INNOCORP LIMITED

(Formerly Known as Innosoft Technologies Limited)

DATE: 18TH OCTOBER, 2017

To
Corporate Relationship Department
BSE LIMITED
P J Towers, Dalal Street,

SCRIPCODE: 531929

Dear Sir,

SUB: - 23rd Annual General Meeting

With reference to the Above Cited Subject, Please find the enclosed Annual Report for the financial year 2016-17 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members in the 23rd Annual General Meeting.

This is for the information and necessary records

Yours Truly,
For INNOCORP LIMITED

Venugarapati

INNOCORP LIMITED HYD.

VENU GARAPATI
CHIEF FINANCE OFFICER

Regd. Office : Plot No. 41, Road No. 6, IDA, Mallapur, Hyderabad-500 076. T.S. India Tel. : +91 41-65990114, 27158152
Fax : +91 40-27179628 E-mail : info@innocorpltd.com **Website : www.innocorpltd.com**

23rd
ANNUAL REPORT
2016 – 2017

INNOCORP LIMITED

23rd ANNUAL GENERAL MEETING

Thursday 28th Day of September, 2017 AT 12:00 PM,
At Plot No. 41, IDA, Mallapur, Hyderabad. Telangana - 500076, India

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COMPANY INFORMATION

BOARD OF DIRECTORS

1.	Mr. Prasad V S S Garapati	Chairman & Managing Director
2.	Mrs. K. Saraswathi	Whole Time Director
3.	Mr. Sahu Garapati	Whole Time Director
4.	Mr. Venkaiah Doniparthi	Director
5.	Mr. Cherukuri Subrahmanyam	Director

CFO

Mr. Venu Garapati

STATUTORY AUDITORS
M/S. Ramasamy Koteswara Rao & Co.,
Plot No. 238/A, MLA's Colony
Road No. 12, Banajara Hills
Hyderabad-500034

REGISTERED OFFICE
Plot No: 41, IDA
Mallapur Hyderabad – 500076, Telangana
CIN-L99999TG1994PLC018364
Email Id - info@innocorpltd.com

INTERNAL AUDITOR
M/S. SVP& Co
Chartered Accountants
Hyderabad

SHARE TRANSFER AGENTS
M/s. XL Softech Systems Ltd.3,
Sagar Society, Road No: 2
Banjara Hills, Hyderabad,
Telengana – 500 034

BANKERS
Andhra Bank
Mallapur, Hyderabad

LISTED AT:
BSE Limited

BOARD COMMITTEE		
AUDIT COMMITTEE:	**STAKEHOLDERS RELATIONSHIP COMMITTEE:**	**NOMINATION AND REMUNERATION COMMITTEE:**
Cherukuri Subrahmanyam – Chairman Venkaiah Doniparti - Member Sahu Garapati - Member	Cherukuri Subrahmanyam – Chairman Venkaiah Doniparti - Member Sahu Garapati - Member	Cherukuri Subrahmanyam – Chairman Venkaiah Doniparti - Member Sahu Garapati - Member

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at Plot No: 41, IDA, Mallapur, Hyderabad, Telangana–500076, on Thursday, 28th September, 2017 at 12.00 P.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2017 and the Profit and Loss account for the year ended on that date and the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place of Sahu Garapati (DIN-02546999), who retires by rotation, being eligible offers himself for re-appointment
3. To ratify the appointment of M/s. Ramasamy Koteswara Rao & Co., chartered accountants (Firm Registration No. 010396S) as statutory auditors and, if thought fit, to pass with or without modification(s) the following resolution as **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 139 read with the Companies(Audit and Auditors) Rules 2014 and all other applicable provisions, if any, of the Companies Act, 2013, the company hereby ratifies the appointment of M/s. Ramasamy Koteswara Rao & Co., Chartered Accountant, Hyderabad (Registration No. 010396S) as the Statutory Auditors of the Company to hold the office till the conclusion of 28th Annual general meeting, and the Board of Directors be and hereby authorized to fix the remuneration, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending 31st March, 2018.".

SPECIAL BUSINESS:

4 RE-APPOINTMENT OF SRI PRASAD V S S GARAPATI. AS CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY*:*

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

"RESOLVED THAT in pursuance of the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the appointment of Sri Prasad VSS Garapati as Chairman & Managing Director of the Company for a period of 3 (three) years with effect from 1st May, 2017 with a remuneration of Rs 65,000/- per month with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto".

"RESOLVED FURTHER THAT in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed there under Sri Prasad VSS Garapati Chairman & Managing Director, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Whole time Director, in accordance with the provisions of Schedule V to the Companies Act, 2013".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolutions".

5. RE-APPOINTMENT OF SMT K. SARASWATHI AS WHOLE TIME DIRECTOR OF THE COMPANY

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

"RESOLVED THAT in pursuance of the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the appointment of Smt K.Saraswathi, as a Whole-time Director of the Company for a period of 3 (three) years with effect from 1st May, 2017 with a remuneration of Rs 55,000/- per month with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments there to".

"RESOLVED FURTHER THAT in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed there under Smt K.Saraswathi, Whole time Director, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Whole time Director, in accordance with the provisions of Schedule V to the Companies Act, 2013".

"RESOLVED FURTHER THAT the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolutions".

6. **RE-APPOINTMENT OF Mr SAHU GARAPATI AS WHOLE TIME DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT in pursuance of the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the appointment of Mr Sahu Garapati, as a Whole-time Director of the Company for a period of 3 (three) years with effect from 1st May, 2017 with a remuneration of Rs 45,000/- per month with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee constituted by the Board) to alter and vary the terms & conditions of the said appointment and / or the remuneration, subject to the same not exceeding the limits specified in Schedule V to the Companies

Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments there to".

"**RESOLVED FURTHER THAT** in pursuance of the provisions of Section 197(3) and other applicable provisions, if any, of the Companies Act, 2013, and the Rules framed there under Mr Sahu Garapati, Whole time Director, may be paid the above mentioned remuneration as minimum remuneration in the event of absence or inadequacy of profits in any financial year during his term of office as Whole time Director, in accordance with the provisions of Schedule V to the Companies Act, 2013".

"**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to the above stated resolutions".

By order of the Board
For INNOCORP LIMITED

Sd/-
Mr. Prasad V S S Garapati
Chairman and Managing Director
DIN: - 00209436

Place: Hyderabad
Date: 01st September 2017

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the company. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.

2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting

3. The Register of members and share transfer books of Company shall remain closed from **FRIDAY 22nd SEPTEMBER, 2017 TO THURSDAY 28th SEPTEMBER, 2017** (both days inclusive) for the purpose of AGM.

4. Members are requested to notify any change in their addresses to the Company immediately.

5. Members desirous of obtaining any information on the Annual Accounts of the Company are requested to write to the Company at least 7 working days before the date of the meeting to enable the Company for compilation of the required information.

6. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and also in respect of their physical share folios, if any to M/s. XL Softech Systems Ltd**.**3, Sagar Society, Road No: 2 Banjara Hills, Hyderabad, Telengana – 500034.

7. Voting through electronic means

   In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 23rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service (India) Limited (CDSL):

   Commencement of e - voting: From 10.00 A.M. on Monday, 25th September, 2017 to 05.00 P.M. on Wednesday, 27th September, 2017

   E-voting shall not be allowed beyond 05.00 P.M. on 27th September, 2017. During the e-voting period, shareholders of the Company, holding shares either in physical form, may cast their vote electronically.

   The login ID and password for e-voting along with process, manner and instructions for e-voting is being attached in the Annual Report.

   The Company has appointed Mr. Jineshwar Kumar Sankhala, Practicing Company Secretary, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

By order of the Board
For INNOCORP LIMITED

Sd/-
Mr. Prasad V S S Garapati
Chairman and Managing Director
DIN: - 00209436

Place: Hyderabad
Date: 01st September 2017

Information in respect of directors seeking appointment/re-appointment

NAME OF THE DIRECTORS	PRASAD VSS GARAPATI	SARASWATHI KOVELAMUDI	SHAHU GARAPATI
Date of first appointment	21/09/1994	21-09-1994	01/11/2008
Date of birth/age	31/01/1957	22/04/1955	09/07/1982
Expertise in specific functional areas	**Industrialist**	**Marketing**	**Finance**
Educational qualification	M.Com	BSC	B.Tech, MBA
Chairman/member of the committees of Board of Directors of the company	Nil	Nil	1. Audit Committee 2. Stakeholders Relationship Committee 3. Nomination And Remuneration Committee
List of Directorships, Committee Chairmanship, Membership held in other companies as on dated excluding private limited Company and Section 8	INNOVATIONS PAYMENT SERVICES LIMITED I2T2 INDIA LIMITED	INNOVATIONS PAYMENT SERVICES LIMITED	Nil

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT,2013

Item No -4

The Board of Directors taking into consideration of the efforts put by Sri Prasad VSS Garapati and in best the interests of the Company, the Board of Directors re-appointed him as chairman & Managing Director in the meeting held on 10th April 2017 for a period of three years at remuneration as approved by the nomination and remuneration committee in the meeting held on 10th November, 2016 of the company, subject to the approval of the members in their meeting..

Statement as per Part II Section II of Schedule V

.	**General Information**		
	Nature of Industry	Manufacturing Plastic ware Products	
	Date or expected date of commencement of commercial production	Existing Unit	
	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable	
	Financial performance based on given indicators	Financial Year 2016-17 (Rs.Lakh)	Financial Year 2015-16(Rs. Lakh)
	Total Income(Net of Taxes)	**216.08**	**166.05**
	Profit/loss before tax	**-103.44**	**-121.52**
	Net Profit After Taxation	**-262.16**	**-121.52**
	Export performance and net foreign exchange collaborations	Not applicable	
	Foreign investments or collaborations, if any	Not applicable	
I.	**Information about the appointees**		
	Background details	Hailed from Business family	
	Past remuneration	Rs 65,000/- Per month	
	Recognition or awards	None	
	Job profile and his suitability	Administration	
	Remuneration proposed	------	
	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Minimal	
	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Chief Promoter	
	Other Information		

II.		
	Reasons of loss or inadequate profits	Reduction in orders of Tupperware
	Steps taken or proposed to be taken for improvement	Orders already stabilized
	Expected increase in productivity and profits in measurable terms	Like in the year 2016-17

Save and except Sri Prasad VSS Garapati and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution. The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the Shareholders.

Item No 5

The Board of Directors taking into consideration of the efforts put by Smt. K.Saraswathi and in best the interests of the Company, the Board of Directors Re- appointed her as Whole Time Director in the meeting held on 10th April 2017 for a period of three years at remuneration as approved by the nomination and remuneration committee in the meeting held on 10th November, 2016 of the company, subject to the approval of the members in their Annual general meeting.

Statement as per Part II Section II of Schedule V

I	General Information		
1	Nature of Industry	Manufacturing Plastic ware Products	
2	Date or expected date of commencement of commercial production	Existing Unit	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4	Financial performance based on given indicators	Financial Year 2016-17 (Rs.Lakh)	Financial Year 2015-16(Rs. Lakh)
	Total Income	**216.08**	**166.05**
	Profit/loss before tax	**-103.44**	**-121.52**
	Net Profit After Taxation	**-262.16**	**-121.52**
5	Export performance and net foreign exchange collaborations	Not applicable	
6	Foreigninvestments or collaborations, if any	Not applicable	
II.	Information about the appointees		
1	Background details	Hailed from Business Family	
2	Past remuneration	Rs 55,000/-	

3	Recognition or awards	None
4	Job profile and her suitability	Production
5	Remuneration proposed	----
6	Comparative remuneration profile with respect to industry, size of the Company,profile of the position and person	Minimal
7	Pecuniary relationship directly or indirectly with the Company or relationship withthe managerial personnel, if any	Sister of Sri Prasad VSS Garapati,Chairman & Managing Director
III.	Other Information	
1	Reasons of loss or inadequate profits	Reduction in orders of Tupperware
2	Steps taken or proposed to be taken for improvement	Orders already stabilized
3	Expected increase in productivity and profits in measurable terms	Like in the year 2016-17

Save and except by Smt. K.Saraswathi and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Item No 6

The Board of Directors taking into consideration of the efforts put by Sri Sahu Garapati and in best the interests of the Company, the Board of Directors Re- appointed her as Whole Time Director in the meeting held on 10th April 2017 for a period of three years at remuneration as approved by the nomination and remuneration committee in the meeting held on 10th November, 2016 of the company, subject to the approval of the members in their Annual general meeting

Statement as per Part II Section II of Schedule V

I.	General Information		
1	Nature of Industry	Manufacturing Plastic ware Products	
2	Date or expected date of commencement of commercial production	Existing Unit	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable	
4	Financial performance based on given indicators	Financial Year 2016-17 (Rs.Lakh)	Financial Year 2015-16(Rs. Lakh)

	Total Income	**216.08**	**166.05**
	Profit/loss before tax	**-103.44**	**-121.52**
	Net Profit After Taxation	**-262.16**	**-121.52**
5	Export performance and net foreign exchange collaborations	Not applicable	
6	Foreign investments or collaborations, if any	Not applicable	
II.	Information about the appointees		
1	Background details	Hailed from Business Family	
2	Past remuneration	Rs 45,000/-	
3	Recognition or awards	None	
4	Job profile and his suitability	Production	
5	Remuneration proposed	----	
6	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Minimal	
7	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Son of Sri Prasad VSS Garapati,Chairman & Managing Director	
III.	Other Information		
1	Reasons of loss or inadequate profits	Reduction in orders of Tupperware	
2	Steps taken or proposed to be taken for improvement	Orders already stabilized	
3	Expected increase in productivity and profits in measurable terms	Like in the year 2016-17	

Save and except by Sri Sahu Garapati and her relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

By order of the Board
For INNOCORP LIMITED

Sd/-

Place: Hyderabad
Date: 01st September 2017

Mr. Prasad V S S Garapati
Chairman and Managing Director
DIN: - 00209436

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 23rd Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2017.

FINANCIAL HIGHLIGHTS **(Rs. in LAKHS)**

PARTICULARS	YEAR ENDED 31.03.2017	YEAR ENDED 31.03.2016
Sales (Excl. Duties and Taxes)	216.08	166.05
Other Income	0.00	0.00
Total Income	**216.08**	**166.05**
Total Expenditure	**287.42**	**256.47**
Profit Before Depreciation and Taxation	-55.05	-76.81
Depreciation	48.39	45.01
Profit Before Tax	**-103.44**	**-121.52**
Tax	158.71	0
Net Profit / (Loss)	**-262.16**	**-121.52**

COMPANY PERFORMANCE:

Your Board would like to bring to your notice that the Company has witnessed significant fall in production due to reduction in orders from Tupperware and profitability during the financial year under review when compared to the last year.

Due to recessionary conditions of market and increasing competition, during the financial year under review, your Company has achieved total net of sales of Rs. 216.08 Lakh when compared to last year sales of Rs.166.05 lakh and recorded net loss of Rs.262.16 lakh for the financial year 2016-17 when compared to net Loss of Rs.121.52 lakh during the previous year.

SHARE CAPITAL:

The paid up equity share capital of the Company as on 31st March, 2017, is Rs.79,41,400/- During the year under review, the Company has not issued shares with differential voting rights, sweat equity shares or Employee Stock Options.

TRANSFER OF AMOUNT TO GENERAL RESERVE:

No amount has been transferred to reserves during the year.

DIVIDEND:

During the Financial Year 2016-17, Your Company has incurred loss, hence your Directors do not recommend any dividend for the Financial Year 2016-17.

FIXED DEPOSITS

The Company has neither accepted nor renewed any deposits falling within the provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 from the its member and public during the Financial Year.

BOARD MEETINGS

During the year under review, four board meetings were held on 30.05.2016, 12.08.2016, 11.11.2016, and 13.02.2017. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

BOARD EVALUATION

The Board of Directors evaluated the annual performance of the Board as a whole, its committee's and the directors individually in accordance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in the following manner:

i. Structured evaluation forms, as recommended by the Nomination and Remuneration Committee, after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance, for evaluation of the performance of the Board, its Committee's and each director were circulated to all the members of the Board along with the Agenda Papers.

ii. The members of the Board were requested to evaluate by filling the evaluation forms and the duly filled in evaluation forms were required to be sent to the Company Secretary in a sealed envelope or personally submitted to the Chairman at the concerned meeting.

iii. Based on the individual evaluation of the Directors, the Board initiated a detailed discussion at the concerned meeting on the performance of the Board / Committee/Individual Director, and formulated a final collective evaluation of the Board. The Board also provided an individual feedback to the concerned director on areas of improvement, if any.

A separate meeting of Independent Directors was held on 13th February 2017 to evaluate the performance evaluation of the Chairman, the Non Independent Directors, the Board and flow of information from management.

DIRECTORS

In accordance with the provisions of Companies Act, 2013 and the Articles of Association of the Company, Sahu Garapati, Director of the Company will retire by rotation and at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment.

During the financial year under review, the members of our Company have reappointed Mr. V.S.S. Prasad Garapati, Chairman & Managing Director of the Company, Mrs. Saraswathi Kovelamudi as Whole Time Director of the Company and Mr. Sahu Garapati as Whole Time Director of the Company for a further period of three years w.e.f. 01st May, 2017

The Company has received declarations from all the Independent Directors of the Company confirming that they continue to meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(b) of the SEBI (Listing obligations and disclosure requirements) regulations, 2015.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013, your Directors confirm that to the best of their knowledge and belief and according to the information and explanation obtained by them,

i. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

ii. Such accounting policies as mentioned in the notes to the financial statements have been selected and applied consistently and judgments and estimates that are reasonable and prudent made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2016-17 and of the profit or loss of the Company for that period;

iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. The annual accounts for the year 2016-17 have been prepared on a going concern basis.

v. Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

vi. That system to ensure compliance with the provisions of all applicable laws was in place and was adequate and operating effectively.

AUDITORS:

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, M/s. Ramasamy Koteswara Rao & Co,(FRN:-010396S) Chartered Accountants, Hyderabad, appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 28th Annual General Meeting subject to the ratification of shareholders at every Annual General Meeting at such remuneration as decided by the Board. The Company is in receipt of confirmation from the Statutory Auditor that in the event of his re-appointment as Statutory Auditor at the ensuing Annual General Meeting, such appointment will be in accordance with the limits specified in Section 141 of the Companies Act, 2013.

Hence the above resolution is placed before the members for ratification of the appointment of the statutory auditors of the Company.

The Notes on Financial Statements referred to in the Auditors’ Report are self-explanatory and do not call for any further comments. There are no qualifications in the report of the statutory auditors for the year 2016-17

INTERNAL AUDITOR:

The Board of Directors based on the recommendation of the Audit Committee has re-appointed M/s. SVP& Co Chartered Accountants, Hyderabad, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A Statement of particulars of the conservation of energy, technology absorption and foreign exchange earnings and outgoings is given as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, is enclosed as **ANNEXURE A.**

MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to the provision of Regulation 34(2)(e) of SEBI(LODR)Regulations,2015 a report on Management Discussion & Analysis is set out as an **ANNEXURE B**

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Jineshwar Kumar Sankhala a practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **ANNEXURE C** to this report.

SUBSIDIARIES:

During the financial year under review, we did not have any subsidiary or joint venture or associate company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee as also the Board for approval. Prior omnibus approval of the Audit Committee is obtained as per Regulation 23 SEBI (LODR) Regulations, 2015 for the transactions which are of a foreseen and repetitive nature. The Company has developed a Policy on Related Party Transactions for the purpose of identification and monitoring of such transactions.

The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company. The particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 is referred in Notes to Accounts.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in **Form MGT - 9** is annexed here with as **ANNEXURE D** to this report.

RISK MANAGEMENT:

Pursuant to the provisions of section 134 (3) (n) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per SEBI(LODR)Regulations,2015 the Risk management is Not applicable to the Company.

CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to the provisions of section 135 (1) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (Corporate social responsibility policy) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force),corporate social responsibility is Not applicable to the Company.

CORPORATE GOVERNANCE:

Since the paid up capital of the Company is less than Rs. 10 Crores and the net worth of the Company is less than Rs.25 Crores, the provisions of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 and para C, D & E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

VIGIL MECHANISM:

Pursuant to the provisions of section 177 (9) and read with all other applicable provisions of the Companies Act, 2013 and the Companies (meetings of board and its powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI(LODR)Regulations,2015 the Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Group. and also posted on the website of the Company.

NOMINATION &REMUNERATION POLICY

A committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of section 178 of Companies Act, 2013 and to recommend a policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and Evaluation of their performance and to recommend the same to the Board from time to time. The policy is also posted in the of the company's website.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as **ANNEXURE-E.** In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of 102 Lakhs or more, or employees who are employed for part of the year and in receipt of 8.5 Lakhs or more per month.

HUMAN RESOURCES:

The Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE :

The Company strongly supports the rights of all its employees to work in an environment free from all forms of harassment. The Company has adopted a Policy on Prevention, Prohibition and Redressal of

Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure. The Company has also constituted an Internal Committee, known as Anti Sexual Harassment Committee to address the concerns and complaints of sexual harassment and to recommend appropriate action.

The Company has not received any complaint on sexual harassment during the year

ACKNOWLEDGEMENTS:

Your Directors place on record their appreciation and gratitude for the continuous support and assistance extended by all the Statutory Authorities. The Board also extends its heartfelt gratitude to the Creditors and Shareholders for the confidence reposed by them in the Company. Your Directors also place on record their sincere appreciation for the continued contributions made by the employees at all levels.

By order of the Board
For INNOCORP LIMITED

Sd/-	**Sd/-**
Prasad V S S Garapati	**Sahu Garapati**
Chairman and Managing Director	**Director**
DIN: - 00209436	**DIN: - 02546999**

Date: 01st September 2017
Place: Hyderabad

ANNEXURE A

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

Particulars pursuant to Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988

A) CONSERVATION OF ENERGY

a) Energy conservation measures taken:
Proper control points are set up at all levels to identify the wastage in power & fuel consumption and to take/initiate corrective steps.

b) Additional investments and proposals, if, any, being implemented for reduction of conservation of energy: NIL

c) Impact of the clause (1) and (2) above the reduction of energy consumption and consequent impact on the production of goods: N.A

d) Total energy consumption and energy consumption per unit of production:

A. POWER AND FUEL CONSUMPTION

1. Electricity

Purchased	Current year	Previous Year
Unit	790822	842702
Total Amount	Rs. 64,81,273	Rs.66,62,045
Rate/Unit	Rs. 8.19	Rs.7.91ps

2. Coal

Particulars	Current year	Previous Year
Quantity (Tonnes)		
Total Cost	-N.A -	-N.A. -
Average Rate		

3. Furnace Oil

Particulars	Current year	Previous Year
Quantity (k. ltrs)		
Total Amount	-N.A -	-N.A -
Average Rate		

B. CONSUMPTION PER UNIT OF PRODUCTION:

PRODUCTS	CURRENT YEAR	PREVIOUS YEAR
Electricity (kwh)		
Furnace Oil		
Coal (kgs)	-N.A -	-NA -
Others (Kgs)		

B) TECHNOLOGY ABSORPTION

Research and Development (R&D)

1. Specific areas in which R&D carried out by the Company NIL
2. Benefits derived as a result of the above R&D NIL
3. Future plans of action

4. Expenditure on R&D

Capital	NIL
Recurring	NIL
Total	NIL
Total R&D Expenditure as % of total turnover	NIL

Technology Absorption, Adaptation and Innovation

1. Efforts made towards technology absorption adaptation and innovation NIL
2. Benefits derived as a result of above efforts NIL
3. Information about imported technology

a. Technology imported	:	NIL
b. Year of Import	:	NA
c. Whether Technology fully absorbed	:	NA
d. If not fully absorbed, areas and reasons for future plans actions	:	NA

C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

1. Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans.

   The Company plans to explore and tap overseas markets. The Company also proposes to bring in new products and services which shall be first launched in the domestic markets and then shall be introduced in the overseas markets.

2. Foreign exchange earnings and outgo:

	2016-17
Foreign exchange earnings	Rs.45,53,793
Foreign exchange outgo	NIL

By order of the Board
For INNOCORP LIMITED

Date: 01st September 2017
Place: Hyderabad

Sd/-	**Sd/-**
Prasad V S S Garapati	**Sahu Garapati**
Chairman and Managing Director	**Director**
DIN: - 00209436	**DIN: - 02546999**

ANNEXURE- B

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The industry is facing lots of constraints. The margins are reduced to lowest level and stiff competition from un-organised sector and local players adversely affected the turnover. The management is of the view that any investment and expansion in the present lying of Plastics will not provide any better results. The Company has continued its effort in product innovation considering the changing consumer preference

OPPORTUNITIES AND THREATS:

Opportunities:
The government of India is trying to set up the economic reforms to elevate and boost the plastic industry by joint venturing, foreign investments**.**

Threats:
Environmental regulations and plastic waste management infrastructure are the major challenges faced by the Company. Your Company is making all its efforts to meet environment compliance and adopting various policies to avoid plastic waste.

OUTLOOK:

The Company is diversifying its presence in Rural market through strong distribution network. The Company is also exploring the potential in the international market.

RISKS AND CONCERNS

Competition from the unorganised small scale sector via cut-throat competition from the new entrants in the market, thereby squeezing the Company's profit margins.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate system of internal controls that ensures that all assets are protected against loss from unauthorised use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

HUMAN RESOURCES/ INDUSTRIAL RELATIONS:

Your company maintains very cordial relations with its customers and suppliers. Your company has earned a good standing over the years and there are zero contentious issues pending as on date. The organization maintains harmonious relations at all levels within the company and employees are well motivated round the year to meet the goals set for them.. Your Company is continuously striving to create appropriate environment, opportunities and systems to facilitate identification, development, and utilization of their full potential and inculcating a sense of belongingness. Your Company's industrial relations continued to be harmonious during the year under review.

By order of the Board
For INNOCORP LIMITED

Date: 01st September 2017
Place: Hyderabad

Sd/-	**Sd/-**
Prasad V S S Garapati	**Sahu Garapati**
Chairman and Managing Director	**Director**
DIN: - 00209436	**DIN: - 02546999**

ANNEXURE C

Form No. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2017
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
INNOCORP LIMITED
Plot NO.41, IDA, Mallapur, Hyderabad - 500076
Telangana.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INNOCORP LIMITED**, (hereinafter called the "Company") having its registered office at Plot No. 41, IDA, Mallapur, Hyderabad, Telangana- 500076. 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 **INNOCORP LIMITED** books, papers, minutes 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, 2017 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 made available to me and maintained by **INNOCORP LIMITED** for the financial year ended on 31st March, 2017 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under.

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. **(**No transactions during the Audit period and hence not applicable**)**

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(**Not applicable as the company did not issue any security during the financial year under review**)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014; **(**Not applicable as the company has not granted any options to its employees during the financial year under review**)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(**Not applicable as the company has not issued any debt securities during the financial year under review**)**

(f) The Securities and Exchange Board of India (Registrars to an 12 Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(**Not applicable as the company is not registered as Register to an issue and Share Transfer Agent during the financial year under review**)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;**(**Not applicable as the company has not delisted its equity shares from any stock exchange during the financial year under review**)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(**Not applicable as the company has not bought back any of its securities during the financial year under review**)**

(i) The Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) 2015 As applicable

vi. Other laws applicable specifically to the Company.

i. The Recycled Plastics Manufacture and Usage Rules, 1999, as amended

It has been informed by the Company that there are no laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

* The Company is yet to appoint Company Secretary.

We 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.
- 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.
- All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We 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.
- There were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

Place: Hyderabad
Date: 01.09.2017

Sd/
Jineshwar Kumar Sankhala
Company Secretary

ANNEXURE D

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2017
[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATIONANDOTHERDETAILS:

CIN	L99999TG1994PLC018364
Registration Date	21-09-1994
Name of the Company	INNOCORP LIMITED
Category/Sub-Category of the Company	Public Company/ Limited by Shares
Address of the Registered office and contact details	Plot No: 41, IDA Mallapur, Hyderabad, Telangana – 500 076
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s. XL Softech Systems Ltd.3, Sagar Society, Road No: 2 Banjara Hills, Hyderabad, Telengana – 500 034

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated: -

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Plastics Products	**222**	**100**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES- NIL

Sl. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A. Category-Wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 01.04.2017				No. of Shares held at the end of the year 31.03.2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)Promoters									
A(1)Indian									
Individual/ HUF	1655867	8000	1663867	20.95	1655867	8000	1663867	20.95	0
Central Govt									
State Govt (s)									
Bodies Corp	685000	0	685000	8.63	685000	0	685000	8.63	0
Banks / FI									
Any Other									
Sub-total(A)(1):-	**2340867**	**8000**	**2348867**	**29.58**	**2340867**	**8000**	**2348867**	**29.58**	**0**
A(2)Foreign									
NRIs-Individuals	0	0	0	0	0	0	0	0	0

Other-Individuals									
Bodies Corp.									
Banks / FI									
Any Other….	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Total Promotor Shareholding **(A)=(**A)(1)+ (A)(2)	**2340867**	**8000**	**2348867**	**29.58**	**2340867**	**8000**	**2348867**	**29.58**	**0**
(B)Public Shareholding									
B(1)Institutions									
Mutual Funds	0	100	100	0.00	0	100	100	0.00	0
Banks / FI	800	0	800	0.01	800	0	800	0.01	0
Central Govt									
State Govt(s)									
Venture Capital Funds									
Insurance Companies									
FIIs									
Foreign Venture Capital Funds									
Others (specify)	0	0	0	0	0	0	0	0	
Sub-total(B)(1)	**800**	**100**	**900**	**0.01**	**800**	**100**	**900**	**0.01**	**0**
B(2)Non Institutions									
Bodies Corporate	206306	19700	226006	2.85	156520	19700	176220	2.22	(0.63)
Individuals **(i)** Individual shareholders holding nominal share capital upto Rs. 2 lakh	2093376	134801	2228177	28.06	2114262	133801	2248063	28.31	0.25
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	741217	24000	765217	9.64	763117	24000	787117	9.91	0.27
OTHERS									
NRI	2300933	69200	2370133	29.85	2308933	69200	2378133	29.94	(0.09)
Clearing Member	2100	0	2100	0.03	2100	0	2100	0.03	0
Sub-total(B)(2)	**5343932**	**247701**	**5591633**	**70.41**	**5344932**	**246701**	**5591633**	**70.41**	**(0.17)**
TotalPublic Shareholding **(B)=(**B)(1)+ (B)(2)	**5344732**	**247801**	**5592533**	**70.42**	**5345732**	**246801**	**5592533**	**70.42**	(0.02)
C. Shares held by Custodian for GDRs &ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**7685599**	**255801**	**7941400**	**100**	**7686599**	**254801**	**7941400**	**100**	**0**

B. Shareholdings of Promoters:

Sl No	Shareholder’s Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Prasad VSS Garapati	837950	10.55	0	837950	10.55	0	0
2	Lakshmi V V V Garapati	352266	4.44	0	352266	4.44	0	0

3	K Saraswathi	100	0	0	100	0	0	0
4	Sahu Garapati	142251	1.79	0	142251	1.79	0	0
5	Venu Garapati	70700	0.89	0	70700	0.89	0	0
6	Sivram Prasad Chilakpati	71600	0.90	0	71600	0.90	0	0
7	Purna Chalasani	189000	2.38	0	189000	2.38	0	0
8	Innovation Showrooms Private Limited	685000	8.63	0	685000	8.63	0	0

C. Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2348867	29.58	2348867	29.58
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NIL			
	At the end of the year	2348867	29.58	2348867	29.58

D. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-16 to 31-03-17	
		No. of Shares at the beginning (01-04-16)/ end of the year (31-03-17)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	ZAHARA BEGUM	1150000	14.48	01.04.2016		NIL Movement During The year		
					0			
		1150000	14.48	31.03.2017			1150000	14.48
2.	KATRAGADDA DEVI PRASAD	1025000	12.91	01.04.2016		NIL Movement During The year		
					0			
		1025000	12.91	31.03.2017			1025000	12.91
3.	RAJ KUMAR LOHIA	184178	2.32	01.04.2016		NIL Movement During The year		
					0			
		184178	2.32	31.03.2017			184178	2.32
4.	GUTHI KONDA MURALI	63200	0.80	01.04.2016		NIL Movement During The year		
					0			
		63200	0.80	31.03.2017			63200	0.80
5.	ZEN SECURITIES LTD	39712	0.50	01.04.2016		Transfer		
					39712			
		0	0	31.03.2017			0	0
6.	RAJCHANDRA CAPITAL SERVICES	25822	0.33	01.04.2016		NIL		

					0	Movement During The year		
		25822	0.33	31.03.2017			25822	0.33
7.	SHRI PARASRAM HOLDINGS PVT.LTD	25530	0.32	01.04.2016		Purchase		
					5786		31316	0.39
		31316	0.39	31.03.2017			31316	0.39
8.	MADAN BHAGCHAND MELWANI	25000	0.32	01.04.2016		NIL Movement During The year		
					0			
		25000	0.32	31.03.2017			25000	0.32
9.	P KRISHNA REDDY	17500	0.22	01.04.2016		NIL Movement During The year		
					0			
		17500	0.22	31.03.2017			17500	0.22
10.	S P CORPORATE SERVICES PRIVATE LIMITED	17500	0.22	01.04.2016		NIL Movement During The year		
					0			
		17500	0.22	31.03.2017			17500	0.22
11.	JYOTI PORTFOLIO LIMITED	0	0	01.04.2016		Purchase		
					20599		20599	0.26
		20599	0.26	31.03.2017			20599	0.26

E. Shareholding of Directors and Key Managerial Personnel:

Sl. No.	**Name**	**Shareholding**		**Date**	**Increase/ Decrease in shareholding**	**Reason**	**Cumulative Shareholding during the year (01-04-16 to 31-03-17**	
		No. of Shares at the beginning (01-04-16)/ end of the year (31-03-17)	**% of total shares of the Company**				**No. of Shares**	**% of total shares of the Company**
1	**Prasad V S S Garapati**	837950	10.55	01.04.2016	-	Nil Movement during the year	837950	10.55
	Brought during The Year	-	-	-	0		-	-
	Sold During The year	-	-	-	0		-	-
	At the End of the Year	837950	10.55	31.03.2017	0		837950	10.55
2	**K. Saraswathi**	100	0.00	01.04.2016	0	Nil Movement during the year		
	Brought during The Year	-	-	-	0		-	-
	Sold During The year	-	-	-	0		-	--
	At the End of the Year	100	0.00	31.03.2017	0		100	0.00
3	**Sahu Garapati**	142251	1.79	01.04.2016	0	Nil Movement during the year		
	Brought during The Year	-	-	-	0		-	-
	Sold During The year	-	-	-	0		-	-
	At the End of the Year	142251	1.79	31.03.2017	0		142251	1.79
4	**Sri Venkaiah Doniparthi**	**None of the Directors hold shares in the Company**						
5	**Cherukuri Subrahmanyam**							

V) **INDEBTEDNESS -**Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount ii) Interest due but not paid	29191155 0	12328695 0	0 0	41519850 0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	29191155	12328695	0	41519850
Change in Indebtedness during the financial year				
* Addition	0	1343674	0	1343674
* Reduction	(1967241)	0	0	(1967241)
Net Change	(1967241)	1343674	0	(623567)
Indebtedness at the end of the financial year				
i) Principal Amount	27223812	13672369	0	40896181
ii) Interest due but not paid			0	
iii) Interest accrued but not due			0	
Total (i+ii+iii)	27223812	13672369		40896181

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
1	Gross salary	Chairman & managing director (Prasad VSS Garapati)	Whole-time Director (K.Saraswati)	Whole-time director(Sahu Garapati)	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	780000	660000	540000	1980000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-
5	Others, please specify	--	-	-	-
	Total (A)	780000	660000	540000	1980000
	Ceiling as per the Act				

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)		NI			
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to key managerial personnel other than MD/Manager/WTD

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO(Venu Garapati)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			480000	480000
	(b) Value of perquisites u/s 17(2) Income-Tax Act,1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		NIL		
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify…				
5	Others, please specify				
	Total			480000	480000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of	Brief	Details of	Authority	Appeal made,

	the Companies ACT	Description	Penalty /punishment Compounding fees imposed	[RD / NCLT/ COURT]	if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE E

Information pursuant to Section 197 of the Act Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2016-17 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2016-17:

Name of the Director/Key Managerial Personnel	Remuneration of Directors & KMP for the financial year 2016-17 (Rs.)	% increase in Remuneration in the financial year 2016-17	Ratio of the remuneration to the median remuneration of the employees
PRASAD VSS GARAPATI	7,80,000	No Increase	2.58
SARASWATHI KOVELAMUDI	6,60,000	No Increase	2.18
SAHU GARAPATI	5,40,000	No Increase	1.79
VENU GARAPATI	4,80,000	No Increase	1.59

Note: The median remuneration of employees of the Company during the financial year was Rs.3,02,000

B. The percentage increase in the median remuneration of employees in the Financial year: - 16.15 %.

C. The number of permanent employees on the rolls of company: 15

D. The explanation on the relationship between average increase in remuneration and company performance:

The average increase in the employee remuneration effected during the year 2016-17 is based on the individual performance and Company's performance during the previous financial year 2015-16. The other factors considered for revision in remuneration is based on market survey, functional expertise, industry standards etc

F. Comparison of the remuneration of the Key Managerial Personnel against the performance of the company:

Aggregate remuneration of Key Managerial Personnel (KMP)	24,60,000
Revenue	2,23,37,250
Remuneration of KMP as a % of revenue	11.02%
Profit / Loss(-) Before Tax (PBT)	-1,03,44,277
Remuneration of KMP as a % of PBT	NA

G. Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies:

Particular	As at March 31, 2017	As at March 31, 2016	Variation
Market Capitalization (in ` Crores)	2.00	1.89	5.88%
Market Price	2.52	2.38	5.88%
EPS		-	-
Price Earnings Ratio		-	-

G. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average increase in the salaries of employees other than the managerial personnel in 2014-15 was 10%. The Percentage increase in the managerial remuneration for the same financial year was Nil

H. Comparison of each remuneration of the Key Managerial Personnel against the performance of the company:

Name	Remuneration	Revenue	% of revenue	PBT	% of PBT
PRASAD VSS GARAPATI	7,80,000	2,23,37,250	3.49	-1,03,44,277	NA
SARASWATHI KOVELAMUDI	6,60,000	2,23,37,250	2.92	-1,03,44,277	NA
SAHU GARAPATI	5,40,000	2,23,37,250	2.42	-1,03,44,277	NA
VENU GARAPATI	4,80,000	2,23,37,250	2.15	-1,03,44,277	NA

I. The key parameters for any variable component of remuneration availed by the directors:
Not Applicable as the directors does not avail any variable component of remuneration

J. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:
Not Applicable as No employee is receiving remuneration in excess of the highest paid Director

K. Affirmation that the remuneration is as per the remuneration policy of the company:
It is hereby affirmed that the remuneration paid to the Directors and Key Managerial Personnel are as per the Nomination and Remuneration Policy of the Company.

Auditor's Report on Financial Results of the Company Pursuant to the Regulation 33 of Securities and Exchange Board of India (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) Regulations, 2015

To
The Board of Directors
INNOCORP LIMITED
Hyderabad.

We have audited the financial results of M/s. Innocorp Limited ('the Company) for the Year ended 31st March, 2017 attached herewith, being submitted by the company pursuant to the requirement of regulation 33 of Securities and Exchange Board of India (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) Regulations, 2015. These Financial Results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management .Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 , Interim Financial Reporting specified under section 133 of the Companies Act ,2013 read with Rule 7 of the Companies (Accounts) Rules 2014
And other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free from material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by the management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and to the explanations given to these financial results:

(i) Are presented in accordance with the requirements of Regulation 33 of Securities and Exchange Board of India (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) Regulations, 2015 in this regard; and

(ii) Give a true and fair view of net loss and other financial information for the year April 1, 2016 to March 31, 2017.

For Ramasamy Koteswara Rao & Co.,
Chartered Accountants
Firm Regn No: 010396S
Sd/-
(C V Koteswara Rao)
Partner
Membership No: 028353

Place: Hyderabad
Date: 29-05-2017

Independent Auditor's Report

To the Members of
INNOCORP LIMITED D
Report on the Financial Statements

We have audited the accompanying financial statements of **INNOCORP LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2017, and its Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 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 written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 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 does not have any pending litigations which would impact its financial position.

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. The Company has provided requisite disclosures in its financial statement as to holdings as well as dealing in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016. Based on the audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer note 22 of the financial statements.

For **Ramasamy Koteswara Rao & Co,**
Chartered Accountants
Firm Registration Number: 010396S
Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353

Place: Hyderabad
Date: 29-05-2017

Annexure-A to the Auditors' Report (referred to in paragraph 1 of our Report of even date to the Members of "INNOCORP LIMITED" for the year ended March 31, 2017)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that;

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.

ii. The Company has conducted physical verification of the inventory at regular intervals and no material discrepancies were noticed during such verification.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

iv. The company has neither granted loans nor made investments. Hence the provisions of Sections 185 and 186 of Companies Act 2013 are not applicable. Thus paragraph 3(iv) of the order is not applicable to the company.

v. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

vi. The maintenance of cost records under section 148(1) of the Companies Act, 2013, is not applicable to the company.

vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, value added tax outstanding on account of any dispute.

viii. The Company has not defaulted in any repayment of loans or borrowings from any financial institution, banks, government or debenture holders during the year. The Company has issued debentures during the year.

ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

xi. According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

xiii. In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Thus paragraph 3(iv) of the order is not applicable to the company.

For **Ramasamy Koteswara Rao & Co,**
Chartered Accountants
Firm Registration Number: 010396S
Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353

Place: Hyderabad
Date: 29-05-2017

"Annexure B" to the Independent Auditor's Report

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 **INNOCORP LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the 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. 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, 2017, 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 **Ramasamy Koteswara Rao & Co,**
Chartered Accountants
Firm Registration Number: 010396S

Sd/-
(C V Koteswara Rao**)**
Partner
Membership No.028353

Place: Hyderabad
Date: 29-05-2017

Balance Sheet as at 31st March 2017

	Particulars	Note No.	2016-17 (Rs.)	2015-16 (Rs.)
I.	**EQUITY AND LIABILITIES**			
1	Shareholders' funds			
	(a) Share capital	1	7,94,14,000	7,94,14,000
	(b) Reserves and surplus	2	(6,40,28,317)	(3,78,12,387)
2	Non-current liabilities			
	(a) Long-term borrowings	3	1,23,59,552	47,93,303
3	Current liabilities			
	(a) Short-term borrowings	4	2,85,36,730	3,67,26,544
	(b) Trade payables		24,58,149	14,36,494
	(c) Other current liabilities	5	66,66,026	44,59,086
	TOTAL		**6,54,06,140**	**8,90,17,040**
II.	**ASSETS**			
	Non-current assets			
1	(a) Fixed assets	6		
	(i) Tangible assets		4,25,25,809	4,72,30,150
	(b) Deferred tax assets (net)	7	1,28,58,257	2,87,29,910
	(C) Other non-current assets	8	15,39,479	25,78,830
2	Current assets			
	(a) Inventories	9	48,52,355	63,58,907
	(b) Trade receivables	10	18,87,541	25,06,498
	(c) Cash and cash equivalents	11	61,081	1,62,978
	(e) Other current assets	12	16,81,618	14,49,767
	TOTAL		**6,54,06,140**	**8,90,17,040**

As per our report of even date

For RAMASAMY KOTESWARA RAO & CO.,
Chartered Accountants
Firm Reg No.010396S

Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353

Place: Hyderabad
Date : 29-05-2017

For and on behalf of the Board

Sd/-	Sd/-
Prasad VSS Garapati	**Sahu Garapati**
Managing Director	**Director**
DIN: 00209436	**DIN: 02546999**

Profit and loss statement for the year ended 31st March 2017			
Particulars	**Refer Note No.**	**2016-17 (Rs.)**	**2015-16 (Rs.)**
I. Revenue from operations (Net of Duties & Taxes)	13	2,16,08,095	1,66,05,959
II. Other income	14	7,29,155	13,53,426
III. Total Revenue (I + II)		**2,23,37,250**	**1,79,59,385**
IV. Expenses:			
Raw Material Consumed	15	80,40,326	62,38,424
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	16	(1,832)	47,000
Manufacturing Expenses	17	70,25,124	59,13,242
Employee benefits expense	18	65,19,150	64,95,836
Finance costs	19	39,40,019	44,63,524
Depreciation and amortization expense		48,38,826	45,01,295
Other expenses	20	23,19,914	24,52,256
Total expenses		**3,26,81,527**	**3,01,11,577**
V. Profit before exceptional and extraordinary items and tax (III-IV)		**(1,03,44,277)**	**(1,21,52,192)**
VI. Exceptional items			
Prior Period adjustment (Net)	21	-	-
VII. Profit before extraordinary items and tax (V-VI)		**(1,03,44,277)**	**(1,21,52,192)**
VIII. Extraordinary Items			
IX. Profit before tax (VII- VIII)		**(1,03,44,277)**	**(1,21,52,192)**
X Tax expense:			
(1) Current tax		-	-
MAT Credit Entitlement		-	-
Income Tax Prior Period		-	-
(2) Deferred tax	7	1,58,71,653	-
XI Profit (Loss) for the period (XI + XIV)		**(2,62,15,930)**	**(1,21,52,192)**
XII Earnings per equity share:			
(1) Basic		(3.30)	(1.53)
(2) Diluted		(3.30)	(1.53)

As per our report of even date

For and on behalf of the Board

For RAMASAMY KOTESWARA RAO & CO.,
Chartered Accountants
Firm Reg No.010396S

Sd/-
Prasad VSS Garapati
Managing Director
DIN: 00209436

Sd/-
Sahu Garapati
Director
DIN: 02546999

Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353

Place: Hyderabad
Date : 29-05-2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017				
	31.03.2017		31.03.2016	
PARTICULARS			**AMOUNT**	**AMOUNT**
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit / (Loss) before tax & adjustments		**(1,03,44,277)**		**(1,21,52,192)**
Adjustments for :				
Depreciation	48,38,826		45,01,295	
Interest paid / Provided	39,40,019		44,63,524	
Goodwill writeoff	-		-	
Bad Debts	-		-	
Interest Received	-		-	
Subsidy Reversed	-		-	
Foreign Exchange (Profit)/Loss	-		-	
Profit on sale of asset	5,82,438		-	
		81,96,407		**89,64,819**
Operating Profit before Working Capital Change		(21,47,870)		(31,87,373)
Adjustments for :				
Inventories	15,06,552		8,17,578	
Trade & Other Receivables	6,18,957		28,42,279	
Current Liabilities	(49,61,219)		52,41,704	
Loans & Advance and other current assets	8,07,500	(20,28,210)	(1,46,846)	87,54,715
Net Cash flow from Operations before tax		(41,76,080)		55,67,342
Less: Taxes Paid		-		-
Cash Flow from Operating Activities		**(41,76,080)**		**55,67,342**
B. CASH FLOW FROM INVESTING ACTIVITIES				
Fixed Assets Purchased	(2,52,046)		(1,65,000)	
Fixed Assets sold	7,00,000		-	
(Purchase)/Sale of Investment	-		-	
Interest Received	-		-	
Net Cash used for Investing activities		4,47,954		(1,65,000)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Change in Share Capital	-		-	
Borrowings Increase/Decrease	75,66,249		(52,84,990)	
Interest Paid	(39,40,019)		(44,63,524)	
Net Cash used for Financing Activities		**36,26,231**		**(97,48,514)**
Net increase in Cash & Cash Equivalents		**(1,01,896)**		**(43,46,172)**
Cash & Cash equivalents at the beginning of the year		**1,62,978**		**45,09,150**
Cash & Cash equivalents at the end of the year		**61,081**		**1,62,978**

Per our report of even date attached.
For Ramasamy Koteswara Rao & Co.,
Chartered Accountants
ICAI Firm Reg.No.010396S

Sd/-
(C V Koteswara Rao)
Partner
M.No. 028353
Place: Hyderabad
Date : 29-05-2017

For and on behalf of Board of Directors

Sd/-	**Sd/-**
Prasad VSS Garapati	**Sahu Garapati**
Managing Director	**Director**
DIN: 00209436	DIN: 02546999

Note 1
Share capital

Share Capital	2016-17		2015-16	
	Number	Amount	Number	Amount
Authorised				
12000000 Equity Shares of Rs.10 each	1,20,00,000	12,00,00,000	1,20,00,000	12,00,00,000
Issued				
7941400 Equity Shares of Rs.10 each	79,41,400	7,94,14,000	79,41,400	7,94,14,000
Subscribed & Paid up				
7941400 Equity Shares of Rs.10 each fully paid	79,41,400	7,94,14,000	79,41,400	7,94,14,000
Total	**79,41,400**	**7,94,14,000**	**79,41,400**	**7,94,14,000**

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

	2016-17		2015-16	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	7941400	7,94,14,000	7941400	7,94,14,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	7941400	7,94,14,000	7941400	7,94,14,000

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shareholder	2016-17		2015-16	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Prasad VSS Garapati	501600	6.32	501600	6.32
Innovations Show Rooms Pvt ltd	685000	8.63	685000	8.63
Zahara Begum	1150000	14.48	1150000	14.48
Katragadda Devi Prasad	1025000	12.91	1025000	12.91

Note 2
Reserves and surplus

	2016-17	2015-16
a. Capital Reserves		
Investmentment Subsidy	31,15,130	31,15,130
Closing Balance	31,15,130	31,15,130
b. Securities Premium Account		
Opening Balance	6,47,05,000	6,47,05,000
	-	-
Closing Balance	6,47,05,000	6,47,05,000
c. Surplus		
Opening balance	(10,56,32,517)	(9,34,80,325)
(+) Net Profit/(Net Loss) For the current year	(2,62,15,930)	(1,21,52,192)
Closing Balance	(13,18,48,447)	(10,56,32,517)
Total	**(6,40,28,317)**	**(3,78,12,387)**

Note 3
Long Term Borrowings

	2016-17	2015-16
Secured		
(a) Term loans		
From Andhra Bank - 1	-	3,97,352
From Andhra Bank - 2	20,07,767	32,07,222
(b) Vehicle Loans		
HDFC Bank - Skoda Superb	164203	521742
Volkswagen Finance - Vento	534582	528980
Corporation Bank - Cruze	-	138007
Mortgage Loan	96,53,000	-
Total	**1,23,59,552**	**47,93,303**

Term Loans

S.NO	Name of the Bank	Loan Amount	March 31 2017	March 31 2016	Repayment Terms	Loan Start date
Secured						
1	Andhra Bank - (Term loan -1)	1,74,00,000	-	47,47,352	48 Monthly Instalments of Rs.3,62,500/-	30.03.2013
2	Andhra Bank -(Term loan - 2)	75,00,000	35,07,767	47,07,222	60 Monthly Instalments of Rs.1,25,000/-	31.10.2013
3	HDFC Bank - Skoda - Superb	14,70,058	6,38,875	9,96,414	60 Monthly Instalments of Rs.39,556/-	01.09.2014
4	Corporation Bank - Cruze	7,50,000	-	2,88,007	60 Monthly EMIs of Rs. 16,401/- each	13.09.2012
5	Volkswagen Finance - Vento	10,00,469	5,99,175	7,87,352	60 Monthly EMIs of Rs. 21,531/- each	20.12.2014
			47,45,817	**1,15,26,347**		

Note 4
Short Term Borrowings

	2016-17	2015-16
Bank OD A/c		
Andhra Bank OCC	2,24,78,095	1,76,64,805
Secured		
(a) Term loans		
From Andhra Bank - 1	-	43,50,000
From Andhra Bank - 2	15,00,000	15,00,000
(b) Vehicle Loans		
HDFC Bank - Skoda Superb	4,74,672	4,74,672
Volkswagen Finance - Vento	64,593	2,58,372
Corporation Bank - Cruze	-	1,50,000
Tata Capital Fin Services Ltd	-	-
(c) Loans Form Directors	40,19,369	1,23,28,695
Total	**2,85,36,730**	**3,67,26,544**

S.NO	Name of the Bank	Loan Amount	March 31 2017	March 31 2016	Security/ Guarantee
1	Andhra Bank - OCC	1,75,00,000	2,24,78,095	1,76,64,805	Stocks & Receivables
2	Andhra Bank - TL - 1	1,74,00,000	-	43,50,000	Land, Building, Plant& Machinery
3	Andhra Bank - TL - 2	75,00,000	15,00,000	15,00,000	Land, Building, Plant& Machinery
4	HDFC Bank - Skoda - Superb	14,70,058	4,74,672	4,74,672	Vehicle
5	Corporation Bank - Cruze	7,50,000	-	1,50,000	Vehicle
6	Volkswagen Finance - Vento	10,22,000	64,593	2,58,372	Vehicle
	Total		2,45,17,360	2,43,97,849	

Loans from Related Parties	2016-17	2015-16
Prasad Garapati-Director	40,19,369	1,23,28,695

Note 5
Other Current Liabilities

	2016-17	2015-16
Duties and Taxes	2,81,089	3,00,244
Audit fee Payable	3,09,174	2,04,174
Outstanding Expenses	9,36,739	8,95,368
Remunaration Payable	29,51,438	12,77,438
Salaries and wages Payable	13,79,073	8,59,794
TDS Payable	2,34,529	2,15,726
Property Tax Payable	5,73,985	7,06,342
Total	**66,66,026**	**44,59,086**

Note 7
Deferred Tax Assets (Net)

Particulars	2016-17	2015-16
Deferred Tax Assets (Net) as on 01-04-2014	2,87,29,910	2,87,29,910
Deferred Tax Savings on account of Depreciation and Brought forward losses	(1,58,71,653)	-
Deferred Tax Assets (Net) as on 31-03-2017	**1,28,58,257**	**2,87,29,910**

Note 8
Other non-current assets

	2016-17	2015-16
Others (Deposits -Asset)		
Deposit-CESTAT Case	8,698	8,698
Deposits with Electricity Department	11,76,660	11,76,660
Deposits with the Telephone Department	7,572	7,572
Sales Tax Deposit	35,900	35,900
Receivables		
Cable & Projects division (Due for more than 3 years)	3,10,649	13,50,000
Total	**15,39,479**	**25,78,830**

Note 6

	Fixed Assets	Gross Block					Accumulated Depreciation					Net Block	
		Balance as at 1 april 2016	Additions	Disposals	Revaluations/ (Impairments)	Balance as at 31 March 2017	Balance as at 1 April 2016	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31 March 2017	Balance as at 1 April 2016	Balance as at 31 March 2017
a	**Tangible Assets**											-	
1	Land	48,71,009	-	-		48,71,009	-	-			-	48,71,009	48,71,009
2	Buildings	95,65,178	-	-		95,65,178	50,74,788	3,18,313			53,93,101	44,90,390	41,72,077
3	Plant and Machinery	7,14,41,350	2,52,046	-		7,16,93,396	4,06,05,493	27,53,327			4,33,58,820	3,08,35,857	2,83,34,576
4	Furniture and Fixtures	5,01,955	-	-		5,01,956	5,01,955	-			5,01,955	0	1
5	Vehicles	57,47,472	-	14,66,545		42,80,927	16,24,586	9,38,760		13,48,983	12,14,363	41,22,886	30,66,564
6	Office equipment	11,71,305	-	-		11,71,305	10,61,837	38,614			11,00,451	1,09,468	70,854
7	Electrical Equipment	79,24,094	-	-		79,24,094	74,74,312	77,148			75,51,460	4,49,782	3,72,634
8	Moulds (Imported)	64,71,650	-	-		64,71,650	41,20,893	7,12,664			48,33,557	23,50,757	16,38,093
	Total	**10,76,94,013**	**2,52,046**	**14,66,545**	**-**	**10,64,79,515**	**6,04,63,863**	**48,38,826**	**-**	**13,48,983**	**6,39,53,706**	**4,72,30,150**	**4,25,25,809**

Note 9

Inventories

	2016-17	2015-16
a. Raw Materials and components	41,56,501	56,64,885
b. Finished goods	1,46,964	1,45,132
c. Stock-in-trade	5,48,890	5,48,890
Total	**48,52,355**	**63,58,907**

Note 10

Trade Receivables

	2016-17	2015-16
Trade receivables outstanding for a period less than six months from the date they are due for payment Un-Secured, considered good	18,87,541	25,06,498
Total	**18,87,541**	**25,06,498**

Note 11

Cash and cash equivalents

	2016-17	2015-16
Balances with banks	52,063	1,56,462
Cash on hand	9,018	6,516
Cheques on hand	-	-
Total	**61,081**	**1,62,978**

Note 12

Other Current Assets

Particulars	2015-16	2014-15
MAT Credit Entitlement	9,80,977	9,80,977
Service Tax	56,815	81,046
TDS Receivables	2,99,889	1,58,829
Interest on ICD Receivables	72,974	85,204
Excise Duty (Capital Goods)	17,359	-
Service Tax (ED, S & H Cess)	3,030	3,030
Input Credit (VAT)	1,61,225	32,531
CENVAT Credit (ED, Ed.Cess, S & H Cess)	1,637	3,636
Input Ed. Cess, S & H Cess on Capital Goods	4,770	4,770
Prepaid expenses	82,942	99,744
Total	**16,81,618**	**14,49,767**

Note 13
Revenue from operations

	2015-16	2014-15
Domestic Sales	1,55,63,826	1,24,57,373
Less: Excise Duy	27,84,639	11,71,290
Less: VAT	97,223	11,45,003
Net Domestic Sales	1,26,81,964	1,01,41,080
Job work Income	89,26,131	64,64,879
Total	**2,16,08,095**	**1,66,05,959**

Note 14
Other Income

	2016-17	2015-16
Interest Income (in case of a company other than a finance company)	81,082	1,01,345
Mold Trial & Testing Charges	-	5,02,639
Other non-operating income (net of expenses directly attributable to such income)	65,635	7,49,442
Profit on Sale of Vehicle	5,82,438	
Total	**7,29,155**	**13,53,426**

Note 15
Raw Material Consumed

	2016-17	2015-16
Opening Raw Material	56,64,885	64,35,463
Add: Purchases	65,31,942	54,67,846
Less: Closing Stock	41,56,501	56,64,885
Balance	**80,40,326**	**62,38,424**

Note 16
Changes in inventories of finished goods work-in-progress and Stock-in-Trade

	2016-17	2015-16
Opening Stock :		
Work-in-Process		
Finished Goods	1,45,132	1,92,132
Traded Items	5,48,890	5,48,890
	6,94,022	**7,41,022**
Closing Stock :		
Finished Goods	1,46,964	1,45,132
Traded Items	5,48,890	5,48,890
	6,95,854	**6,94,022**
Total	**(1,832)**	**47,000**

Note 17
Manufacturing Expenses

Particulars	2016-17	2015-16
Consumbles & Stores	-	1,48,578
Workmen wages	-	1,16,105
Power & fuel	65,73,616	51,98,407
Fright In ward	1,05,955	22,390
Repairs to Machinery	1,75,066	1,45,764
Repairs to Buildings	-	3,700
Water Charges	1,70,487	2,78,298
Total	**70,25,124**	**59,13,242**

Note 18
Employee Benefits Expense

Particulars	2016-17	2015-16
Staff Salaries	41,13,060	36,45,887
Employer Contribution to PF	2,60,953	2,24,612
Employer Contribution to ESI	35,795	33,928
Staff Welfare	1,29,342	6,11,409
Directors Remunaration and other benefits	19,80,000	19,80,000
Total	**65,19,150**	**64,95,836**

Note 19
Finance costs

Particulars	2016-17	2015-16
Bank & LC Discounting Charges	1,04,522	-
Foreign Exchange Loss / Conversion Charges	-	11,475
Inspection / Loan Processing Charges	1,20,408	-
Interest on CC & SOD (Andhra Bank)	26,99,045	23,71,886
Interest on Corporation Bank Car Loan	-	40,252
Interest on TataCapital Fin Service(BL)	-	1,19,086
Interest on Term Loans (Andhra Bank)	6,73,458	15,37,157
Interest on VolksWagen Finance Car loan	70,195	88,015
Interest on Skoda Superb Car Car loan - HDFC	1,16,576	1,63,590
Interest on others	919	1,000
Renewal Charges	12,000	6,000
Other Finance Charges / Interest	1,42,896	1,25,063
Total	**39,40,019**	**44,63,524**

Note 20
Other expenses

Particulars	2016-17	2015-16
Audit fee	1,00,000	1,00,000
Advertisement Expenses	14,520	12,600
Subscriptions	3,72,580	2,70,396
Bad debts/Advances written off	-	23,924
Computer Exp	11,926	24,490
Insurance	1,54,008	2,39,773
Job Work Charges	52,115	-
Maintenance/Transportation	-	23,050
Office Expenses	1,40,922	2,03,516
Postage & Telephones	1,22,693	1,43,924
Printing & Stationary	60,849	55,813
Professional & Consultancy Charges	2,05,474	1,41,408
Rates & Taxes	16,430	11,900
Security Charges	3,67,200	3,28,800
Travelling & Conveyance	1,66,491	74,180
Vehical Maintainance	5,34,706	4,26,334
Property Tax	-	2,64,714
Penalty / Interest Expenses	-	1,07,434
Total	**23,19,914**	**24,52,256**

Note 21
Prior Period Expenses/Income

Particulars	2016-17	2015-16
Audit Fee (2012-13)	-	-
Prior Period (Income)/Expenses	-	-
Total	**-**	**-**

MEASUREMENT AND DISCLOSURES AS PER ACCOUNTING STANDARDS

A. Significant Accounting Policies – (AS-1):

1. **Basis of Preparation of Financial Statements:**

   Financial The Financial statements have been prepared under the historical cost convention on accrual basis. The mandatory applicable accounting standards in India and the provisions of the companies Act, 2013 have been followed in preparation of these financial statements.

   All assets and liabilities have been classified as current or non-current as per the operating cycle criteria set out in the Revised Schedule III to the Companies Act, 2013.

2. **Use of Estimates:**

   The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. **Revenue Recognition:**

   Revenue from sale of goods is recognized when significant risks and rewards in respect of ownership of products are transferred to customers. Revenue from domestic sales of products is recognized on dispatch of products. Revenue from export sales is recognized on shipment of products. Revenue from products is stated inclusive of duties, taxes but exclusive of returns, and applicable trade discounts and allowances.

   Interest income is recognized on time accrual basis, determined by the amount outstanding and the rate applicable.

4. **Fixed Assets:**

   Fixed assets are recognized at cost of acquisition and installation less accumulated depreciation. The cost comprises purchase price, fright, duties, levies, borrowing cost and directly attributable cost of bringing the assets to their working condition for intended use. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extend its estimated useful life.

5. **Depreciation:**

   Depreciation on fixed assets is provided on straight-line method by using the life of assets given in Schedule II of the Companies Act, 2013.

6. **Valuation of Inventories:**

   Inventories are valued at the lower of cost and net realizable value. Cost is arrived at by using weighted average method and includes all costs of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

7. **Tax Expense:**

   Deferred tax resulting from “Timing Difference” between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

8. **Dues to Micro, Small and Medium Enterprises**

There are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006; this information takes into account only those suppliers who have responded to the enquiries made by the Company for this purpose.

9. Employee Benefits

Retirement benefits to employees comprise of payments under Defined Contributions Plans like Provident Fund and payments under Defined Benefit Schemes like Gratuity and Leave Encashment

Payment under Defined Contribution plans are charged to revenue on accrual. The Liability in respect of defined benefit schemes is arrived based on actuarial valuation made at the end of the year by using projected unit credit method

10. Borrowing costs

Borrowing costs attributable to the acquisition or construction of qualifying assets are Capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

B. Other Notes to Accounts and Disclosures: -

1. Related party disclosures (AS-18):

a) Related Parties and their relationship:

i) Key Management Personnel (Directors)

- Prasad VSS Garapati, Managing Director
- Sahu Garapati, Whole time Director.

b) Transactions with the above parties

Particulars	**2016-17**	**2015-16**
Remuneration to Directors	19,80,000	19,80,000
Total	**19,80,000**	**19,80,000**

2. Remuneration to Auditors: -

Particulars	**2016-17**	**2015-16**
Audit fee	1,00,000	1,00,000

3. Earnings Per Share

Particulars	**2016-17**	**2015-16**
i) Profit After Tax	(262,15,930)	(121,52,192)
Less: Preference Dividend Including Tax Thereon	0	0
Profit attributable to equity shareholders	(262,15,930)	(121,52,192)
ii) Weighted average number of equity shares		
Equity shares as at beginning of the year	79,41,400	79,41,400
Add: Adjustment for shares issued during the year on conversion of warrants	0	0
Total Weighted average number of equity shares	**7941400**	**7941400**
Basic Earnings per Share	(3.30)	(1.53)
Diluted Earnings per Share	(3.30)	(1.53)

4. Contingent Liabilities and commitments – (AS-29):

a. Contingent Liabilities:

i. Guarantees and letters of credit: Nil

1) Bank Guarantees issued by Bankers – Rs. Nil (Previous year Rs Nil)

5. Materials and Goods:

a) Goods Purchased (in Rs)

Particulars	2016-17	2015-16
Purchases	65,31,942	54,67,846

b) Raw Material Consumed

Particulars	2016-17	2015-16
Raw material consumption	80,40,326	62,38,424

c) Sales

Particulars	2016-17	2015-16
Sale of finished goods	21608095	1,66,05,959

6. The Previous year's figures have been regrouped and recast wherever necessary to bring them in line with the current year's figures.

For RAMASAMYKOTESWARA RAO & Co.
Chartered Accountants
Firm Reg. No.010396S

Sd/-
(C.V. Koteswara Rao)
Partner
Membership No.028353
Place: Hyderabad
Date: 29-05-2017

For and on behalf of the Board

Sd/-	Sd/-
Prasad VSS Garapati	Sahu Garapati
Managing Director	Director
DIN : 00209436	DIN : 02546999

EVOTING PROCESS

Process and manner for members opting for e-voting are as under:

The Company is offering e-voting facility to its members enabling them to cast their votes electronically. The Company has signed an agreement with M/s Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their votes electronically pursuant to Rule 20 of Companies (Management and Administration) Rules, 2014. The instructions for e-voting are as under:

(i) The voting period begins on Monday 25th September, 2017 at 10.00 AM and ends on Wednesday, 27th September, 2017 at 5.00 PM. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iii) Click on "Shareholders" tab.

(iv) Now, select the **"INNOCORP LIMITED"** from the drop down menu and click on "SUBMIT"

(v) Now Enter your User ID

(vi) For CDSL: 16 digits beneficiary ID,

(vii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

(viii) Members holding shares in Physical Form should enter Folio Number registered with the Company.

(ix) Next enter the Image Verification as displayed and Click on Login.

(x) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(xi) If you are a first time user follow the steps given below:

	bers holding shares in Demat Form and Physical Form
	ur 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Dema shareholders as well as physical shareholders) s who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. he sequence number is less than 8 digits enter the applicable number of 0's before the number afte the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
	e Date of Birth as recorded in your demat account or in the company records for the said dema account or folio in DD/MM/YYYY format.
l Bank Details	e Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. nter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(xii) After entering these details appropriately, click on "SUBMIT" tab.

(xiii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xiv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xv) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xvi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xvii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xviii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xx) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

(xxi) If Demat account holder has forgotten the password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xxii) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to **https://www.evotingindia.co.in** and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com.**
- After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to **helpdesk.evoting@cdslindia**.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at **www.evotingindia.co.in** under help section or write an email to **helpdesk.evoting@cdslindia.com.**
- Kindly note that the shareholders can opt only one mode of voting i.e. either by e-voting or physical mode. If you are opting for e-voting, then do not vote by physically also and vice versa. However, in case shareholders cast their vote physically and e-voting, then voting done through e-voting will prevail and voting done physically will be treated as invalid.
- The Company has appointed Mr. Jineshwar Kumar Sankhala, Practicing Company secretary, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meetin

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING
(To be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Innocorp Limited.

I hereby record my presence at the 23rd Annual General Meeting of the shareholders of Innocorp Limited on Thursday, 28th September, 2017 At 12.00 PM at Registered Office of the Company at Plot No. 41, IDA, Mallapur, Hyderabad, Telangana, India.

DP ID*	REG.FOLIO NO.
CLIENT ID*	NO OF SHARES

*Applicable if shares are held in electronic form

Name and Address of Member

Signature of Shareholder
Representative (Please Specify)

FORM NO. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L99999TG1994PLC018364		
Name of the Company	INNOCORP LIMITED		
Registered Office	Plot No. 41, IDA, Mallapur, Hyderabad, Telangana, India		
Name of the Member			
Registered Address			
Email ID			
Folio No/ Client ID		DP ID.:	

I/We, being the member(s) of ____________ shares of the above named company, hereby appoint

1	Name:	
	Address	
	Email ID	Signature
	Or failing him	
2	Name:	
	Address	
	Email ID	Signature
	Or failing him	
3	Name:	
	Address	
	Email ID	Signature
	Or failing him	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual general meeting of the company, to be held on the Thursday 28th day of September, 2017 at 12.00 p.m.

at Plot No. 41, IDA, Mallapur, Hyderabad, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below:

S l No	Resolutions	For	Against
1.	Consider and adopt audited financial statements as at 31.03.2017 and profit and loss accounts for the year ended and the reports of the board of Directors and Auditors		
2.	Re-appointment of Sahu Garapati Director who retires by rotation		
3.	Ratification of Appointment of Statutory Auditors		
4.	Re-appointment of Prasad VSS Garapati as Chairman & Managing Director		
5.	Re-appointment of Saraswathi Kovelamudi as Whole Time Director		
6.	Re-appointment of Sahu Garapati as Whole Time Director		

Signed this …………. day of ………………. 2017.

Affix
Revenue
Stamp

Signature of shareholder: Signature of Proxy holder(s):

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.