INNOCORP LIMITED

(Formerly Known as Innosoft Technologies Limited)

DATE: 16TH OCTOBER, 2018

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

SCRIPCODE: 531929

Dear Sir,

SUB: -24th Annual General Meeting

With reference to the Above Cited Subject, please find the enclosed Annual Report for the financial year 2017-18 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members in the 24th Annual General Meeting.

This is for the information and necessary records

Yours Truly,
For INNOCORP LIMITED

VENU GARAPATI
CFO

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**

24TH
ANNUAL REPORT
2017 – 2018

INNOCORP LIMITED

24TH ANNUAL GENERAL MEETING

Thursday 27th Day of September, 2018 AT 12:00 PM,
At Plot No. 41, IDA, Mallapur, Hyderabad. Telangana - 500076, India

Contents: Page No.

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
6.	Mr. Naga Mohan Babu Mangalapurapu	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

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

BANKERS
Andhra Bank
Mallapur, Hyderabad

REGISTERED OFFICE

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

SHARE TRANSFER AGENTS

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

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 24th 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, 27th September, 2018 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, 2018 and the Profit and Loss account for the year ended on 31st March, 2018 and the Report of Directors' and the Auditors thereon.

2. To appoint a Director in place of Saraswathi Kovelamudi (DIN-01874573), who retires by rotation, being eligible offers herself for re-appointment

SPECIAL BUSINESS:

3. APPOINTMENT OF MR. NAGA MOHAN BABU MANGALAPURAPU (DIN : 08013083) AS NON- EXECUTIVE INDEPENDENT DIRECTOR OF THE COMPANY

   "To consider and if thought fit to pass with or without modification(s) the following resolution as an **ORDINARY RESOLUTION"**:

   "**RESOLVED THAT** pursuant to the provisions of section 149,150 and 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 ("**The Act**") and the Companies (Appointment and Qualification of Directors)Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) Mr. Naga Mohan Babu Mangalapurapu (DIN : 08013083)), who was appointed as an Additional Director (Independent) of the Company by the Board of Directors as per Section 161(1) of the Act, at their meeting held on 08th day of February, 2018 and who holds office only upto the date of the ensuing Annual General Meeting, who has submitted a declaration that he meets the criteria of independence as provided in section 149(6) of the Act and the Company hereby approves the appointment of Mr. Naga Mohan Babu Mangalapurapu as Non-Executive Independent Director for a term of 5 (Five) consecutive years with effect from 08th day of February, 2018, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act along with the deposit of requisite amount proposing the candidature of Mr. Naga Mohan Babu Mangalapurapu for the office of Director, be and is hereby appointed as a independent Director of the Company, whose office shall not be liable to retire by rotation."

By order of the Board
For INNOCORP LIMITED

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

Place: Hyderabad
Date: 14th August 2018

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 21st SEPTEMBER, 2018 TO THURSDAY 27th SEPTEMBER, 2018** (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 24th 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, 24th September, 2018 to 05.00 P.M. on Wednesday, 26th September, 2018
   E-voting shall not be allowed beyond 05.00 P.M. on 26th September, 2018. 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.Anand Kumar Kasat, 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
INNOCORP LIMITED

Sd/-

Place: Hyderabad
Date: 14th August 2018

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

Information in respect of directors seeking appointment/re-appointment

NAME OF THE DIRECTORS	SARASWATHI KOVELAMUDI	NAGA MOHAN BABU MANGALAPURAPU
Date of first appointment	21-09-1994	08/02/2018
Date of birth/age	22/04/1955	08/08/1983
Expertise in specific functional areas	**Marketing**	**Marketing & HR**
Educational qualification	BSC	MBA
Chairman/member of the committees of Board of Directors of the company	Nil	Nil
List of Directorships, Committee Chairmanship, Membership held in other companies as on dated excluding private limited Company and Section 8	INNOVATIONS PAYMENT SERVICES LIMITED	Nil

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

Item No -3

Mr.Naga Mohan Babu Mangalapurapu, (DIN - 08013083) who was appointed as an Additional Director of the company w.e.f. 8th February, 2018 pursuant to the provisions of Section 161 and other applicable provisions if any of the Companies Act, 2013, holds office up to the date of this Annual General Meeting of the company and is eligible for appointment. In terms of Section 160 of the Companies Act, 2013, the company has received a notice in writing along with a deposit of requisite amount from a Member signifying his intention to propose the candidature of Mr.Naga Mohan Babu Mangalapurapu for the office of Director.

The provisions of the Companies Act, 2013 with respect to appointment and tenure of the independent directors have come into effect. as per the said provisions, the independent directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

In terms of Section 149, 150, 152, 160 and other applicable provisions of the Companies Act, 2013, Mr.Naga Mohan Babu Mangalapurapu, being eligible, offer himself for appointment as Independent Director on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Mr.Naga Mohan Babu Mangalapurapu, as Independent Director on the Board of the Company for a term upto five (5) consecutive years, from 08.02.2018. A brief profile of proposed Independent Director, including nature of their expertise, is provided in the Annual Report

Notices have been received from Members proposing candidate of the above Director for the office of Independent Director of the Company. In the opinion of the Board, Mr.Naga Mohan Babu Mangalapurapu, fulfill the conditions specified in the Companies Act, 2013 and the Rules made there under for appointment as Independent Director of the Company. A copy of the draft Letter of Appointment for Independent Director, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day and is also available on the website of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, is concerned or interested, financially or otherwise, in these Resolutions. The Board commends the Ordinary Resolution as set out at item no. 3 for approval of the Members

By order of the Board
INNOCORP LIMITED

Sd/-

Place: Hyderabad
Date: 14th August 2018

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

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 24th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2018.

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

PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017
Sales (Excl. Duties and Taxes)	122.17	216.08
Other Income	0.00	0.00
Total Income	**122.17**	**216.08**
Total Expenditure	**239.54**	**278.42**
Profit Before Depreciation and Taxation	-26.18	-55.05
Depreciation	44.94	48.39
Profit Before Tax	**-18.75**	**-103.44**
Tax	49.66	158.71
Net Profit / (Loss)	**-68.42**	**-262.16**

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, 2018, 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 2017-18, Your Company has incurred loss, hence your Directors do not recommend any dividend for the Financial Year 2017-18.

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, five board meetings were held on 19.05.2017, 01.09.2017, 14.09.2017, 14.11.2017, and 8.02.2018. 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, Saraswathi Kovelamudi, Director of the Company will retire by rotation and at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment.

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 2017-18 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 2017-18 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 At the Annual General Meeting (AGM) held on September 30, 2016, M/s. Ramasamy Koteswara Rao & Co (FRN: 010396S), Chartered Accountants, were appointed as the Statutory Auditors of the Company to hold office from the conclusion of that AGM till the conclusion of the 27th AGM (subject to ratification of the appointment by the members at every AGM held after that AGM) at such remuneration as may be decided by the Board of Directors. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditor shall be placed for ratification at every Annual General Meeting.

Accordingly, Company has received a certificate from the auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

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 the 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.Anand Kumar Kasat 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: 14th August 2018
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	759222	790822
Total Amount	Rs. 64,14,083	Rs. 64,81,273
Rate/Unit	Rs. 8.45	Rs. 8.19

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:

	2017-18
Foreign exchange earnings	NIL
Foreign exchange outgo	NIL

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: 14th August 2018
Place: Hyderabad

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: 14th August 2018
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, 2018
[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, 2018 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, 2018 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: 01.08.2018

Sd/
Anand Kumar Kasat
Company Secretary

ANNEXURE D

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2018

[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 31.03.2018				% 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	1662838	8000	1670838	21.04	0.09
Central Govt									
State Govt (s)									
Bodies Corp	685000	0	685000	8.63	685100	0	685100	8.63	0
Banks / FI									
Any Other									
Sub-total(A)(1):-	**2340867**	**8000**	**2348867**	**29.58**	**2347938**	**8000**	**2355938**	**29.67**	**0.09**
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**	**2347938**	**8000**	**2355938**	**29.67**	**0.09**
(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	156520	19700	176220	2.22	178283	19700	197983	2.49	0.27
Individuals **(i**) Individual shareholders holding nominal share capital upto Rs. 2 lakh	2114262	133801	2248063	28.31	2087376	133801	2220177	27.96	(0.35)
(ii) Individual	763117	24000	78711	9.91	75662	24000	780620	9.83	(0.08)

shareholders holding nominal share capital in excess of Rs 2 lakh			7		0				
OTHERS									
NRI	2308933	69200	2378133	29.94	2314482	69200	2383682	30.02	0.08
Clearing Member	2100	0	2100	0.03	2100	0	2100	0.03	0
Sub-total(B)(2)	**5344932**	**246701**	**5591633**	**70.41**	**5338861**	**246701**	**5584562**	**70.32**	**(0.09)**
TotalPublic Shareholding **(B)=(**B)(1)+(B)(2)	**5345732**	**246801**	**5592533**	**70.42**	**5339661**	**246801**	**5585462**	**70.33**	(0.09)
C. Shares held by Custodian for GDRs &ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**7686599**	**254801**	**7941400**	**100**	**7687599**	**253801**	**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	359237	4.52	0	0.08
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	685100	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.):	Increased by buying			
	At the end of the year	2355938	29.67	2355938	29.67

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 (01-04-17 to 31-03-18	
		No. of Shares at the beginning (01-04-17)/ end of the year (31-03-18)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	ZAHARA BEGUM	1150000	14.48	01.04.2017		NIL Movement During The year		
					0			
		1150000	14.48	31.03.2018			1150000	14.48
2.	KATRAGADDA DEVI PRASAD	1025000	12.91	01.04.2017		NIL Movement During The year		
					0			
		1025000	12.91	31.03.2018			1025000	12.91
3.	RAJ KUMAR LOHIA	184178	2.32	01.04.2017		NIL Movement During The year		
					0			
		184178	2.32	31.03.2018			184178	2.32
4.	GUTHI KONDA MURALI	63200	0.80	01.04.2017		NIL		

					0	Movement During The year		
		63200	0.80	31.03.2018			63200	0.80
5.	ZEN SECURITIES LTD	39712	0.50	01.04.2017		Transfer		
					39712			
		0	0	31.03.2018			0	0
6.	RAJCHANDRA CAPITAL SERVICES	25822	0.33	01.04.2017		NIL Movement During The year		
					0			
		25822	0.33	31.03.2018			25822	0.33
7.	SHRI PARASRAM HOLDINGS PVT.LTD	25530	0.32	01.04.2017		Purchase		
					5786		31316	0.39
		31316	0.39	31.03.2018			31316	0.39
8.	MADAN BHAGCHAND MELWANI	25000	0.32	01.04.2017		NIL Movement During The year		
					0			
		25000	0.32	31.03.2018			25000	0.32
9.	P KRISHNA REDDY	17500	0.22	01.04.2017		NIL Movement During The year		
					0			
		17500	0.22	31.03.2018			17500	0.22
10.	S P CORPORATE SERVICES PRIVATE LIMITED	17500	0.22	01.04.2017		NIL Movement During The year		
					0			
		17500	0.22	31.03.2018			17500	0.22
11.	JYOTI PORTFOLIO LIMITED	0	0	01.04.2017		Purchase		
					20599		20599	0.26
		20599	0.26	31.03.2018			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 (01-04-17 to 31-03-18)	
		No. of Shares at the beginning (01-04-17)/ end of the year (31-03-18)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	**Prasad V S S Garapati**	837950	10.55	01.04.2017	-	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	31.03.2018	0		837950	10.55
2	**K. Saraswathi**	100	0.00	01.04.2017	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	31.03.2018	0		100	0.00
3	**Sahu Garapati**	142251	1.79	01.04.2017	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	31.03.2018	0		142251	1.79
4	**Sri Venkaiah Doniparthi**	**None of the Directors hold shares in the Company**						
5	**Cherukuri Subrahmanyam**							
6	**Naga Mohan Babu Mangalapurapu**							

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	27223912 0	13672369 0	0 0	40896281 0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	27223912	13672369	0	40896281
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	(10676769)	(1602552)	0	(12279321)
Net Change	(10676769)	(1602552)	0	(12279321)
Indebtedness at the end of the financial year				
i) Principal Amount	16547143	12069817	0	28616960
ii) Interest due but not paid			0	
iii) Interest accrued but not due			0	
Total (i+ii+iii)	16547143	12069817		28616960

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) Sah	
	(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 the Companies ACT	Brief Description	Details of Penalty /punishment Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, 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 2017-18 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2017-18:

Name of the Director/Key Managerial Personnel	Remuneration of Directors & KMP for the financial year 2017-18 (Rs.)	% increase in Remuneration in the financial year 2017-18	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: 12

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 2017-18 is based on the individual performance and Company's performance during the previous financial year 2016-17. 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	2,65,72,325
Remuneration of KMP as a % of revenue	9.26%
Profit / Loss(-) Before Tax (PBT)	-18,75,246
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, 2018	As at March 31, 2017	Variation
Market Capitalization (in ` Crores)	1.71	2.00	-14.63%
Market Price	2.15	2.52	-14.63%
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	2,65,72,325	2.94	-18,75,246	NA
SARASWATHI KOVELAMUDI	6,60,000	2,65,72,325	2.48	-18,75,246	NA
SAHU GARAPATI	5,40,000	2,65,72,325	2.03	-18,75,246	NA
VENU GARAPATI	4,80,000	2,65,72,325	1.81	-18,75,246	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 Innocorp Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

TO

THE BOARD OF DIRECTORS OF INNOCORP LIMITED

We have audited the accompanying statement of financial results of M/s. INNOCORP LIMITED ('The company') for the quarter and year ended 31st March, 2018 ('Financial results'), attached herewith being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by the circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016.

These financials results have been prepared on the basis of the annual Ind AS financial statements, which are the responsibility of the company's management and approved by the board of directors Our responsibility is to express an opinion on this financial results based on our audit of such Ind AS financial statements which have been prepared in accordance with the recognition and measurement principals laid down in Indian accounting standards ('Ind AS') prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

We conducted our audit in accordance with standards on auditing issued by the Institute of Chartered Accountants of India generally accepted in India. Those standards require that we complied with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit involve includes examining on test basis evidence supporting the amounts disclosed as financials results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

We believe that our audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us this statement:

(i) Are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by the circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016 and

(ii) Gives a true and fair view of the net loss (financial performance including other comprehensive income) and other financial information for the quarter and year ended 31 March 2018.

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Regn. No. 010396S/S200084
Sd/-

(C.V. Koteswara Rao)
Partner
Membership No. 028353

Place: Hyderabad
Date: 30th May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of INNOCORP LIMITED

Report on the Standalone Ind AS financial statements

We have audited the accompanying Standalone Ind AS financial statements of INNOCORP LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as "standalone Ind AS financial statements").

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 Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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 Standalone Ind AS 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 of the Standalone Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 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 Standalone Ind AS 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 Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.

An audit also includes evaluating the appropriateness of 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 Standalone Ind AS 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 Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Standalone Ind AS 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, 2018, **its Loss** including other comprehensive income, its cash flows and the changes in equity 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") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure1** 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 us 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, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
(d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts)Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 2**" to this report;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of 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 it's 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.

For Ramasamy Koteswara Rao and Co LLP,
Chartered Accountants
Firm Registration Number:
010396S/S200084
Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353

Place: Hyderabad
Date: 30-05-2018

Annexure-1 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, 2018)

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)All fixed assets have been physically verified by the management during the year in accordance with a phased program of verification which, in our opinion is reasonable having regard to the size of the company and the nature of its assets. According to the information furnished to us, no material discrepancies have been noticed on such verification.

   (c) According to the information and explanations given by the management, 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 applicable to the Company and hence not commented.

iv. The company doesn't have granted loans and not made investments. 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 within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order 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, Duty of Customs, Duty of Excise, Value added Tax, Goods and Service 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, 2018 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, duty of customs, duty of excise, value added tax, Goods and Service Tax outstanding on account of dispute.

viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowings to banks. There are no dues which are payable to financial institutions or debenture holders or government.

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 for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company 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 3(xii) of the order are not applicable to the Company and hence not commented upon.

xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and hence not commented upon.

xv. According to 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 as referred to in section 192 of Companies Act, 2013.

xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company and hence not commented upon.

For Ramasamy Koteswara Rao and Co LLP,
Chartered Accountants
Firm Registration Number:
010396S/S200084
Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353

Place: Hyderabad
Date: 30-05-2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INNOCORP LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of INNOCORP LIMITED

We have audited the internal financial controls over financial reporting of INNOCORP LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls
The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the 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.

Auditor's 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 as specified under section 143(10) of the Companies Act, 2013, to the extent 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 judgment, 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 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 authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 2018, 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 and Co LLP,
Chartered Accountants
Firm Registration Number:
010396S/S200084
Sd/-
(C V Koteswara Rao)
Partner
Membership No.028353

Place: Hyderabad
Date: 30-05-2018

Balance Sheet as at March 31, 2018

	Notes	March 31, 2018	March 31, 2017	April 1, 2016
Assets				
Non current assets				
Property, plant and equipment	3	3,32,72,241	4,25,25,806	4,72,30,148
Intangible assets		-	-	-
Investments		-	-	-
Financial assets				
Investments		-	-	-
Trade receivables	8	3,10,649	3,10,649	13,50,000
Loans and advances	5	13,29,142	12,28,830	12,28,830
Other non current financials assets		-	-	-
Non current tax assets		-	-	-
Deferred tax assets (net)	27	78,91,808	1,28,58,257	2,87,29,910
		4,28,03,840	**5,69,23,542**	**7,85,38,888**
Current assets				
Inventories	7	36,80,235	48,52,355	63,58,907
Financial assets				
Trade receivables	8	26,34,876	18,87,541	25,06,498
Cash and cash equivalents	9	52,870	61,084	1,62,980
Loans and advances	5	1,91,610	-	-
Other current financial assets	6	18,76,238	16,81,618	14,49,767
Other current assets		-	-	-
		84,35,829	84,82,598	1,04,78,152
TOTAL		**5,12,39,670**	**6,54,06,140**	**8,90,17,040**
Equity and liabilities				
Equity				
Equity share capital	10	7,94,14,000	7,94,14,000	7,94,14,000
Other equity	11	-7,08,70,010	-6,40,28,317	-3,78,12,387
		85,43,990	**1,53,85,683**	**4,16,01,613**
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	12	81,02,280	1,23,59,552	47,93,303
Trade Payables		-	-	-
Other financial liabilities		-	-	-
Deferred tax liabilities (net)		-	-	-
Provisions		-	-	-
Other Laibilities			-	-
		81,02,280	**1,23,59,552**	**47,93,303**
Current liabilities				
Financial liabilities				
Borrowings	12	2,05,14,678	2,85,36,730	3,67,26,544
Trade Payables	13	33,40,963	24,58,149	14,36,494
Other financial liabilities		13,62,100	-	-
Provisions		-	-	-
Other current liabilities	14	93,75,659	66,66,026	44,59,086
		3,45,93,400	**3,76,60,905**	**4,26,22,124**
TOTAL		**5,12,39,670**	**6,54,06,140**	**8,90,17,040**
Summary of significant accounting policies	2.1			

The accompanying notes are an integral part of the financial statements.
As per our report of even date.

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Registration Number :010396S/S200084
Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353
Place: Hyderabad
Date: 29/05/18

for **Innocorp Limited**
For and on behalf of the Board

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

Statement of Profit and Loss for the year ended March 31, 2018

	Notes	For the year ended March 31 2018	For the year ended March 31 2017
Revenue			
Revenue from operations	15	1,22,17,338	2,16,08,095
Other income	16	1,43,54,987	7,29,155
Total Revenue (i)		**2,65,72,325**	**2,23,37,250**
Expenses			
Manufacturing Expenses	17	1,22,41,988	1,50,63,618
Employee benefits expenses	17	58,24,270	65,19,150
Other expenses	18	27,11,716	23,19,914
Total expenses (ii)		**2,07,77,973**	**2,39,02,682**
Earnings before interest, tax, depreciation and amortization (i-ii)		**57,94,352**	**-15,65,432**
Finance costs	23	31,75,758	39,40,019
Depreciation and amortization expenses	24	44,93,840	48,38,826
Profit before tax		**-18,75,246**	**-1,03,44,277**
Tax expense			
Current tax		-	-
Less: MAT credit entitlement		-	-
Taxes for earlier years		-	-
Deferred tax (credit)		49,66,447	1,58,71,653
Total tax expense		**49,66,447**	**1,58,71,653**
Net profit after tax		**-68,41,693**	**-2,62,15,930**
Items of other comprehensive income			
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		-	-
Income tax effect		-	-
Net (loss)/gain on FVTOCI equity securities			
Income tax effect			
Total other comprehensive income		-	-
Total comprehensive income for the year		**-68,41,693**	**-2,62,15,930**
Earnings per share (EPS) (of Rs.10/each) (amount in Rs.)	18		
Basic		-2	
Diluted		-2	-
Summary of significant accounting policies	2.1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Registration Number :010396S/S200084

Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353
Place: Hyderabad
Date: 29/05/18

for Innocorp Limited
For and on behalf of the Board

Sd/-
Prasad VSS Garapati
Managing Director
DIN: 00209436

Sd/-
Sahu Garapati
Director
DIN: 02546999

Cash Flow Statement for the year ended March 31, 2018

		For the year ended March 31, 2018	For the year ended March 31, 2017
Cash flow from operating activities			
Profit before taxation		**-18,75,246**	**-1,03,44,277**
Non-cash adjustment to reconcile profit before tax to net cash flows:			
Depreciation and amortisation		44,93,840	48,38,826
Interest income		-81,082	81,082
Unwinding of discount on security deposit		-	81,082
Interest expense (including fair value change in financial instruments)		31,75,758	2,24,930
Unrealised foreign exchange loss (net)		-	-
(Profit)/loss on sale of assets (net)		1,42,73,905	5,82,438
Provision for service tax receivable		4,86,911	-
Provision no longer required written back		-	-
Provision for doubtful trade receivables		-	-
Provision for onerous contract		-	-
Re-measurement gains (losses) on defined benefit plans		-	-
Operating profit before working capital changes		**2,04,74,086**	**-45,35,919**
Movements in working capital:			
(Increase)/decrease in trade receivables		-7,47,335	6,18,957
Increase in other assets		-3,86,230	-3,25,163
Increase in current liabilities and provisions		-1,15,40,762	1,15,37,921
Cash generated from operations		**77,99,759**	**72,95,796**
Direct taxes paid (net of refunds)		-	-
Net cash generated from operating activities	**(A)**	**77,99,759**	**72,95,796**
Cash flows from investing activities			
Purchase of fixed assets		-46,05,780	-16,01,029
Proceeds from sales of fixed assets		-49,08,400	8,84,107
Redemption/ maturity of bank deposits (having original maturity of more than three months)		-	-
Interest received		81,082	-68,852
Net cash used in investing activities	**(B)**	**-94,33,098**	**-7,85,774**
Cash flows from financing activities			
Proceeds from issue of shares including share premium	**18**	-	-
Interest paid		-31,75,758	-2,24,930
Repayment of loan		1,22,38,036	-7,43,076
Net cash generated from/used in financing activities	**(C)**	**90,62,279**	**-9,68,006**
Net decrease in cash and cash equivalents	**(A+B+C)**	**74,28,940**	**55,42,016**
Effect of exchange differences on cash and cash equivalents held in foreign currency		-	-
Cash and cash equivalents at the beginning of the year		61,084	3,775
Cash and cash equivalents at the end of the year		**74,90,024**	**55,45,791**
Components of cash and cash equivalents			
Cash on hand		9,644	9,021
Balances with scheduled banks			
Current accounts		43,226	52,063
Fixed deposits		-	-
Remittance in transit		-	-
Total cash and cash equivalents (refer note 10)		**52,870**	**61,084**

As per our report of even date.

For Ramasamy Koteswara Rao and Co LLP
Chartered Accountants
Firm Registration Number :010396S/S200084
Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353
Place: Hyderabad
Date: 29/05/18

for **Innocorp Limited**
For and on behalf of the Board

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

Statement of Change in equity for the year ended March 31, 2018

(a) Equity share capital

	No.	Amount
Equity shares of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2016	79,41,400	7,94,14,000.00
Issue of Shares(refer note 13)	-	-
Preference shares of Rs. 10 each issued, subscribed and fully paid	-	-
As at April 1, 2016		
Issue of Shares(refer note 13)	-	-
As at March 31, 2017	**79,41,400**	**7,94,14,000.00**
Issue of Shares(refer note 13)	-	-
As at March 31, 2018	**79,41,400**	**7,94,14,000.00**

(b) Other equity

	March 31, 2018	March 31, 2017
Retained earnings		
Balance, at the beginning of the year	-13,18,48,446.83	-10,56,32,516.83
Profit for the year	-68,41,693.12	-2,62,15,930.00
Items recognised directly in Other Comprehensive Income		
Remeasurement of post-employment benefits obligations (refer note 26)	-	-
Balance, at the end of the year	**-13,86,90,139.95**	**-13,18,48,446.83**
General reserve	-	-
Securities premium		
Balance, at the beginning of the year	6,47,05,000.00	6,47,05,000.00
Issue of shares	-	-
Balance, at the end of the year	**6,47,05,000.00**	**6,47,05,000.00**
FVTOCI Reserve		
Balance, at the beginning of the year	-	-
Movement during the year	-	-
Balance, at the end of the year	-	-
	-7,39,85,139.95	**-6,71,43,446.83**

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For Ramasamy Koteswara Rao and Co LLP

Chartered Accountants
Firm Registration Number :010396S/S200084
Sd/-
C.V.Koteswara Rao
Partner
Membership No: 28353
Place: Hyderabad
Date: 29/05/18

for **Innocorp Limited**
For and on behalf of the Board

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

INNOCORP LIMITED

Notes to the Financial Statements for the year ended March 31, 2018

3. Property, plant and equipment and Intangible assets

	Land	Buildings	Plant and equipments	Furniture and fixtures	Office equipment	Vehicles	Total (Property,plant and equipment)
Deemed Cost							
As at April 01, 2016	48,71,009.00	95,65,178.00	8,58,37,094.00	5,01,955.00	11,71,305.00	57,47,472.00	10,76,94,013.00
Additions			2,52,046.00		-		2,52,046.00
Disposals	-	-	-	-	-	14,66,545.00	14,66,545.00
As at March 31, 2017	**48,71,009.00**	**95,65,178.00**	**8,60,89,140.00**	**5,01,955.00**	**11,71,305.00**	**42,80,927.00**	**10,64,79,514.00**
Additions					-	-	
Disposals	37,96,780.00	-	35,98,725.00	-	-	19,70,000.00	93,65,505.00
As at March 31, 2018	**10,74,229.00**	**95,65,178.00**	**8,24,90,415.00**	**5,01,955.00**	**11,71,305.00**	**23,10,927.00**	**9,71,14,009.00**
Depreciation							
As at April 01, 2016	-	50,74,788.00	5,22,00,698.00	5,01,956.00	10,61,837.00	16,24,586.00	6,04,63,865.00
Charge for the year	-	3,18,313.00	35,43,139.00	-	38,614.00	9,38,760.00	48,38,826.00
Disposals	-	-	-	-	-	13,48,983.00	13,48,983.00
As at March 31, 2017	**-**	**53,93,101.00**	**5,57,43,837.00**	**5,01,956.00**	**11,00,451.00**	**12,14,363.00**	**6,39,53,708.00**
Charge for the year		3,18,313.00	35,27,795.00	-	40,845.00	6,06,887.00	44,93,840.00
Disposals	-	-	35,98,725.00	-	-	10,07,055.00	46,05,780.00
As at March 31, 2018	**-**	**57,11,414.00**	**5,56,72,907.00**	**5,01,956.00**	**11,41,296.00**	**8,14,195.00**	**6,38,41,768.00**
Net block							
As at March 31, 2018	**10,74,229.00**	**38,53,764.00**	**2,68,17,508.00**	**-1.00**	**30,009.00**	**14,96,732.00**	**3,32,72,241.00**
As at March 31, 2017	**48,71,009.00**	**41,72,077.00**	**3,03,45,303.00**	**-1.00**	**70,854.00**	**30,66,564.00**	**4,25,25,806.00**
As at March 31, 2016	**48,71,009.00**	**44,90,390.00**	**3,36,36,396.00**	**-1.00**	**1,09,468.00**	**41,22,886.00**	**4,72,30,148.00**

Ind AS 101 Exemption : The Company has availed the exemption available under Ind AS 101, wherein the carrying value of property, plant and equipment and intangible assets has been carried forward at the amount as determined under the previous GAAP. Information regarding gross block of assets, accumulated depreciation and amortisation has been disclosed by the Company separately as follows :

	Land	Buildings	Plant and equipments	Furniture and fixtures	Office equipment	Vehicles	Total (Property,plant and equipment)
As at April 01, 2016							
Gross block	48,71,009.00	95,65,178.00	8,58,37,094.00	5,01,955.00	11,71,305.00	57,47,472.00	10,76,94,013.00
Accumulated depreciation and amortisation	-	50,74,788.00	5,22,00,698.00	5,01,956.00	10,61,837.00	16,24,586.00	6,04,63,865.00
Net Block	**48,71,009.00**	**44,90,390.00**	**3,36,36,396.00**	**-1.00**	**1,09,468.00**	**41,22,886.00**	**4,72,30,148.00**

INNOCORP LIMITED
Notes to the Financial Statements for the year ended March 31, 2018

5. Financial assets - Loans	Non Current			Current		
Loand and advances						
From Related party						
Unsecured, considered good	-	-	-		-	-
Innoprojects Pvt Ltd				1,10,370		
Innovations Capital Services Ltd				30,770		
Innovations Show Rooms (P) Ltd				50,470		
Unsecured, considered doubtful				-	-	-
	-	-	-	1,91,610	-	-
Less: Provision for doubtful advances						
	-	**-**	**-**	**1,91,610**	**-**	**-**
	-	**-**	**-**	**1,91,610**	**-**	**-**
Security deposits						
Deposit-CESTAT Case	8,698	8,698	8,698			
Deposits with Electricity Department	11,76,660	11,76,660	11,76,660			
Deposits with the Telephone Department	7,572	7,572	7,572			
Sales Tax Deposit	35,900	35,900	35,900			
Security Deposit (Customs)	1,00,312					
Total - Security Deposits	13,29,142	12,28,830	12,28,830	-		
Less: Provision for doubtful advance		-	-			
	13,29,142	12,28,830	12,28,830	-		
	13,29,142	**12,28,830**	**12,28,830**	**1,91,610**	**-**	**-**

6. Other financial assets						
Unsecured - Considered good						
MAT Credit Entitlement		-	-	9,80,977	9,80,977	9,80,977
Service Tax				-24,759	56,815	81,046
TDS Receivables				6,15,660	2,99,889	1,58,829
Interest on ICD Receivables		-	-	72,974	72,974	85,204
Excise Duty (Capital Goods)				1,46,395	17,359	-
Service Tax (ED, S & H Cess)				3,030	3,030	3,030
Input Credit (VAT)				-995	1,61,225	32,531
CENVAT Credit (ED, Ed.Cess, S & H Cess)				1,637	1,637	3,636
Input Ed. Cess, S & H Cess on Capital Goods				4,770	4,770	4,770
Prepaid expenses				40,048	82,942	99,744
Input CGST @ 9%				9,000		
Input SGST @ 9%				9,000		
Vat Appeal Deposit				18,500		
Unsecured - Considered Doubtful						
Unbilled revenue	-	-	-		-	
	-	-	-	18,76,238	16,81,618	14,49,767
Provision for doubtful receivables	-	-	-	-	-	
	-	**-**	**-**	**18,76,238**	**16,81,618**	**14,49,767**
	-	**-**	**-**	**18,76,238.08**	**16,81,617.97**	**14,49,767.00**

7. Inventories

	Non Current			Current		
	March 31, 2018	**March 31, 2017**	**April 1, 2016**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
a. Raw Materials and components				9,24,849	41,56,501	56,64,885
b. Finished goods				538	1,46,964	1,45,132
c.consumable goods				5,69,247		
d. Grinding materials				12,37,880	5,48,890	5,48,890
e.Packing material				9,47,722		
Total				**36,80,235**	**48,52,355**	**63,58,907**

8. Trade receivables

	March 31, 2018	**March 31, 2017**	**April 1, 2016**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Unsecured, considered good						
Related parties						
Others	3,10,649	3,10,649	13,50,000	26,34,876	18,87,541	25,06,498
Unsecured, considered doubtful						
Related parties			0			
Others		0	0		0	0
Less: Allowances for doubtful receivables	0	0	0	0	0	0
	3,10,649	**3,10,649**	**13,50,000**	**26,34,876**	**18,87,541**	**25,06,498**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.
Trade receivables are generally with the credit term of 30 to 45 days.

9. Cash and cash equivalents

	March 31, 2018	**March 31, 2017**	**April 1, 2016**
Balance with banks			
- In current accounts	43,226	52,063	1,56,462
- Deposit with original maturity of less than three months	-	-	-
Cash on hand	9,644	9,021	6,518
Unclaimed Dividend	-	-	-
	52,870	**61,084**	**1,62,980**

Cash at banks earns interest at floating rates based on daily bank deposit rates. Short-term deposits are made for varying period of between 35 days and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

INNOCORP LIMITED
Notes to the Financial Statements for the year ended March 31, 2018

10. Equity

	March 31, 2018	March 31, 2017	April 1, 2016
Authorised Shares (No.'s)			
i) Equity share capital			
1,20,00,000 Shares of RS.10/- each	12,00,00,000.00	12,00,00,000.00	12,00,00,000.00
ii) Preference share capital			
		-	-
	12,00,00,000.00	**12,00,00,000.00**	**12,00,00,000.00**
Issued, subscribed and paid up capital			
7941400 Shares of Rs.10/- each	7,94,14,000.00	7,94,14,000.00	7,94,14,000.00
	7,94,14,000.00	**7,94,14,000.00**	**7,94,14,000.00**

a) Reconciliation of number of equity shares outstanding and the amount of share capital

	March 31, 2018		March 31, 2017		April 1, 2016	
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	79,41,400	7,94,14,000.00	79,41,400	7,94,14,000.00	79,41,400	7,94,14,000.00
Issued during the year	-			-	-	-
Outstanding at the end of the year	**79,41,400**	**7,94,14,000.00**	**79,41,400**	**7,94,14,000.00**	**79,41,400**	**7,94,14,000.00**

b) Terms/Rights attached to shares
Equity shares:
The Company has only one class of equity shares having par value of ` 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing general meeting. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by equity shareholders.

c) Details of the shareholders holding more than 5% share in the Company

Name of the Shareholder	March 31, 2018		March 31, 2017		April 1, 2016	
	Number of shares held	% of holding	Number of shares held	% of holding	Number of shares held	% of holding
Equity shares of Rs. 10/- each fully paid up						
Prasad Garapati Venkata Shiva Sundara	8,37,950	10.55	5,01,600	6.32	5,01,600	6.32
Innovations Show Rooms Pvt ltd	6,85,000	8.63	6,85,000	8.63	6,85,000	8.63
Zahara Begum	11,50,000	14.48	11,50,000	14.48	11,50,000	14.48
Katragadda Devi Prasad	10,25,000	12.91	10,25,000	12.91	10,25,000	12.91
Preference shares:						
-	-	-	-	-	-	-

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial

INNOCORP LIMITED
Notes to the Financial Statements for the year ended March 31, 2018

11. Other equity

	March 31, 2018	March 31, 2017	April 1, 2016
Security premium			
Opening balance	6,47,05,000.00	6,47,05,000.00	6,47,05,000.00
Add: Premium on equity shares issued during the year			
Closing balance	**6,47,05,000.00**	**6,47,05,000.00**	**6,47,05,000.00**
General Reserve	**-**	**-**	**-**
Capital Reserve			
Investment Subsidy	31,15,130.00	31,15,130.00	31,15,130.00
Retained earnings			
Opening balance	-13,18,48,446.83	-10,56,32,516.83	-93480325.00
Adjustment			
Add: Net profit after tax transferred from statement of profit and loss	-68,41,693.12	-2,62,15,930.00	-12152191.83
Items of other comprehensive income directly recognised in retained earnings			
- Remeasurement of post employement benefit obligations, net of tax	-		-
Provision for doubtful debts-Remesurements			-
Provision for investments			-
Amount available for appropriations	**-13,86,90,139.95**	**-13,18,48,446.83**	**-10,56,32,516.83**
Fair Value through Other Comprehensive Income - Equity investments			
Opening Balance	-	-	-
Movement during the year	-		
Closing balance	**-**	**-**	**-**
Total	**-7,08,70,009.95**	**-6,40,28,316.83**	**-3,78,12,386.83**

12. Financial liabilities - Long term borrowings

	Non Current			Current		
	March 31, 2018	**March 31, 2017**	**April 1, 2016**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Unsecured loan						
Loan from directors	-	-	-	38,50,922.44	40,19,369.44	1,23,28,695.00
Laon from Gopal Raju				2,50,002.00		
Secured Loan						
a)Term Loans						
From Andhra Bank I		-	3,97,352.00		-	43,50,000.00
From Andhra Bank II		20,07,767.00	32,07,222.00	1,74,208.00	15,00,000.00	15,00,000.00
b) Vehicle Loans						
HDFC Bank - Skoda Superb		1,64,202.84	5,21,742.00	-	4,74,672.00	4,74,672.00
Volkswagen Finance - Vento	1,33,389.05	5,34,582.49	5,28,980.00	2,58,372.00	64,593.00	2,58,372.00
Corporation Bank - Cruze		-	1,38,007.00	-	-	1,50,000.00
c) Mortgage Loan	79,68,891.00	96,53,000.00	-			
d) Bank OD						
Andhra Bank SOD				1,59,81,173.69	2,24,78,095.14	1,76,64,805.00
	81,02,280.05	**1,23,59,552.33**	**47,93,303.00**	**2,05,14,678.13**	**2,85,36,729.58**	**3,67,26,544.00**

13. Financial liabilities - Trade payables

	Current		
	March 31, 2018	**March 31, 2017**	**April 1, 2016**
Trade Payable			
- Related parties	-	-	-
- Others	33,40,963.05	24,58,149.00	14,36,494.00
	33,40,963.05	**24,58,149.00**	**14,36,494.00**

Terms and conditions of the above financial liabilities:
i) Trade payables are non-interest bearing and are normally settled on 30-45 days terms.
ii) The dues to related party are unsecured and are normally payable within 30 days from the date of receipt of dema
iii) For explanations on the Company's credit risk management processes, refer to Note 35

INNOCORP LIMITED
Notes to the Financial Statements for the year ended March 31, 2018

14. Other liabilities

	Non Current			Current		
	March 31, 2018	**March 31, 2017**	**April 1, 2016**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Duties and Taxes				4,29,726	2,81,089	3,00,244
Audit fee Payable	-	-	-	2,11,524	3,09,174	2,04,174
Proffessional and consultancy charges payable				1,96,593		
Factory Charges Payable	-	-	-	7,28,839	9,36,739	8,95,368
Remunaration Payable		-	-	46,45,438	29,51,438	12,77,438
Salaries and wages Payable	-	-	-	20,28,102	13,79,073	8,59,794
TDS Payable				2,13,702	2,34,529	2,15,726
Property Tax Payable				2,64,714	5,73,985	7,06,342
Advance Received from suppliers				6,57,021		
	-	**-**	**-**	**93,75,659**	**66,66,026.10**	**44,59,086.00**

19. Provisions

	Non Current			Current		
	March 31, 2018	**March 31, 2017**	**April 1, 2016**	**March 31, 2018**	**March 31, 2017**	**April 1, 2016**
Provision for employee benefits (refer note 29)						
- Gratuity		-	-	-	-	-
- Companceted Absences		-	-	-	-	-
Provision For Income Tax	-					
Provision for interest on property tax	-	-	-			
	-	**-**	**-**	**-**	**-**	**-**

INNOCORP LIMITED
Notes to the Financial Statements for the year ended March 31, 2018

15. Revenue from operations

	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of Goods	1,09,54,573	1,26,81,964
Income from Job works	12,62,765	89,26,131
	1,22,17,338	**2,16,08,095**

16. Other income

	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest income on		
- Others-ICD	81082.00	81,082
Other non-operating income:		
- Profit on sale of vehicle	4,02,685	5,82,438
- Profit on sale of machinery	12,50,000	65,635
- Profit on sale of land	1,26,21,220	-
	1,43,54,987	**7,29,155**

17.Operating expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Raw material consumed	38,25,684	80,40,326
Changes in invetories of finished goods and work in progress	11,72,119	-1,832
Water Charges	45,516	1,70,487
Frieght handling and octroi	36,243	1,05,955
Power and fuel	64,87,057	65,73,616
Manufacturing Expenses	19,967	-
Repairs and maintenance	6,55,401	1,75,066
	1,22,41,988	**1,50,63,618**

18. Finance costs

	For the year ended March 31, 2018	For the year ended March 31, 2017
Bank & LC Discounting Charges	19,598	1,04,522
Inspection / Loan Processing Charges	71,875	1,20,408
Interest on CC & SOD (Andhra Bank)	25,92,146	26,99,045
Interest on Term Loans (Andhra Bank)	2,51,408	6,73,458
Interest on VolksWagen Finance Car loan	69,958	70,195
Interest on Skoda Superb Car Car loan - HDFC	70,423	1,16,576
Interest on others	-	919
Renewal Charges	97,750	12,000
Other Finance Charges / Interest	2,600	1,42,896
Total	**31,75,758**	**39,40,019**

19. Depreciation and amortization expense

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation of property, plant and equipment (refer note 3)	44,93,840	48,38,826
	44,93,840	**48,38,826**

20. Employee benefit expense

	For the year ended March 31, 2018	For the year ended March 31, 2017
Staff Salaries	38,25,702	41,13,060
Employer Contribution to PF		2,60,953
Employer Contribution to ESI		35,795
Staff Welfare	18,568	1,29,342
Directors Remunaration	19,80,000	19,80,000
Total	**58,24,270.00**	**65,19,150.00**

i) Disclosure in compliance of Ind AS -19 on "Employee benefits" is given in Refer **Note 31.**

21. Other expenses

	For the year ended March 31, 2018	For the year ended March 31, 2017
Audit fee	1,00,000	1,00,000
Advertisement Expenses	42,862	14,520
Listing Fee	3,31,863	3,72,580
Bad debts/Advances written off	-	-
Computer Exp	19,551	11,926
Insurance	1,59,260	1,54,008
Job Work Charges	-	52,115
Maintenance/Transportation	10,600	-
Office Expenses	72,766	1,40,922
Postage & Telephones	1,27,028	1,22,693
Printing & Stationary	5,621	60,849
Professional & Consultancy Charges	1,11,557	2,05,474
Rates & Taxes	-	16,430
Security Charges	3,67,200	3,67,200
Travelling & Conveyance	2,99,695	1,66,491
Vehical Maintainance	3,68,058	5,34,706
Goodwill written off		-
Bank charges	48,190	-
Property Tax	4,86,911	-
Interest on Property Tax	-	
Penalty / Interest Expenses	**1,22,994**	-
Krishi Kalyan Cess	1,359	-
Proffesional Tax	10,000	-
Income Tax 13-14	6,680	-
Miscellenous expenses	17,007	-
Foreign Exchange Loss/ Profit	1,156	-
Swach Bharath Cess	1,359	-
	27,11,716	**23,19,914**

INNOCORP LIMITED
Notes to the Financial Statements for the year ended March 31, 2018

26. Components of other comprehensive income
The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the Year ended 31 March 2018

	FVTOCI reserve	Retained earnings	Total
Gain/(loss) on FVTOCI financial assets	-	-	-
Re-measurement gains (losses) on defined benefit plans	-	-	-
	-	-	-

During the Year ended 31 March 2017

	FVTOCI reserve	Retained earnings	Total
Gain/(loss) on FVTOCI financial assets	-	-	-
Re-measurement gains (losses) on defined benefit plans	-	-	-
	-	-	-

27. Tax Reco
a) Income tax expense:
The major components of income tax expenses for the year ended March 31, 2018 and March 31, 2017 are as follows:

(i) Profit or loss section

	For the year ended 31 March 2018	For the year ended 31 March 2017
Current tax expense		
Less: MAT credit entitlement	-	-
Taxes for earlier years		-
Deferred tax		1,58,71,653.00
Total income tax expense recognised in statement of Profit & Loss	**-**	**1,58,71,653.00**

(ii) OCI Section

	For the year ended 31 March 2018	For the year ended 31 March 2017
Net (gain) on remeasurement of defined benefit plans	-	-
Unrealised (gain)/loss on FVTOCI equity securities	-	
Income tax charged to OCI	-	-

b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2018 and March 31, 2017:

	31 March 2018	31 March 2017
Accounting profit before tax from continuing operations	-18,75,245.76	-1,03,44,276.54
Accounting profit before income tax	**-18,75,245.76**	**-1,03,44,276.54**
At India's statutory income tax rate of 34.608% (31 March 2017: 34.608%)	-6,48,985.05	-
Adjustments in respect of current income tax of previous years	-	-
Non-deductible expenses for tax purposes:		
Other non-deductible expenses	-	-
At the effective income tax rate of xx% (31 March 2016: xx%)	-25,24,230.81	-1,03,44,276.54
Income tax expense reported in the statement of profit and loss	-	-
	-25,24,230.81	-1,03,44,276.54

The Company has unabsorbed depriciation of INR 61.94 lacs and Unabsorbed Losses of INR 506.48 lacs . Company has restricted the recognition of Deferred Tax Asset in respect of unabsorbed depreciation only to the extent of tax liability on future taxable income arising on account of reversal of timing differences.

	As at 01 April 2016	Provided during the Year	As at 31 March 2017	Provided during the Year	As at 31 March 2018
Deferred tax assets/(liabilities)					
Revaluations of FVTOCI investments to fair value					-
Related to Fixed Assets (Depreciation)	-57.10	8.23	-48.87		-48.87
Provision on Trade Receivables,	1,029.66	491.10	1,520.76		1,520.76
Provision for retirement benefits	16.20	-0.18	16.02		16.02
Carry forward Losses	2,567.35	99.12	2,666.47		2,666.47
Unabsorbed depreciation	178.54	26.24	204.78		204.78
Provision for doubtful Advances	230.01	47.45	277.46		277.46
Total deferred tax assets	3,964.66	671.96	4,636.62	-	4,636.62
Deferred Tax (liabilities)/ Assets (Net)	**3,964.66**	**671.96**	**4,636.62**	**-**	

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

INNOCORP LIMITED

Notes forming part of the financial statements

Corporate information

INNOCORP Limited ('the company') is the business of Manufacturing (Plastic products) . The Company was incorporated on 21st September, 1994 in Hyderabad and listed on BSE dated 08 May, 2000].

The Standalone financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on 30th May, 2018.

Significant Accounting Policies

1 Basis of preparation of financial statements

These standalone financial statements have been prepared in accordance Indian Accounting Standards (Ind As) according to the notification issued by the Ministry of Corporate Affairs under section 133 of the Companies Act, 2013 ('the act') read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 with effect from April 1, 2017.

Previous periods have been restated to Ind AS and In accordance with Ind AS 101-First-time Adoption of Indian Accounting Standards, the Company has presented a reconciliation from the presentation of Standalone financial statements under Accounting Standards For the year ended March 31, 2017, the Company had earlier prepared and presented its Standalone financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013 (Indian GAAP).
Reconciliations and description of the effect of the transition to Ind AS from Indian GAAP is given in Note 21.

2 Use of Accounting 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 financial Statements, the reported amount of revenues and expenses during the reported period and disclosure of contingent liabilites. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

3 Revenue recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.
Interest Income is recognised on an accrual basis.

4 Property, plant and equipment & Capital work-in-progress

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

5 Depreciation

Depreciation is provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

The useful lives of assets are periodically reviewed and re-determined and the unamortised depreciable amount is charged over the remaining useful life of such assets. Assets costing Rs. 5,000/-and below are depreciated over a period of one year

6 Foreign Currency Transactions

The company translates all foreign currency transactions at Exchange Rates prevailing on the date of transactions. Exchange rate differences resulting from foreign exchange transactions settled during the year are recognized as income or expenses in the period in which they arise.

7 Taxes on Income

Income tax comprises current income tax and deferred tax. Income tax expense is recognized in the statement of profi t and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.
a) Current income tax: Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company off sets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b) Deferred tax: Deferred tax asset and liabilities are measured at the tax rates that are expected to apply to the period when the asset / liability is realized, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

8	**Earning Per Share (EPS)** In determining earnings per share, the company considers the net profit after tax expense. The number of shares used in computing basic earnings per share is the weighted average shares used in outstanding during the period.
9	**Impairment of non-financial assets** The Company assess at each reporting date whether there is any indication that the carrying amount from non financial assets may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or Cash generating unit (CGU) exceeds its estimated recoverable amount in the statement of profit and loss.
10	**Provisions and Contingent Liabilities** A Provision is recognized if, as a result of past event, the Company has a present legal obligation that is reasonbly estimable, and it is probable that an outflow of economic benefits will be required to settle the present obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
11	**Financial Instruments** A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability or equity of another entity.
12	**Initial Recognition** Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.
13	**Subsequent Measurement** **Financial assets at fair value through other comprehensive income** Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved both by collectiong contractual cash flows on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding and selling financial assets.
14	**Financial assets at fair value through Profit and Loss** Financial assets are measured at fair value through profit and loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs that are directly attributable to the acquisition of financial assets and liabilities at fair value through profit and loss are immediately recognised in statement of profit and loss.
15	**Financial liabilities** Financial liabilities are classified as measured at amortised cost or Fair Value Through Profit and Loss Account (FVTPL). A financial liability is classified as at FVTPL if it is classified as held for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.
16	**De-recognition** The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition as per Ind AS 109. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.
16	**Cash and cash equivalents** Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above are considered an integral part of the Company's cash management.
17	**Cash flow statement** Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated.

18 First-time adoption of Indian Accounting Standard (Ind AS)

These standalone financial statements of the company for the year ended March 31, 2018 have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS, the Company has followed the guidance prescribed in Ind AS 101-First time adoption of Indian Accounting Standards, with April 1, 2016 as the transition date and IGAAP as the previous GAAP.

The transition to Ind AS has resulted in changes in the presentation of the standalone financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Note 1 have been applied in preparing the standalone financial statements for the year ended March 31, 2018 and the comparitive information. An explanation of how the transition from previous GAAP to Ind AS has affected the standalone Balance Sheet and Statement of Profit and Loss, is set out in notes.

Exemptions availed on first time adoption of Ind AS 101
a. Business Combinations
(Acquisition of 100% Subsidiary)

Reconciliations :

The following reconciliations provide the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101
1. Equity as at April 1, 2016 and March 31, 2017 given in note no. 24
2. Net Profit for the year ended March 31, 2016 given in note no. 25

19 List of Transactions with key management personal during the year: **Amount (Rs.)**

Particulars	Nature of Relation	Nature Of Transactions	2017-18	2016-17
Saraswati Kovelamudi	Director	Managerial Remuneration	660000	540000
Prasad Garapati	Director	Managerial Remuneration	780000	
Sahu Garapati	Whole Time Director	Managerial Remuneration	540000	
Venu Garapati	Key Manegerial Person	Managerial Remuneration	504000	
Sahu Garapati	Director	Sale Of Fixed Assets	1365630	

20 Transactions with related parties during the year **Amount (Rs.)**

Particulars	Nature of Relation	Nature Of Transactions	2017-18	2016-17
Innoprojects Pvt Ltd	Common directors	Loan Accepted	283652.55	-
Innovations Capital Services Ltd	Common directors	Loan Accepted	130105	-
Innovations Show Rooms (P) Ltd	Common directors	Loan Accepted	1359	-

21 Earnings Per Share

Particulars	2017-18	2016-17
i) Profit After Tax	-68,41,693	-2,62,15,930
Less: Preference Dividend Including Tax Thereon	0	0
Profit attributable to equity shareholders	-68,41,693	-2,62,15,930
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	-0.86	-3.30
Diluted Earnings per Share	-0.86	-3.49

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 24th September, 2018 at 10.00 AM and ends on Wednesday, 26th September, 2018 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 20th September 2018, 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:

	For Members holding shares in Demat Form and Physical Form
	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) Members 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. In case the sequence number is less than 8 digits enter the applicable number of 0’s before the number after 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
	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in DD/MM/YYYY format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter 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.Anand Kumar Kasat, Practicing Company secretary, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting.

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 24th Annual General Meeting of the shareholders of Innocorp Limited on Thursday, 27th September, 2018 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	Sy. No. 711-713, Lalgadi Malakpet Village, Shamirpet Mandal, R. R. District, Telengana – 500014		
Name of the Member	Plot No. 41, IDA, Mallapur, Hyderabad, Telangana, India		
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 24th Annual general meeting of the company, to be held on the Thursday 27th day of September, 2018 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 31.03.2018 and profit and loss accounts for the year ended and the reports of the board of Directors and Auditors		
2.	Re-appointment of Saraswathi Kovelamudi Director who retires by rotation		
3.	Appointment of Naga Mohan Babu Mangalapurapu as Non-Executive Independent Director.		

Signed this …………. day of ………………. 2018.

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.