0.85
- Diluted (Rs.)		4.46	0.85
Significant Accounting Policies	1		

See accompanying 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

Suresh Murarka

Partner

Membership No. 044739

Place: Mumbai

Date: 29th May 2023

For and on behalf of the Board of Directors of

Innovators Façade Systems Limited

Radheshyam Sharma

Managing Director

DIN: 00340865

Priti Sharma

Chief Financial Officer

Place: Thane

Date: 29th May 2023

Raman Sharma

Director and Chief Executive Officer

DIN: 01484372

Radhika Agarwal

Company Secretary

Mem No. A48119

Innovators Façade Systems Limited
Statement of Consolidated Cash Flow for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
A. Cash Flow from Operating Activities		
Net Profit before Tax	972.26	129.00
Adjustments for:		
Depreciation	294.99	610.81
Finance Costs	641.50	451.66
Loss on Property Plant & Equipments discarded	0.42	25.40
(Profit)/loss on Sale of Property Plant & Equipments	-	(60.34)
Interest income	(76.04)	(41.12)
Operating Profit before Working Capital changes	1,833.15	1,115.41
<u>Adjustments for:</u>		
(Increase) / Decrease in Inventories	(3,604.21)	(2,081.78)
(Increase) / Decrease in Trade receivables & unbilled revenue	(834.24)	(134.73)
(Increase) / Decrease in Short term loans and advances	(157.83)	(273.16)
(Increase) / Decrease in Long term loans given & advances	(221.34)	(130.31)
(Increase) / Decrease in Other current & Non-current assets	(446.32)	957.86
Increase / (Decrease) in Trade payables	3,802.48	674.87
Increase / (Decrease) in Other current liabilities	1,368.65	434.31
Increase / (Decrease) in Other non current liabilities	-	300.00
Increase / (Decrease) in Provisions	32.42	45.41
CASH GENERATED FROM OPERATIONS	1,772.76	907.88
Income tax Paid	(145.58)	84.97
Net Cash inflow from/ (outflow) from Operating activities	1,627.18	992.85
B. Cash Flow from Investing Activities		
Purchase of Property Plant & Equipment's	(903.23)	(1,083.45)
Sale of Property Plant & Equipment's	-	77.51
Maturity / (Investment) in fixed deposits	(693.88)	(464.07)
Interest received	76.04	41.12
Net Cash inflow from/ (outflow) from Investing activities	(1,521.08)	(1,428.89)
C. Cash Flow from Financing Activities		
Proceeds from borrowings	1,183.82	2,206.45
Repayment of borrowings	(652.39)	(1,357.94)
Finance Cost	(641.50)	(451.66)
Net Cash inflow from/ (outflow) from Financing activities	(110.07)	396.85

Innovators Façade Systems Limited
Statement of Consolidated Cash Flow for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(3.97)	(39.19)
Add: Opening Cash and Bank Balances		
Cash and Cash Equivalents		
Cash in hand	41.39	38.88
Bank balances	29.95	71.65
Closing Cash and Cash Equivalents	67.37	71.34
Break up of Cash and Cash Equivalents		
Cash in hand	18.52	41.39
Bank balances	48.85	29.95
	67.37	71.34

Note :

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

In terms of our report of even date

For S G C O & Co. LLP

Chartered Accountants

Firm Registration No. 112081W/W100184

Suresh Murarka

Partner

Membership No. 044739

Place: Mumbai

Date: 29th May 2023

For and on behalf of the Board of Directors of

Innovators Façade Systems Limited

Radheshyam Sharma

Managing Director

DIN: 00340865

Priti Sharma

Chief Financial Officer

Place: Thane

Date: 29th May 2023

Raman Sharma

Director and Chief Executive Officer

DIN: 01484372

Radhika Agarwal

Company Secretary

Mem No. A48119

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

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, Innovators Façade Solutions (West) Private Limited, Innovators Façade Solutions (South) Private Limited and Innovators Façade Solutions (North) Private Limited (its Subsidiaries) 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.

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

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 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 obligations.
- iv) Interest income is recognized on time proportion basis.

F Property Plant & Equipment's

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

G Depreciation & Amortisation

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

H Investments:

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

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

I Inventories:

- i) Raw Material are valued at lower of Cost or net realisable value and Stores & Spares are valued at cost
- ii) Work in Progress and Finished Goods are valued at lower of cost or net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

J Foreign Currency Transactions :

- i) The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.
- ii) The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Profit and Loss Account.
- iii) Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Profit and Loss Account.
- iv) The premium in respect of forward exchange contract is amortised over the life of the contract. The net gain or loss on account of any exchange difference, cancellation or renewal of such forward exchange contracts is recognised in the Statement of Profit & Loss.

K Accounting for Taxes of Income:-

Current Taxes

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

Deferred Taxes

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

L Employee Benefits :

- i) Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Profit & Loss Account for the year.
- ii) Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

- iii) Leave encashment is accounted on accrual basis and charged to the statement of profit & loss account for the year.

M Provisions and Contingent Liabilities:

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

N Impairment of Assets:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 2 : Share capital

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

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Authorised capital		
2,10,00,000 Equity shares of Rs. 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 Rs. 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 Rs.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, 2023		As at March 31, 2022	
	No. of equity shares held	Percentage	No. of equity shares held	Percentage
Jolly Multitrade Private Limited	45,41,022	24.07%	45,41,022	24.07%
Mr.Radheshyam Sharma	23,80,209	12.62%	23,80,209	12.62%
Mr. Vijay Kedia	20,10,632	10.66%	20,10,632	10.66%
Mr. Raman Sharma	15,37,345	8.15%	18,86,400	10.00%

d. Reconciliation of number of equity shares

Particulars	As at March 31, 2023		As at March 31, 2022	
	Nos.	Rs.	Nos.	Rs.
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

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

d. Reconciliation of number of equity shares

Name of Promoters	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of equity shares held	Percentage	No. of equity shares held	Percentage	
Radheshyam Sharma	23,80,209	12.62%	23,80,209	12.62%	-
Jolly Multi Trade Private Limited	45,41,022	24.07%	45,41,022	24.07%	-
Raman Sharma	15,37,345	8.15%	18,86,400	10.00%	1.85%
Shivchand Sharma	9,00,000	4.77%	9,00,000	4.77%	-
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	1,80,000	0.95%	1,80,000	0.95%	-
Vedika Sharma	1,20,000	0.64%	1,20,000	0.64%	-
Innovators Façade Solutions (Mumbai) Private Limited	8,64,004	4.58%	8,64,004	4.58%	0.00%

Note 3 : Reserves and surplus

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
a. Securities premium		
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		
Opening balance	2,390.91	2,231.01
Add/(Less) : Profit/(Loss) for the year	842.13	159.90
Closing balance	3,233.04	2,390.91
c. Capital reserve on consolidation	1,828.73	1,828.73
Total	11,145.28	10,303.15

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 4 : Long-term borrowings

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Loans		
Working capital term / demand loans from banks	813.93	790.63
Less: Current maturities of long term debt	183.45	111.06
	630.48	679.58
Finance lease obligation	60.32	109.41
Less: Current maturities of long term debt	48.99	48.99
	11.33	60.41
Vehicle loans from bank	140.59	61.71
Less: Current maturities of long term debt	29.96	13.41
	110.64	48.30
Unsecured Loans		
From related parties:		
- Inter Corporate deposits	285.00	-
- Directors & relatives	-	7.83
	285.00	7.83
	1,037.44	796.13

Additional information pertaining to long term borrowings:

- (a) Working Capital Term loan from Indian Bank Limited amounting to Rs. 225.20 lakhs (PY Rs. 236.66 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 60 monthly instalments of Rs. 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 Rs. 115.60 lakhs (PY Rs. Nil) 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 Rs. 2.44 Lakhs starting after a moratorium period of 24 months from first disbursements.
- (c) Working capital demand loan from Indian Bank amounting to Rs. 12.80 lakhs (PY Rs. 55.55 lakhs) is secured by extension of charges on the primary and collateral security (present & future) and existing personal guarantes for Cash credit facilities) .They carry interest rate of MCLR (1 Year) +

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

2.50% Spread per annum. The loan is repayable in 30 equated monthly installments amounting to Rs. 3.45 lakhs after the Moratorium period of 6 months from disbursement.

- (d) Working Capital Term loan from Punjab National Bank amounting to Rs.150.13 lakhs (PY Rs. 150.13 lakhs) is secured against first charge over factory land & building and hypothecation of 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 72 monthly instalments of Rs. 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 Rs. 283.81 lakhs (PY Rs. 305.00 lakhs) is secured against first charge over factory land & building and hypothecation of 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 Rs. 8.47 lakhs each after the moratorium period of 12 months from first disbursements.
- (f) Working capital demand loan from Punjab National Bank amounting to Rs. Nil (PY Rs. 43.30 lakhs) is secured against pari pasu first charge by hypothecation of stock of raw material, work in process and finished goods, stores & spares and receivables, both present & future, along with collateral security of various immovable properties of directors their personal guarantees. It carries interest rate of MCLR (1 Year) per annum. The loan has been repaid fully during the year.
- (g) Term Loan loan from bank of Baroda amounting to Rs. 22.66 lakhs (PY Rs. Nil) is a part of overall sanctioned term loan of Rs. 720.00 lakhs. It is secured against first and charge of respective plant and machinery financed out of the respective loan. It carries interest rate of BRLLR + 1.25 % Spread per annum and is repayable in 48 equal monthly installment starting from the date of disbursement of each loan.
- (h) Finance lease obligation from Siemens Financial Services Private Limited amounting to Rs 60.32 lakhs (PY Rs. 109.41 lakhs) are secured against respective machinery. Lease rentals are payable on monthly basis for total tenure of 48 months
- (i) Vehicle loans from ICICI bank amounting to Rs. 140.59 lakhs (PY Rs. 61.71 lakhs) are secured against respective vehicles. They carry interest rate ranging between 8.70% to 9.40% per annum. The Instalments period of the loans ranges between 46 months to 60 months.
- (j) Intercompany deposit amounting to Rs 285.00 Lakhs (PY Rs. Nil) are unsecured and interest free and repayable after 31st March, 2024.

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 5 : Deferred tax assets / (liabilities)

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

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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	(92.28)	15.32
(ii) Provision for employee benefits	39.87	33.04
(iii) Provision doubtful debts	33.49	-
Net	(18.92)	48.36

Note 6 : Other Non current liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits	300.00	300.00
	300.00	300.00

Note 7 : Long-term provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
Provision for gratuity	153.81	127.41
	153.81	127.41

Note 8 : Short-term borrowings

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Working capital facilities from banks		
- Cash credit facility	2,552.03	2,350.85
Current maturities of long-term debt	262.40	173.45
	2,814.43	2,524.31

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Additional information pertaining to short term borrowings :

Additional information pertaining to short term borrowings :

- a. Cash Credit facility from Punjab National Bank amounting to Rs. 1,333.09 lakhs (PY Rs. 1,364.16 lakhs) is secured against paripassu charges over Hypothecation of stock of raw material, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of RLLR + 1%.
- b. Cash Credit facility from Indian Bank amounting to Rs. 992.11 lakhs (PY Rs. 986.69 lakhs) is secured against paripassu charges over Hypothecation of stocks of raw materials, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of 4.10% over Repo Rate.
- c. Cash Credit facility from Bank of Baroda amounting to Rs. 226.83 lakhs (PY Rs. Nil) is secured against paripassu charges over Hypothecation of stocks of raw materials, work in progress, finished goods, stores & spares and receivables and collateral security of factory land and building, equitable mortgage of various immovable properties of directors & their relatives, hypothecation of immovable assets and personal guarantee of directors. It carries interest rate of BRLLR + 2%.

Note 9 : Trade payables

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Trade payables		
Due to Micro and Small Enterprises *	315.36	585.09
Other than Micro and Small Enterprises	5,602.25	1,530.03
	5,917.60	2,115.12

*Disclosures required under Sec 22 of MSMED Act, 2006

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	315.36	585.09
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each accounting year;	-	-

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
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	5.63	1.76
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.	-	-

Trade Payables Ageing Schedule for March 31, 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	315.36	-	-	-	315.36
(ii) Others	5,562.43	27.19	9.22	3.41	5,602.25
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

Trade Payables Ageing Schedule for March 31, 2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	585.09	-	-	-	585.09
(ii) Others	1,512.71	13.91	2.81	0.60	1,530.03
(iii) Disputed dues- MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 10 : Other current liabilities

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance from customers	1,775.27	360.72
Interest accrued	4.46	-
Security Deposit	-	300.00
Statutory dues payable	209.97	28.81
Retention money payable	0.19	7.31
Expenses payable	195.92	120.37
	2,185.81	817.21

Note 11 : Short-term provisions

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for employee benefits:		
Provision for gratuity	4.61	3.85
Provision for compensated absence	5.27	-
	9.88	3.85

Innovators Façade Systems Limited
 Accompanying notes to the consolidated financial statements for the year ended March 31, 2023
Note 12 : Property Plant & Equipment

Particulars	Gross Block Accumulated Depreciation							Net Block	
	As at April 1, 2022	Additions during the Year	Deletion during the Year	As at March 31, 2023	As at April 1, 2022	Depreciation charge for the year	Adjustments on Sale Or Assets Discarded	As at March 31, 2023	As at March 31, 2022
Tangible Assets									
Freehold Land	98.22	-	-	98.22	-	-	-	98.22	98.22
Factory Building	2,428.08	207.26	-	2,635.34	1,263.81	50.95	-	1,314.76	1,320.58
Storage Rack Systems	175.17	112.12	-	287.29	40.95	4.77	-	45.72	241.57
Plant & Machinery	3,495.13	593.55	-	4,088.68	1,101.07	190.54	-	1,291.61	2,797.07
Furniture & Fixtures	37.29	10.40	-	47.69	23.22	2.36	-	25.58	22.11
Vehicles	277.27	83.99	8.44	352.82	193.66	17.87	8.01	203.51	149.30
Office Equipment	99.35	15.88	-	115.23	71.94	8.89	-	80.83	34.41
Computers	99.12	50.05	-	149.17	62.52	19.61	-	82.13	67.04
Total	6,709.63	1,073.24	8.44	7,774.43	2,757.16	294.99	8.01	3,044.14	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
Capital Work in Progress									
Factory Building Extension Work	170.01	37.25	207.26	-	-	-	-	-	-
Previous Year	-	170.01	-	170.01	-	-	-	-	-

Note 12A : Capital-work-in progress ageing schedule.

Capital Work in Progress	Amount in CWIP for a Period of 31st March, 2023			Amount in CWIP for a Period of 31st March, 2022						
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-	170.01	-	-	-	170
Projects temporarily suspended	-	-	-	-	-	-	-	-	-	-

Innovators Façade Systems Limited
 Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

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 31.03.2023		As at 31.03.2022	
	Gross Value	Net Carrying Value	Gross Value	Net Carrying Value
Plant & Machinery	190.05	128.87	190.05	138.50

Note 12(C) : Change in accounting estimates for method of charging the depreciation & amortisation

During the year, the management has reviewed the existing written down value method of depreciation based on the factors such as vary nature of its business, commensurate use and wear & tear of assets, future economic benefits expected from assets etc. Accordingly, based on such review, the method of depreciation has been to change to “Straight Line Method” w.e.f. 1st April, 2022 onwards for the property, plant and equipment so as to reflect the pattern in which future economic benefits of the assets are expected to be consumed by the Company and for appropriate presentation of financial statements of the Company. The effect of this change, being the change in accounting estimates, has been given prospectively in the statement of profit and loss account for the year. Due to such change the depreciation and amortisation amount for the year is lower and profit before tax for year is higher by Rs.429.82 lakhs as compared to depreciation and amortisation amount which would have been under the previous method.

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 13 : Non-current investments

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unquoted, trade investments (Unquoted, Trade Investments valued at Cost)		
Investments in Debentures	1,560.41	1,560.41
Innovators Cleantech Private Limited 1,56,041 (P.Y. 1,56,041) 0% Compulsory Convertible Debentures of face value Rs.1,000/- each.		
	1,560.41	1,560.41

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Aggregate book value of unquoted investments	1,560.41	1,560.41

Note 14 : Long-term loans and advances

(Unsecured, considered good)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Loans and advances to related parties		
- Inter corporate deposits	284.00	284.00
Security Deposits	166.98	130.94
Capital Advances	85.69	130.88
Advance Tax & TDS (Net of Provisions)	347.11	264.43
Balance with statutory authorities paid under protest (refer note 30A)	250.00	-
Balances with statutory authorities	25.41	48.14
Prepayments	3.22	-
Other Receivables	74.50	74.50
	1,236.90	932.89

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 15 : Other non-current assets

(Unsecured, considered good)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention money receivable	504.07	438.39
Fixed deposits (maturity period of more than 12 months) (Held as margin money with banks against credit facilities/ Govt Authority)	274.89	34.30
	778.96	472.69

Note 16 : Inventories

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
(Valued at lower of Cost or Net Realisable Value)		
Materials and components at factory	6,499.27	3,723.44
Material at project sites	1,790.63	962.25
	8,289.90	4,685.69

Note 17 : Trade receivables

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good *	3,450.82	2,212.01
Unsecured, considered doubtful	93.59	93.59
Less - Provision for doubtful debtors	(93.59)	(93.59)
	-	-
	3,450.82	2,212.01

* Other Debts includes amount due from related parties :

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Innovators Building Products Private Limited	114.99	-

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Trade Receivables Ageing Schedule for March 31, 2023

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	3,254.53	85.74	17.06	93.49	3,450.82
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	93.59	93.59
(iii) Disputed Trade Receivables - onsidered good	-	-	-	-	-
(iv) Disputed Trade Receivables - onsidered doubtful	-	-	-	-	-

Trade Receivables Ageing Schedule for March 31, 2022

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	1,490.59	591.43	42.72	87.27	2,212.01
(ii) Undisputed Trade Receivables - considered doubtful	-	-	-	93.59	93.59
(iii) Disputed Trade Receivables - onsidered good	-	-	-	-	-
(iv) Disputed Trade Receivables - onsidered doubtful	-	-	-	-	-

Note 18 : Unbilled revenue

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Unbilled Revenue*	1,837.80	2,242.38
	1,837.80	2,242.38

*Unbilled Revenue is net of Mobilization Advances received amounting to Rs. 1,785.72 Lakhs (P.Y. Rs. 1,197.33 Lakhs)

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 19 : Cash and bank balances

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Cash & cash equivalents		
Balances with banks		
- Current account	48.85	29.95
Cash on hand	18.52	41.39
Other bank balances		
Fixed deposits (maturity period of 3 to 12 months) (held as margin money with banks against credit facilities)	1,534.86	1,081.57
	1,602.23	1,152.91

Note 20 : Short-term loans and advances

(Unsecured, Considered Good)

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Security deposit	129.19	81.65
Advance to suppliers	122.45	90.19
Balances with statutory authorities	610.87	558.55
Advance to employees	11.00	18.48
Prepayments	50.70	17.51
	924.21	766.38

Note 21 : Other current assets

(Rs. In Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Retention money receivables		
Unsecured, considered doubtful	39.48	39.48
Less - Provision for doubtful debtors	(39.48)	(39.48)
	-	-
Unsecured, considered good	1,058.40	677.77
	1,058.40	677.77

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Note 22 : Revenue from operations

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Operating revenue		
Sales from works contract and façade materials	18,064.92	8,735.76
Other operating revenue		
Sale of scrap & other operating income	51.67	187.87
	18,116.58	8,923.63

Note 23 : Other income

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest Income		
- fixed deposits	76.04	41.12
- others	-	4.42
Interest on Income tax refund	16.06	14.20
Profit on sale of fixed asset	-	60.34
Insurance Claim Received	-	21.93
Balances written back	-	0.81
Misc. Receipts	0.93	-
	93.03	142.81

Note 24 : Cost of contracts

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Facade materials		
Opening stock of materials	4,685.69	2,603.91
Add: Purchases during the year	13,304.27	6,366.41
	17,989.96	8,970.32
Less: Utilised for capital assets	-	250.66
Less: Closing stock of materials (including materials at site)	8,289.90	4,685.69
	9,700.06	4,033.97
Direct expenses		
Installation charges	770.51	518.53
Coating expenses	742.73	261.78

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Transportation expenses	405.41	170.56
Fabrication expenses	872.36	454.51
Other production and execution costs	1,088.72	585.76
	3,879.72	1,991.14
	13,579.79	6,025.11

Note 25 : Employee benefit expense

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Directors remuneration	85.04	80.00
Salaries and incentives	1,618.94	1,048.36
Provision for Gratuity	31.39	51.25
Provision for leave encashment	5.27	-
Contribution to PF and ESIC	36.63	29.55
Staff welfare expenses	95.41	56.48
	1,872.69	1,265.64

Note 26 : Finance cost

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Interest expenses		
- Banks	312.99	201.10
- Others	9.95	39.09
Bank guarantee and letter of credit charges and other borrowing cost	31w8.57	211.47
	641.50	451.66

Note 27 : Other expenses

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Rent expenses	207.04	105.90
Rates and taxes	5.25	44.71
Electricity charges	10.87	8.98

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Communication expenses	24.35	22.93
Insurance charges	37.67	19.09
Professional & consultancy charges	89.13	81.75
Auditors remuneration *	5.52	5.22
Security charges	63.19	25.28
Repairs & maintenance - Machinery	60.69	35.30
Repairs & maintenance - Building	14.98	13.10
Repairs & maintenance - Others	20.80	21.77
Printing & stationery	24.52	22.24
Conveyance and travelling	111.27	83.52
Vehicle maintenance and fuel expenses	23.71	33.65
Loss on fixed assets discarded	0.42	25.40
CSR expenditure & donations	0.08	0.21
Balances Written off (net)	68.13	15.23
Miscellaneous expenses	80.76	19.95
	848.38	584.23

* Auditors remuneration includes :

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Statutory audit fees	5.02	4.72
Tax audit fees	0.50	0.50
Other Services	-	-
	5.52	5.22

Note 28 : Earnings per equity share:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Basic Earnings per Share		
Profit/(Loss) attributable to equity shareholders	842.13	159.90
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

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Weighted average number of equity shares	1,88,67,808	1,88,67,808
Basic & Dilutive Earnings Per Share	4.46	0.85
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.

Note 30 : Contingent Liabilities

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
(i) Bank Guarantees	5,517.91	2,814.31
(ii) Disputed VAT/CST liabilities	725.31	725.31
(ii) Disputed Income tax liabilities (including interest)	24.03	7.47
TOTAL	6,267.25	3,547.08

Note 30A : During the year, 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 Rs. 250.00 lakhs "Under Protest" by reversal of input 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. No show cause or further notice has been received till date in this matter. 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.

Note 31 : Capital Commitments

Capital Commitments (Net off advances) is Amounting to Rs. 28.86 lakhs (P.Y. Rs. 16.93 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 :

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Short / (Excess) as at the beginning of the year	(0.65)	6.45
Amount required to be spent by the Company during the year	-	7.91
Amount of expenditure incurred	-	15.00
Short / (Excess) as at the end of the year	(0.65)	(0.65)
Reason for shortfall	NA	NA
Nature of CSR Activities	Animal Welfare	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	NA	NA

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

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
i) Lease payments recognized in the statement of profit and loss for the year	207.04	105.90
ii) A general description of the lessee’ significant leasing arrangements:		
<ul style="list-style-type: none"> - lease rent agreements are for Factory, offices and guest houses - there are no restrictions imposed by lease arrangements. - there are no subleases 		

(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.

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Minimum lease payments		
Not later than 1 year	54.34	54.36
Later than 1 year but not later than 5 years	18.40	72.78

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Total	72.74	127.14
Less : Finance charges	7.16	12.52
Present value of minimum lease payments	65.58	114.62

Present value of minimum lease payments :

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Present value of minimum lease payments :		
Not later than 1 year	48.99	49.01
Later Than 1 year but not later than 5 years	16.59	65.61
Total	65.58	114.62

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

Actuarial assumption:

(Rs. In Lakhs)

Services Rendered	Year Ended March 31, 2023	Year Ended March 31, 2022
Salary Growth*	6.00%	6.00%
Discount Rate	7.25%	7.25%
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:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Present value of obligation as at the beginning of the year:	131.26	82.08
Interest cost	9.38	5.51
Current service cost	30.87	18.99
Benefits paid	4.24	1.96
Actuarial (gain) / loss on obligation	(8.86)	26.64
Closing Present value of obligation	158.41	131.26

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Actuarial (gain)/ loss on obligation for the year	(8.86)	26.64

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Present value of obligation as at the end of the year	158.41	131.26
Funded value of assets (unfunded)	-	-
Net assets / (liability) recognised in balance sheet - Non-Current	153.80	127.41
Net assets / (liability) recognised in balance sheet - Current	4.61	3.85

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

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Current service cost	30.87	18.99
Past service cost	-	-
Interest cost	9.38	5.51
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognized in the year	(8.86)	26.64
Expenses recognised in the statement of profit and loss	31.39	51.14

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

(Rs. In Lakhs)

Particulars	Gratuity				
	Year Ended March 31, 2023	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2020	Year Ended March 31, 2019
Defined benefit obligation	158.41	131.26	82.08	82.75	77.20
Plan assets	-	-	-	-	-
Surplus/(deficit)	(158.41)	(131.26)	(82.08)	(82.75)	(77.20)
Actuarial gain/(loss) on Defined benefit obligation	(8.86)	26.64	(6.82)	7.54	(3.80)
Actuarial gain/(loss) on plan assets	-	-	-	-	-

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

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
Mr. Radheshyam Sharma	Managing Director
Mrs. Anjana Sharma	Whole Time Director (uptill 30-11-2022)
Mr. Shivchand Sharma	Director
Mr. Raman Sharma	Chief Executive Officer & Director (w.e.f. 09-12-2022)
Mrs. Priti Sharma	Chief Financial Officer
Ms. Radhika Agarwal	Company Secretary

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

Name
Mrs. Dropadi Sharma
Mr. Narendra Sharma
Mr. Rohit Sharma
Miss. Vedika Sharma
Mrs. 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 Cleantech Private Limited
Innovators Building Products Private Limited
Innovators Façade Solutions (Mumbai) Private Limited
Parth Façade Solutions Private Limited

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

B. Transactions with Related Parties :

(Rs. In Lakhs)

Nature of Transaction	Name of Party	Year Ended March 31, 2023	Year Ended March 31, 2022
Directors Remuneration	Mr. Radheshyam Sharma	55.86	57.16
	Mr. Raman Sharma	12.50	-
	Mrs.Anjana Sharma	16.68	22.84
Salaries	Mr. Raman Sharma	24.00	31.50
	Mrs.Anjana Sharma	10.78	-
	Mr. Rohit Sharma	30.67	25.60
	Ms. Vedika Sharma	-	9.00
	Mrs. Priti Sharma	27.21	21.59
	Mr. Narendra Sharma	28.10	24.96
	Ms.Radhika Agarwal	4.50	3.83
Office Rent	Mr. Narendra Sharma	7.20	5.04
	Mrs.Anjana Sharma	0.60	-
	Mr. Raman Sharma	3.60	2.52
	Mr. Shivchand Sharma	3.60	2.52
	Mrs. Dropadi Sharma	4.80	3.36
	Mr. Rohit Sharma	3.60	3.36
	Mrs. Priti Sharma	3.00	1.68
Sales from works contract and façade materials	Innovators Cleantech Private Limited	405.55	822.20
	Innovators Building Products Private Limited	82.44	-
Contract Purchases	Innovators Cleantech Private Limited	-	10.23
Provision for Expenses (Rent)	Innovators Building Products Private Limited	7.00	-
Sale of Freehold Land	Innovators Cleantech Private Limited	-	65.00
Purchase of Fixed Assets	Parth Façade Solutions Private Limited	-	144.35
Contracts Execution Expenses & Labour Services	Parth Façade Solutions Private Limited	51.76	33.28
	Innovators Cleantech Private Limited	2,371.19	1,636.84

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

Nature of Transaction	Name of Party	Year Ended March 31, 2023	Year Ended March 31, 2022
Unsecured Loan Taken	Innovators Facade Solutions (Mumbai) Private Limited	285.00	215.00
	Radheshyam Sharma	473.11	145.00
Unsecured Loan Repaid	Innovators Facade Solutions (Mumbai) Private Limited	-	1,005.00
	Radheshyam Sharma	473.11	145.00
Security Deposits Taken	Innovators Building Products Private Limited	-	600.00
Security Deposits Paid Back	Innovators Building Products Private Limited	300.00	-

C. Balance Outstanding of Related Parties :

(Rs. In Lakhs)

Name of Party	Year Ended March 31, 2023	Year Ended March 31, 2022
Unsecured Loan Payable		
Innovators Facade Solutions (Mumbai) Private Limited	285.00	-
Security Deposits Payable		
Innovators Building Products Private Limited	300.00	600.00
Payables / (Receivables)		
Innovators Engineering Works Private Limited	0.40	0.40
Innovators Cleantech Private Limited	958.12	412.40
Parth Façade Solutions Private Limited	0.90	-
Innovators Building Products Private Limited	(114.99)	-
Mr. Radheshyam S Sharma	4.48	3.26
Mrs. Anjana Sharma	3.38	1.30
Mr. Raman Sharma	6.30	2.01
Mrs. Priti Sharma	4.57	1.69
Mr. Narendra Sharma	10.69	1.75
Mr. Shivshand Sharma	3.43	0.19
Mrs. Dropadi Sharma	4.57	0.25
Mr. Rohit Sharma	3.52	1.02
Miss. Vedika Sharma	-	0.60

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

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:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
Raw Materials & Components	139.82	0.41
Plant and Machinery	100.25	-
Total	240.06	0.41

(b) Expenditure in foreign currency - Rs. 7.47 lakhs (PY Rs. Nil)

(c) Consumption of raw materials:

Particulars	Year Ended March 31, 2023		Year Ended March 31, 2022	
	Amount	Percentage	Amount	Percentage
Imported	139.82	1.44%	0.41	0.01%
Indigenous	9,560.25	98.56%	4,033.56	99.99%
Total	9,700.06	100.00%	4,033.97	100.00%

(d) Financial Ratios :

Particulars	Numerator / Denominator	Year Ended March 31, 2023	Year Ended March 31, 2022	% Variations	Reasons for Major Variance
Current ratio (In Times)	Current Assets / Current Liabilities	1.57	2.15	-26.93%	Due to Increase in Outstanding Trade Payable at reporting date
Debt-Equity Ratio (In Times)	Total Debts / Shareholders Fund	0.30	0.27	8.51%	N/A
Debt service coverage ratio (In Times)	(EBIDTA+Non Cash Operating Expenses) / (Finance Cost + Current Maturity of Long term Debts)	0.50	0.36	38.10%	Increase in operating and net profit as Compared to previous year

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Particulars	Numerator / Denominator	Year Ended March 31, 2023	Year Ended March 31, 2022	% Variations	Reasons for Major Variance
Return on Equity Ratio (In %)	Net Profit After Tax / Average Shareholders Fund	0.07	0.01	405.75%	Increase in operating and net profit as Compared to previous year
Inventory turnover ratio (In Times)	Cost of Contracts / Average Inventory	2.09	1.65	26.62%	Improved Inventory turnover ratio
Trade receivables turnover ratio (In Times)	Sales / Average Trade Receivables	6.40	3.40	87.99%	Improved realisation period of trade receivables with increase in turnover
Trade payables turnover ratio (In Times)	Purchases / Average Trade Payable	3.31	3.58	-7.50%	N/A
Net capital turnover ratio (In Times)	(Current Assets-Current Liabilities) / Turnover	2.91	1.42	104.35%	Increase in turnover
Net profit ratio (In %)	Net Profit After Tax / Turnover	0.05	0.02	159.42%	Increase in operating and net profit as Compared to previous year
Return on capital employed (In %)	(Net Profit Before Tax + Finance Cost) / Capital Employed)	0.11	0.08	47.00%	Increase in operating and net profit as Compared to previous year
Return on investment (In %)	N/A *				

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

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(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, 2023 :

(Rs. In Lakhs)					
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-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	
Mar-23	Trade Receivables	3,450.82	3,499.56	(48.73)	Write off of certain Balances

(ii) For the Year ended 31st March, 2022 :

(Rs. In Lakhs)					
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-21	Trade Receivables	3,255.08	3,245.68	9.40	-
	Advance to Suppliers	142.45	154.56	(12.12)	
Sep-21	Trade Receivables	2,828.72	2,851.70	(22.99)	
	Advance to Suppliers	90.77	91.05	(0.28)	

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

(Rs. In Lakhs)

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
Dec-21	Trade Receivables	2,952.74	2,967.50	(14.75)	
	Advance to Suppliers	104.54	110.25	(5.70)	
Mar-22	Trade Receivables	2,212.01	2,227.56	(15.55)	
	Advance to Suppliers	77.03	77.03	(0.00)	

- (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.
- (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 any body 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

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

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:

(Rs. In Lakhs)

Particulars	Year Ended March 31, 2023	Year Ended March 31, 2022
The amount of contract revenue recognised as revenue in the period;	18,064.92	8,735.76
Aggregate amount of contract cost incurred for projects in progress	31,955.40	32,412.00
Recognised Profits less recognised losses	7,858.09	10,808.40
The amount of advances received;	1,775.27	360.72
The amount of retentions due from customers for contracts in progress	1,601.95	1,155.64
The gross amount due from customers for contract work as an asset (includes trade receivables and unbilled revenue)	5,288.63	4,454.39

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

Name of Subsidiary	Date of becoming subsidiary	Country of Incorporation	% of Voting held on 31st March 2023	% of Voting held on 31st March 2022
Innovators Engineering Works Private Limited	22nd June, 2010	India	100%	100%
Innovators Façade Solutions (West) Private Limited	3rd April, 2022	India	100%	-
Innovators Façade Solutions (South) Private Limited	5th April, 2022	India	100%	-
Innovators Façade Solutions (North) Private Limited	3rd April, 2022	India	100%	-

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

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit & Loss	Amount (Rs.)
Parent				
Innovators Façade Systems Private Limited	85.57%	11,151.24	100.29%	844.55
Total	85.57%	11,151.24	100.29%	844.55
Previous Year	84.58%	10,309.68	101.95%	163.01

Innovators Façade Systems Limited

Accompanying notes to the consolidated financial statements for the year ended March 31, 2023

Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in Profit & Loss	
	As % of Consolidated Net Assets	Amount (Rs.)	As % of Consolidated Profit & Loss	Amount (Rs.)
Subsidiary Companies				
Innovators Engineering Works Private Limited	14.41%	1,878.14	-0.25%	(2.11)
Innovators Façade Solutions (West) Private Limited	0.01%	0.90	-0.01%	(0.10)
Innovators Façade Solutions (South) Private Limited	0.01%	0.90	-0.01%	(0.10)
Innovators Façade Solutions (North) Private Limited	0.01%	0.90	-0.01%	(0.10)
Total	14.43%	1,880.83	-0.29%	(2.42)
Previous Year	15.42%	1,880.25	-1.95%	(3.11)
Minority Interest in Subsidiary	0.00%	-	0.00%	-
Previous Year	0.00%	-	0.00%	-
Grand Total	100%	13,032.07	100%	842.13
Previous Year	100%	12,189.93	100%	159.90

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

In terms of our report of even date
For S G C O & Co. LLP
 Chartered Accountants

Firm Registration No. 112081W/W100184

Suresh Murarka
 Partner
Membership No. 044739

Place: Mumbai
 Date: 29th May 2023

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

Radheshyam Sharma
 Managing Director
DIN: 00340865

Priti Sharma
 Chief Financial Officer

Place: Thane
 Date: 29th May 2023

Raman Sharma
 Director and Chief Executive Officer
DIN: 01484372

Radhika Agarwal
 Company Secretary
Mem No. A48119

INNOVATORS

FACADE AND FENESTRATION

CIN : L45200MH1999PLC120229



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