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Our Company was incorporated as "Falcon Technoprojects India Private Limited" as a private limited company under the Companies Act, 2013 pursuant to certificate of incorporation dated September 09, 2014 issued by the Registrar of Companies, Mumbai, Maharashtra ("RoC"). Pursuant to a resolution of our Board dated May 06, 2023 and a special resolution of our Shareholders passed in the extra-ordinary general meeting held on May 29, 2023, our Company was converted from a private limited company to public limited company and consequently, the name of our Company was changed to "Falcon Technoprojects India Limited" and a fresh certificate of incorporation dated June 30, 2023 was issued to our Company by the RoC. For further details, please refer to the chapter titled '*History and Corporate Structure*' beginning on page 134 of Draft Prospectus.

Registered Office: Unit No. 17/18, 1st Floor, Keshav Building, Vasudev Sky High Complex, Beverly Park, Mira Road (E), Maharashtra - 401107
E-mail: cs@falcontechprojects.com; **Website:** www.falcongrouppindia.com **Telephone:** +91 22 3512 9249;
Contact Person: Ms. Dipti Sharma, Company Secretary & Compliance Officer;
Corporate Identity Number: U74900MH2014PLC257888

**ADDENDUM TO THE DRAFT PROSPECTUS DATED DECEMBER 02, 2023: NOTICE TO INVESTORS (THE "ADDENDUM")
 PROMOTERS OF OUR COMPANY- MR. BHARAT SHREEKISHAN PARIHAR AND MRS. SHEETAL BHARAT PARIHAR**

THE ISSUE

INITIAL PUBLIC ISSUE OF 14,88,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH OF FALCON TECHNOLOGIES INDIA LIMITED ("FTPI" OR "THE COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE (THE "ISSUE PRICE") AGGREGATING UPTO ₹ [•] LAKHS ("THE ISSUE"), OF WHICH [•] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE AGGREGATING TO ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E., NET ISSUE OF [•] EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH AT A PRICE OF ₹ [•] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE AGGREGATING TO ₹ [•] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 27.78% AND [•]%, RESPECTIVELY, OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY. THE FACE VALUE OF THE EQUITY SHARES IS ₹ 10/- EACH. FOR FURTHER DETAILS, PLEASE REFER TO CHAPTER TITLED '*TERMS OF THE ISSUE*' BEGINNING ON PAGE NO 238 OF THE DRAFT PROSPECTUS.

Potential Investor may note the following:

- The Chapter titled '*SUMMARY OF THE DRAFT PROSPECTUS*' beginning on page 24 of Draft Prospectus, the Summary of Outstanding Litigations have been amended.
- The Chapter titled '*RISK FACTOR*' beginning on page 31 of Draft Prospectus, Risk Factor No. 11 and 12 has been substituted.
- The Chapter titled '*RISK FACTOR*' beginning on page 31 of Draft Prospectus, Risk Factor No. 13 and 17 has been inserted.
Note: Due to inclusion of Risk Factors, the sequence of Risk Factors in the DP has been changed.
- The Chapter titled '*OBJECT OF THE ISSUE*' beginning on page 75 of Draft Prospectus, point a) Funding incremental working capital requirements of our Company under the section '*Details of the Objects*', have been substituted.
- The Chapter titled '*BASIS FOR THE ISSUE*' beginning on page 81 of Draft Prospectus, the details related to 'Industry Price / Earning (P/E) Ratio' and 'Comparison of Accounting Ratios with Listed Industry Peers (as of or for the period ended March 31, 2023, March 31, 2022 and March 31, 2021, as applicable)', have been substituted.
- The Chapter titled '*OUR BUSINESS*' beginning on page 111 of Draft Prospectus, the details relating to vertical-wise revenue bifurcation, human resources, collaborations/tie ups/ joint ventures and property details have been inserted/ updated/ modified.
- The Chapter titled '*OUR MANAGEMENT*' beginning on page 138 of Draft Prospectus, details of qualification of Mrs. Sheetal Bharat Parihar have been inserted. Further, experience of Mr. Sumitkumar Hareshbhai Patel have been inserted.
- The Chapter titled '*MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS*' beginning on page 209 of Draft Prospectus, details relating to Results of our Operations have been amended.
- The Chapter titled '*OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS*' beginning on page 219 of Draft Prospectus, litigation involving the Company and litigation involving promoters have been modified/ updated.
- The Chapter titled '*GOVERNMENT AND OTHER KEY APPROVALS*' beginning on page 222 of Draft Prospectus, details relating to key approval applied but pending for approval have been updated.
- The Chapter titled '*MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION*' beginning on page 316 of Draft Prospectus, Industry Report on MEP has been included under Material Documents.

The above is to be read in conjunction with the Draft Prospectus and accordingly their references in the Draft Prospectus stand amended pursuant to this Addendum. Please note that the changes pursuant to this Addendum will be appropriately included in the Prospectus, as and when filed with the RoC, the SEBI and the Stock Exchange. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the Draft Prospectus.

LEAD MANAGER



KUNVARJI FINSTOCK PRIVATE LIMITED
Registered Office Address: Block B, First Floor, Siddhi Vinayak Towers, Off S. G. Highway Road, Mouje Makarba, Ahmedabad, Gujarat - 380051.
Contact Person: Mr. Jiten Patel / Mr. Parth Pankhaniya
Contact No : 022 – 69850000 / 079- 66669000
E-mail: mb@kunvarji.com
Investor grievance ID : mb.investorgrievances@kunvarji.com
Website: www.kunvarji.com/merchant-banking/
SEBI Registration Number: INM000012564
CIN: U65910GJ1986PTC008979

REGISTRAR TO THE ISSUE



KFIN TECHNOLOGIES LIMITED
Registered Office Address : Selenium, Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, 500032, Telangana - India
Contact Person : M Murali Krishna
Contact No : +91 40 6716 2222
Email: ftil.ipo@kfintech.com
Investor grievance e-mail: einward.ris@kfintech.com
Website: www.kfintech.com
SEBI Registration No. : INR000000221
CIN: L72400TG2017PLC117649

ISSUE PERIOD

ISSUE OPENS ON	[•]	ISSUE CLOSES ON	[•]
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SECTION II - SUMMARY OF THE DRAFT PROSPECTUS

9. Summary of Outstanding Litigation

A summary of outstanding litigation proceedings involving our Company, our promoters and our Directors as on the date of Draft Prospectus is provided below:

Particulars	By / Against	Proceedings			Actions by Regulatory Authority	Amount Involved* (₹ in Lakhs)
		Civil	Criminal	Tax		
Company	By	-	-	-	-	-
	Against	-	1*	14^	-	6.25
Promoters	By	-	-	-	-	-
	Against	-	1*	-	-	6.25
Directors other than Promoters	By	-	-	-	-	-
	Against	-	-	-	-	-

**Our Company has placed a purchase order (No. PO-FT-1846-2021/21-22, dated 19/10/2021) with Draeger Safety India Pvt Ltd (“Draeger”). The order was amounting to INR 6.25 Lakhs and materials were supplied directly to our customer at their site. Unfortunately, the quality of the material received from Draeger was found to be inferior, leading to its rejection by our customer. Consequently, our Company also rejected the material sent by Draeger. In response to our Company denial of payment due to the aforementioned reasons, Draeger intentionally deposited our advance cheque into the bank, which was subsequently dishonoured. As a result, criminal case was initiated by Draeger; however, it lacked supporting documents. The authority and our Company are currently awaiting for the submission of documents and evidentiary proofs related to this case by Draeger and court has given time for the submission of documents till April 23, 2024.*

^Notices were issued, however there were no demand raised as on the date of Draft Prospectus.

For further details on the outstanding litigation proceedings, see ‘**Outstanding Litigation and Material Development**’ on page 219 of Draft Prospectus.

SECTION III – RISK FACTORS

Risk Factor No. 11 & 12 shall be substituted with the existing risk factors in the section “*Risk Factors*” beginning on page 31 of the Draft Prospectus. Further, Risk Factor No. 13 to 17 shall be included in the section “*Risk Factors*” beginning on page 31 of the Draft Prospectus. Due to inclusion of Risk Factors, the sequence of Risk Factors in the DP has been changed.

- 11. We are unable to trace certain documents in relation to regulatory filings, corporate actions taken by our Company and have made certain delayed or inaccurate statutory form filings with the RoC in the past and are delayed in filing of other statutory forms with the RoC. Consequently, we may be subject to adverse regulatory actions and penalties for any past or future non-compliance and our business, financial condition and reputation may be adversely affected.**

Our Company has failed to adhere to some of the requirements of the Companies Act, 2013 and the rules made under it, as amended from time to time. Our Company delayed in submission of form ADT-1 pertaining to appointment of Auditors for the period of FY 2017-18, 2018-19 and for 2019-20. Further due to some technical issue at the MCA V3 portal, the designation of Mr. Bharat Parihar and Mrs. Sheetal Parihar, directors were automatically updated and we were not able to file respective RoC forms for the same. Additionally, in relation to following allotments made by the Company, stamp duty payment challan are untraceable.

Date of Allotment	Nature of Allotment	Equity Shares Allotted	Consideration (INR)	Issue Price Per Share (INR)	Amount of Stamp Duty (INR)
	Initial				
Incorporation	Subscription to MOA	10,000	1,00,000/-	10	100
05-03-2018	Right Issue	90,000	9,00,000/-	10	900
30-03-2018	Right Issue	1,00,000	10,00,000/-	10	1,000
17-05-2019	Right Issue	3,00,000	30,00,000/-	10	3,000
				Total	5,000

Penal implications of nonpayment of Stamp Duty:

As per the Maharashtra Stamp Act, 1958, the penalty may extend to 10 times of the duty payable, so maximum liability will be Rs. 5,000*10 i.e. Rs. 50,000/-.

On non-availability of such stamp duty challans, we cannot assure you that the Company has paid the required stamp duty on these allotments as per the applicable laws and regulations.

We have not received any show cause notice from any regulatory authority regarding the above matters till date and no penalty or fine have been levied on our Company for the same. However, we cannot guarantee that such instances will not occur in the future, or that our Company will not face any further delays or defaults in relation to its reporting obligations, or that any penalty or fine will not be imposed on our Company for the same. Such events may have a material impact on our business performance and financial condition.

- 12. We have entered into and will continue to enter into, related party transactions. There is no assurance that our future related party transactions would be on terms favorable to us when compared to similar transactions with unrelated or third parties.**

We have entered into certain transactions with related parties and are likely to continue to do so in the future. For details on our related-party transactions, see the section *‘Other Financial Information’* beginning on page 205.

While we believe that all our related party transactions have been conducted on an arm’s length basis and in ordinary course of business, and we confirm that the related party transactions entered into by the company are in compliance with the relevant provisions of Companies Act and other applicable laws. We cannot assure you that such transactions, individually or in aggregate, will not have an adverse effect on our financial condition and results of operations or that we could not have achieved more favorable terms if such transactions had not been entered into with related parties. Such related party transactions may potentially involve conflicts of interest which may be detrimental to our interest and we cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, financial condition and results of operations.”

13. Our Company has higher debt-equity ratio which requires significant cash flows to service our debts obligations, and this, together with the conditions and restrictions imposed by our financing arrangements, fluctuations in the interest rates may limit our ability to operate freely and grow our business.

The table below sets forth the details of our total outstanding borrowings and debt to equity ratio as of March 31, 2023, 2022 and 2021:

Particulars (Restated)	June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total borrowings (₹ in lakhs) ⁽¹⁾	1,261.03	1230.05	1008.14	720.90
Debt-Equity Ratio (times) ⁽²⁾	3.50	3.65	4.08	4.98

^{1.} *Total Borrowings = Restated Long-Term Borrowings plus Restated Short Term Borrowings.*

^{2.} *Debt to Equity ratio is calculated as Total Debt divided by equity.*

Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated from our business, which depends on the timely repayment by our customers. Any default in repayment to the lenders could adversely affect our business, results of operations and financial condition.

If our future cash flows from operations and other capital resources become insufficient to pay our debt obligations or our contractual obligations, or to fund our other liquidity needs, we may be forced to sell assets or attempt to restructure or refinance our existing indebtedness. Our ability to restructure or refinance our debt will depend on the condition of the capital markets, our financial condition at such time and the terms of our other outstanding debt instruments. Any refinancing of our debt could be at higher interest rates and may require us to comply with more onerous covenants, which could further restrict our business operations. The terms of existing or future debt instruments may restrict us from adopting some of these alternatives. In addition, any failure to make payments of interest or principal on our outstanding indebtedness on a timely basis would likely result in a reduction of our creditworthiness or credit rating, which could harm our ability to incur additional indebtedness on acceptable terms.

14. Hypothecation of Company property as security toward borrowings from the lenders.

As at June 30, 2023, our total borrowings, were ₹ 1,261.03 Lakhs. A portion of these borrowings is secured by mortgage of immovable properties of our Company and hypothecation of current assets (both present and future). This means that if we default on our loan obligations, our creditors

may seize and sell our assets, leaving us with limited resources to continue our operations or pursue new opportunities. Furthermore, this limits our ability to obtain additional financing in the future, as we have reduced the value of our equity and the availability of our assets to secure new loans.

Further, certain of our subsisting loans may be recalled at any time at the option of the lender. There can be no assurance that the lenders will not recall such borrowings or if we will be able to repay loans advanced to us in a timely manner or at all. Subsequently, if we are unable to pay our debt, affected lenders could also proceed against any collateral granted to them to secure such indebtedness. In the event our lenders accelerate the repayment of our borrowings, there can be no assurance that we will have sufficient assets to repay our indebtedness.

15. There are some delay filing of certain GST forms and also delay in making statutory payment by our company.

Our company is engaged in the business of providing Mechanical, Electrical and Plumbing (“MEP”) services which attracts/attracted tax liability such as GST, Income Tax, and other indirect taxes as per the applicable provisions of Law, if any. We are also subject to the labour laws like depositing of contributions with Provident Fund.

In the past, our company has at several instances, delayed in filing TDS and Income Tax returns, GST returns, EPF returns and deposit of statutory dues, as a result of which, we have been required to pay the late filing fees along with interest on delayed deposit of due taxes and statutory dues. Although, the late filing fees levied and / or receipt of notices are not material in nature however if we continue this practice, the accumulated amounts of each delay may adversely affect our cash flows. In the event of any cognizance being taken by the concerned authorities in respect of above, actions may be taken against our Company and our directors, in which event the financials of our Company and our directors may be affected.

16. Godown we used for business purpose is not owned by us.

The company has entered into the Leave & License agreement with Mrs. Patil Savitri Bhaskar (“Licensor”) dated January 01, 2024 for using of godown for the period of 11 months. Unless the Leave & License of our premises is renewed, upon termination of the Leave & License, we are required to return the premises godown to the Lessor/Licensor. There can be no assurance that the term of the agreement will be renewed on commercially acceptable terms and in the event the Lessor/Licensor terminate or does not renew the agreement, we are required to vacate the said premises. In such a situation, we have to identify and take alternative premise and enter into fresh lease or leave and license agreement at less favorable terms and conditions to shift our operations. Such a situation could result in time overruns and may adversely affect our operations temporarily.

17. Certain agreements with respect to borrowings are inadequately stamped or may not have been registered.

Certain agreements related to the borrowings taken by our Company has not been properly executed/stamped adequately or registered. Our Company has entreated into Memorandum of Understanding with such lenders. This may lead to inadmissibility of such document as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

SECTION IV – INTRODUCTION

OBJECTS OF THE ISSUE

The sub-section titled ‘a) Funding incremental working capital requirements of our Company’ of **Details of the Object** beginning on Page 76 of Draft Prospectus shall be updated as follows.

Details of the Objects

a) Funding incremental working capital requirements of our Company

Our Company proposes to utilise up to ₹ [•] lakhs from the Net Proceeds towards funding its working capital requirements in FY 2023-24. We have significant working capital requirements, and we fund our working capital requirements in the ordinary course of business from our internal accruals/equity and financing facilities from various banks and financial institutions. Our Company requires additional working capital for funding future growth requirements of our Company and for other business purposes, and the Net Proceeds deployed towards funding our working capital requirements are proposed to be utilised for the aforesaid purposes. For further details of the working capital facilities currently availed by our Company, see ‘*Financial Indebtedness*’ and ‘*Financial Information*’ on pages 155 and 207 of Draft Prospectus, respectively.

Expected working capital requirements & Basis of estimation

Our Company specializes in providing MEP services to clients across various sectors, including Petroleum Refineries, Residential Townships, Atomic Energy, Civil Construction, etc. These services are closely linked to the real estate construction services.

We propose to utilise up to ₹ [•] lakhs from the Net Proceeds to fund the working capital requirements of our Company in the FY 2023-24. The balance portion of our working capital requirement will be arranged from existing equity, internal accruals, borrowings from banks and financial institutions.

The details of our Company’s working capital as at three months period ended as at June 30, 2023, Financial Year 2023, Financial Year 2022 and Financial Year 2021, and the source of funding, derived from the restated financial statement of our Company, as certified by M/s. JPMK & Co., Chartered Accountants through their certificate dated December 1, 2023 are provided in the table below:

Particulars (Restated)	For the period ended June 30, 2023	As at March 31,		
		2023	2022	2021
<i>(₹ in lakhs)</i>				
Current Assets				
Inventories	965.76	1,162.75	996.19	893.24
Trade Receivables	565.77	268.12	493.43	157.16
Cash & Bank Balance	7.13	15.98	15.23	2.87
Short Term Loans & Advances	0.76	0.76	31.83	21.86
Other Current Assets	184.82	46.88	85.55	65.46
Total (A)	1,724.23	1,494.49	1,622.23	1,140.59
Current Liabilities				
Current Maturities of Long Term Debt	65.16	58.92	78.36	135.53

Particulars (Restated)	For the period ended June 30, 2023	As at March 31,		
		2023	2022	2021
Trade Payables	433.81	478.03	828.46	684.62
Short Term Provisions	45.67	39.01	38.86	15.17
Other Current Liabilities	70.07	84.72	89.39	108.79
Total (B)	614.71	660.68	1,035.07	944.10
Working Capital Requirements (A-B)	1,109.52	833.81	587.16	196.48
Sources of funds				
Borrowings	798.78	549.34	406.61	196.48
Internal Accruals	310.74	284.47	180.56	-
Total Means of Finance	1,109.52	833.81	587.16	196.48

For further details, please refer to chapter titled '*Restated Financial Statement*' beginning on page 155 of Draft Prospectus.

In FY 2020-21, the Company's operations were significantly impacted due to the outbreak of the COVID-19 pandemic and government measures implemented to curb its spread. It resulted in an increase in inventory levels relative to Trade Payable days.

However, in the subsequent FY 2021-22, with the normalization of activities, the Company experienced a surge in demand. It successfully fulfilled a majority of the pending orders leveraging economies of scale, leading to reduction in inventory days and an expansion of the working capital gap. Simultaneously, the Company improved payments cycles to suppliers, resulting in a substantial decrease in Trade Payables days.

In FY 2022-23, the MEP industry witnessed the emergence of several trends. 3D modelling and virtual project planning were two such trends which gained strength in the industry. This called for a new level of competence, skillsets and procedural changes and it became difficult for the Company to meet the tall demands of the customers due to complexity in designing and installation and lack of skilled labor required. As a result of this transition, the Company witnessed a slowdown in the demand of its services, thereby impacting revenues. Despite increase in Inventory days, the Company focused on reducing the payment cycle to suppliers to maintain profit margins. This strategic move enabled the Company in procuring the materials at a more favourable rates, ultimately enhancing PAT Margins. However, it contributed to an increase in the working capital gap during this period.

Following an internal assessment, the Company decided to alter its business policy prioritizing on the short-term projects due to lower market risks, including interest rate risk, liquidity risk and credit risks and yields better margins. The Company does not have tie ups nor do have entered into any sort of arrangements. Based on the management estimates of current and future financial performance, the estimates of the working capital requirements for the Financial Year 2024 have been prepared. The projection has been prepared using set of assumptions that include assumptions about future events and management's action that are not necessarily expected to occur.

On the basis of our existing working capital requirements and estimated working capital requirements, our Board pursuant to its resolution dated September 30, 2023 has approved the projected working capital requirements for the Financial Year 2024, with the assumptions and

justifications for holding levels, and the proposed funding of such working capital requirements, as set forth below:

<i>(₹ in lakhs)</i>	
Particulars	As at March 31, 2024 (Estimated)
Current Assets	
Inventories	178.68
Trade Receivables	473.67
Cash & Bank Balance	1,120.15
Short Term Loans & Advances	44.59
Other Current Assets	42.61
Total (A)	1,859.70
Current Liabilities	
Current Maturities of Long Term Debt	49.82
Trade Payables	178.68
Short Term Provisions	55.05
Other Current Liabilities	175.79
Total (B)	459.34
Working Capital Requirements (A-B)	1,400.37
Sources of funds	
Borrowings	[•]
Internal Accruals	[•]
IPO Proceeds	Upto ₹ [•] lakhs
Total Means of Finance	1,400.37

The table below sets forth the details of holding levels (in days) for the three-month period ended June 30, 2023 and for the Financial Year 2023, Financial Year 2022 and Financial Year 2021 as well as the estimated holding levels (in days) Financial year 2024:

<i>(in days)</i>					
Particulars	March 31, 2024	June 30, 2023*	March 31, 2023	March 31, 2022	March 31, 2021
Inventories	45	316	352	213	578
Trade Receivable	90	118	59	79	61
Trade Payable	45	142	145	177	443

*The holding period has been computed over 365 (three hundred sixty-five) days for each financial year and 90 (Ninety) days for the three months period ended June 30, 2023.

The table below sets forth the key assumptions for our working capital projections:

Particulars	Assumptions
Inventories	Our Company had maintained inventory holding period of 578 days in Financial Year 2021, 213 days in Financial Year 2022, 352 days in Financial Year 2023 and 316 days in June 30, 2023. The business operations during the said periods were impacted by Covid-19. However, the holding level has reduced gradually on account of rationalization of inventory management. In June 30, 2023, high

Particulars	Assumptions
	activity period resulting in higher inventory levels which may regularise by year end. We expect holding level to stay around 45 days for Financial Year 2024.
Trade Receivable	The holding levels of trade receivables were at 61 days in Financial Year 2021, 79 days in Financial Year 2022, 59 days in Financial Year 2023 and 118 days in June 30, 2023. As our strategy, our Company has taken steps to improve trade receivable days by rationalizing sales mix. However, we consider that we would be able to maintain the trade receivables around 90 days in the Financial Year 2024.
Trade Payable	Our Company had maintained trade payables at 443 days in Financial Year 2021, 177 days in Financial Year 2022, 145 days in Financial Year 2023 and 142 days in June 30, 2023. We expect to maintain trade payable days at 45 days for Fiscal 2024 and Financial Year 2024.

BASIS FOR ISSUE PRICE

3) Industry Price / Earning (P/E) Ratio

Particulars*	Industry P/E
Highest	N.A.
Lowest	N.A.
Average	N.A.

Notes:

The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.

6) Comparison of Accounting Ratios with the Listed Industry Peers (as of or for the period ended March 31, 2023, March 31, 2022 and March 31, 2021, as applicable)

For identification of comparable listed peer companies / group, we have reviewed the business models of listed companies engaged in the activities similar to the Company. However, we have concluded that they are not comparable to the Company business model on account of the following reasons:

- (i) the proportion of revenue generated by their similar activities to their total revenue is different from the Company; and
- (ii) they have diversified operations in various sectors that are different from the Company.

Accordingly, it is not possible to provide an industry comparison in relation to our Company.

SECTION V – ABOUT THE COMPANY

OUR BUSINESS

VERTICAL WISE REVENUE BIFURCATION

Our business operates on an integrated model where revenue streams are often interconnected across various verticals. Attempting to segregate revenues on a vertical basis may not accurately reflect the synergies and interdependencies inherent in our operations.

Revenue bifurcation from Government Sector and Private Sector:

FY 2022-23	Amount in Lakhs	In % term
Government Sector	225.21	13.62%
Private Sector	1,428.29	86.38%
Total	1,653.50	100.00%

FY 2021-22	Amount in Lakhs	In % term
Government Sector	46.83	2.05 %
Private Sector	2,239.35	97.95 %
Total	2,286.18	100%

FY 2020-21	Amount in Lakhs	In % term
Government Sector	11.22	1.19 %
Private Sector	931.92	98.81 %
Total	943.14	100.00%

HUMAN RESOURCES

Our manpower is a prudent mix of experienced and young personnel which gives us the dual advantage of stability and growth. Human resource is an asset to any industry specially being in the service sector. We believe that our employees are a key to success of the services provided by our Company. As on September 30, 2023, we have total 28 Employees. Department wise bifurcation is provided below:

Sr. No.	Category of Employees	No. of Employees
1.	Projects Management	13
2.	Business Development	1
3.	HR & Administration	2
4.	Accounting and Finance	1
5.	Secretarial and legal	2
6.	Departmental Heads	4
7.	Billing	1
8.	Purchase	2
9.	Estimation	1
10.	Fire Fighting	1
	Total	28

Our Company has adopted a strategic approach to workforce management by hiring the contract labors on projects. This approach streamline operations and enhance efficiency. By engaging contract labor, our Company not only gains access to a flexible workforce but also mitigates the challenges associated with hiring and managing a large permanent staff. This approach allows our Company to scale its workforce according to project requirements, ensuring optimal resource allocation and cost-effectiveness. Through this outsourcing model, our Company aims to achieve project-specific goals efficiently, maintain a competitive edge in the market, and adapt swiftly to dynamic industry demands. The strength of the contract labor's vary from project to project.

COLLABORATIONS/TIE UPS/ JOINT VENTURES

Our Company has so far not entered into any technical or financial collaboration or sub-contracting / joint venture agreements to carry out its operations.

IMMOVABLE PROPERTY

Owned Properties

The Company has owned two properties in its own name. The details of the properties owned are given below:

Date of Agreement	January 16, 2019	August 20, 2020
Address of Property	002, CENTELIA, Acme Ozone, Thane, Maharashtra.	2605, Tower A, Hubtown Greenwood, Thane, Maharashtra
Description of Property	Piece of land, ground and hereditaments together with the structure standing thereon situate, lying and being at Village Chitalsar, Manpada, District Thane, in the Registration District Thane, bearing Gat No.61/1/1,2,3,4 admeasuring about 46,400 sq. meters or thereabouts and Gat No.61/2/1,2,3 admeasuring about 8,100 sq. meters, aggregating to 54,500 sq. meters or thereabouts and surrounded by Black Color Boundary line.	Residential unit bearing Apartment/Flat No. A-2605, Built-up :500 Square Feet, situated on the 26 Floor of a Building known as 'Hubtown Greenwoods 'standing on the plot of land bearing Survey Number:-, Road: Near Vartak Nagar, Pokhran Road No.1, Location: Thane West, of Village: Thane.
Usage	Currently vacant but was/ will be used for Company Staff/ Employee and Official purposes.	Leased to Sayed Jaur Rahman (Residential)

Properties: Rented or Taken on Lease

The details of rented properties or properties taken on lease are given below:

Licensor	Bharat Shreekishan Parihar	Patil Savitri Bhaskar
Licensee	Falcon Technoprojects India Ltd.	Falcon Technoprojects India Ltd.
Description of Property	Unit No 17/18, 1 st Floor Keshav Building, Vasudev Sky High Complex, Beverly Park, Mira Road East, Maharashtra, India, 401107	Shop no. 1, Ground Floor, Gas Godown Lane, Near Hanuman Mandir, Bhayander East, Thane – 401105
Date of Agreement	December 28, 2023	January 01, 2024
Rent Per Month	₹ 15,000/-	₹ 18,000/-
Usage	Registered Office (Non-Residential)	Godown
Area	1500 square feet	600 square feet
Duration	January 01, 2024 to December 31, 2028	January 01, 2024 to November 30, 2024

OUR MANAGEMENT

Brief profiles of our Directors

Mrs. Sheetal Bharat Parihar is a Promoter & Non-Executive Director of our Company. She has completed her Bachelor of Commerce (B.Com) from Jai Narain Vyas University, Jodhpur. She has been overlooking the recruitment process, employee retention and administration of our Company. She has been instrumental in mentoring and guiding the Company for the overall business development. She oversees the tendering process of our Company which includes bidding for acquisition of projects. She also guides the team for other marketing activities for our Company.

Mr. Sumitkumar Hareshbhai Patel is an Independent Director of our Company. He is a qualified Company Secretary from The Institute of Company Secretaries of India and a Commerce graduate. He has experience of more than 2 years in Secretarial Activities. He is affiliated with knowledge of Secretarial compliance and well versed with various Acts, Regulations prevailing to regulate the listed entities, Institutions, etc.

SECTION VI – FINANCIAL INFORMATION

MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

RESULTS OF OUR OPERATIONS

The following discussion on results of operations should be read in conjunction with the Restated Financial Statements of Company for the three months period ended June 30, 2023 and for the financial years ended March 31, 2023, March 31, 2022 and March 31, 2021:

Particulars	(₹ in lakhs)							
	June 30, 2023		2022-23		2021-22		2020-21	
	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue	Amount	% of Total Revenue
Revenue From Operations	432.86	99.88%	1,653.50	99.81%	2,286.19	99.83%	943.14	99.66%
Other Income	0.51	0.12%	3.08	0.19%	3.89	0.17%	3.21	0.34%
Total Revenue	433.37	100.00%	1,656.59	100.00%	2,290.07	100.00%	946.35	100.00%
Cost of Material Consumed	274.71	63.39%	1,205.49	72.77%	1,705.83	74.49%	564.27	59.63%
Employee Benefits Expenses	38.60	8.91%	130.52	7.88%	108.18	4.72%	68.45	7.23%
Finance Costs	30.00	6.92%	99.19	5.99%	76.41	3.34%	56.71	5.99%
Depreciation and Amortization Expense	0.80	0.18%	3.05	0.18%	4.96	0.22%	7.22	0.76%
Other Expenses	44.22	10.20%	78.79	4.76%	255.94	11.18%	208.53	22.04%
Total Expenses	388.32	89.61%	1,517.04	91.58%	2,151.31	93.94%	905.17	95.65%
Profit before tax	45.05	10.39%	139.55	8.42%	138.77	6.06%	41.19	4.35%
Tax Expense								
- Current Tax	(19.26)	-4.44%	(34.72)	-2.10%	(36.78)	-1.61%	(11.88)	-1.26%
- Deferred Tax	0.48	0.11%	(0.91)	-0.05%	0.77	0.03%	0.30	0.03%
Profit (Loss) for the period	26.27	6.06%	103.92	6.27%	102.76	4.49%	29.60	3.13%

The outbreak of the COVID-19 pandemic and its continuing impact, as well as government measures to reduce the spread of the COVID-19 pandemic, have had a substantial impact on our operations since the last week of March 2020. The business of the Company got affected in FY 2020-21. However, due to normalization of the activities, during the FY 2021-2022, the company received a heavy influx in order and was able to execute majority of the pending orders with better economies of scale. The said has resulted in the steep rise in the revenue as well as an increase in the PAT margins in FY 2021-22 as compared to FY 2020-21.

Further, in FY 2022-23, the Company faced the adversity due to the slowdown in the demand and this has impacted the revenues of the Company. Due to the lower demand in FY 2022-23, the Company's Board of Directors has decided to prioritize higher profit margins to sustain or increase the EPS for this period. The Company has taken steps to shorten the Trade Payables cycle and secure better prices for the materials it needs, as they are a key factor in the Company's profitability. Moreover, it has cut down

the Trade Receivable days by adjusting the sales mix to avoid any working capital issues. These actions have led to a ~2% rise in the PAT Margins.

SECTION VII – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

I. LITIGATION INVOLVING OUR COMPANY

A. CASES FILED AGAINST THE COMPANY

1. Criminal Litigation – One

Year	2022
State (District)	Maharashtra (Mumbai CMM Courts)
Court Complex (Court Name)	Ballard Estate Mumbai, MM Court (Additional Metropolitan Magistrate, Ballardpier, Mumbai)
Complainant Name	Draeger Safety India Private Limited
Respondent Name	1. Falcon Technoprojects India Private Limited 2. Bharat Shreekishan Parihar 3. Sheetal Bharat Parihar
Summary of Case	<i>Our Company has placed a purchase order (No. PO-FT-1846-2021/21-22, dated 19/10/2021) with Draeger Safety India Pvt Ltd (“Draeger”). The order was amounting to INR 6.25 Lakhs and materials were supplied directly to our customer at their site. Unfortunately, the quality of the material received from Draeger was found to be inferior, leading to its rejection by our customer. Consequently, our Company also rejected the material sent by Draeger. In response to our Company denial of payment due to the aforementioned reasons, Draeger intentionally deposited our advance cheque into the bank, which was subsequently dishonoured. As a result, criminal case was initiated by Draeger; however, it lacked supporting documents. The authority and our Company are currently awaiting for the submission of documents and evidentiary proofs related to this case by Draeger and court has given time for the submission of documents till April 23, 2024.</i>
Current status	The last hearing was held on February 15, 2024 and the matter was adjourned to next date which is April 23, 2024.

2. Civil Litigation - Nil

3. Litigation Involving Tax Liabilities

Nature of Proceedings	Number of Cases	Amount Involved (INR in Lakhs)*
Direct Tax	4	NIL
Indirect Tax	10	NIL
Total	14	NIL

**Notices were issued, however there were no demand raised as on the date of Draft Prospectus.*

4. Litigation Involving Actions by Statutory/Regulatory Authorities - Nil

5. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last

five financial years including any outstanding action. - Nil

6. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company) – Nil

B. CASES FILED BY THE COMPANY

1. Criminal Litigation - Nil
2. Civil Litigation - Nil
3. Litigation Involving Tax Liabilities - Nil
4. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company) – Nil

II. OUTSTANDING LITIGATION RELATING TO OUR PROMOTERS

A. CASES FILED AGAINST OUR PROMOTERS

1. Criminal Laws – One

Year	2022
State (District)	Maharashtra (Mumbai CMM Courts)
Court Complex (Court Name)	Ballard Estate Mumbai, MM Court (Additional Metropolitan Magistrate, Ballardpier, Mumbai)
Complainant Name	Draeger Safety India Private Limited
Respondent Name	4. Falcon Technoprojects India Private Limited 5. Bharat Shreekishan Parihar 6. Sheetal Bharat Parihar
Summary of Case	<i>Our Company has placed a purchase order (No. PO-FT-1846-2021/21-22, dated 19/10/2021) with Draeger Safety India Pvt Ltd (“Draeger”). The order was amounting to INR 6.25 Lakhs and materials were supplied directly to our customer at their site. Unfortunately, the quality of the material received from Draeger was found to be inferior, leading to its rejection by our customer. Consequently, our Company also rejected the material sent by Draeger. In response to our Company denial of payment due to the aforementioned reasons, Draeger intentionally deposited our advance cheque into the bank, which was subsequently dishonoured. As a result, criminal case was initiated by Draeger; however, it lacked supporting documents. The authority and our Company are currently awaiting for the submission of documents and evidentiary proofs related to this case by Draeger and court has given time for the submission of documents till April 23, 2024.</i>
Current status	The last hearing was held on February 15, 2024 and the matter was adjourned to next date which is April 23, 2024.

2. Civil Laws - Nil
3. Litigation involving Tax Liabilities – Nil

4. Litigation Involving Actions by Statutory/Regulatory Authorities - Nil
5. Disciplinary action taken including penalty imposed by SEBI or stock exchanges in the last five financial years including any outstanding action. - Nil
6. Other Pending Litigation (as per policy of materiality approved by the Board of Directors of the company) - Nil

B. CASES FILED BY OUR PROMOTERS

1. Criminal Laws – Nil
2. Civil Litigation - Nil
3. Tax Liabilities - Nil
4. Other Pending Litigations (as per policy of materiality approved by the Board of Directors of the company) - Nil

GOVERNMENT AND OTHER KEY APPROVALS

IX. KEY APPROVALS APPLIED BY OUR COMPANY BUT PENDING FOR APPROVAL

Description*	Issuing Authority	Date of Application	Application Number	Current Status of Application
License for Fire Prevention and Life Safety Measures	Directorate of Maharashtra Fire Services	September 21, 2023	-	Pending with Authority
Electrical License	Department of Industries, Energy, Labour and Mining, Government of Maharashtra	November 02, 2023	-	Pending with Authority

**The aforesaid certificates were due for renewal and the Company has made the renewal applications with the respective authorities.*

SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

MATERIAL DOCUMENTS

- 13.** “Industry Report on Mechanical, Electrical and Plumbing (MEP) Services in India” (“Industry Report”) dated September 27, 2023 prepared and issued by Dun & Bradstreet Information Services India Pvt Ltd.