

INNOVATORS FACADE SYSTEMS LIMITED



21st
Annual Report
2019-2020

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CORPORATE INFORMATION

BOARD OF DIRECTORS

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

REGISTERED OFFICE

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

FACTORY

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

AUDITORS

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

REGISTRAR & TRANSFER AGENT

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

BANKERS

PUNJAB NATIONAL BANK
INDIAN BANK

OTHER INFORMATION

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

CHIEF EXECUTIVE OFFICER

Mr. Raman Sharma

CHIEF FINANCIAL OFFICER

Mrs. Priti Raman Sharma

COMPANY SECRETARY & COMPLIANCE OFFICER

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

CHAIRMAN'S MESSAGE

Dear Shareholders,

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

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

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

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

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

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

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

With Best Wishes,

Sincerely,

Radheshyam Sharma

Chairman & Managing Director

NOTICE OF 21ST ANNUAL GENERAL MEETING

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

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ORDINARY BUSINESS:

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

SPECIAL BUSINESS:

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

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

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

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

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

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

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

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

By order of the Board

Sd/-

Farhan Shaikh

Company Secretary & Compliance Officer

Date: 04.09.2020

Place: Thane

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

ANNEXURE TO THE NOTICE

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

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

Item No. 3

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

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

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

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

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

Item no. 4:

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

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

By order of the Board

Sd/-

Farhan Shaikh

Company Secretary & Compliance Officer

Date: 04.09.2020

Place: Thane

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

NOTES TO NOTICE

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

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

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

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

Remote e-Voting Instructions for shareholders:

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

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

► Click on **“Sign Up”** under **‘SHARE HOLDER’** tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

- Shareholders/ members holding shares in **physical form shall provide Event No + Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

- Shareholders/ members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’, above**
- Shareholders/ members holding shares in **NSDL demat account shall provide ‘D’, above**
- Shareholders/ members holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

► Click **“confirm”** (Your password is now generated).

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

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