

17th Annual General Meeting

30th Day of September, 2011

At 11.00 a.m.

Plot No.41, IDA Mallapur, Hyderabad
Andhra Pradesh, INDIA

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

Sri Prasad V S S Garapati	--	Chairman & Managing Director
Smt K.Saraswathi	--	Executive Director
Sri Sahu Garapati	--	Whole Time Director
Sri Venkaiah Doniparthi	--	Director
Sri Devineni Madhusudhan Rao	--	Director
Sri Cherukuri Subrahmanyam	--	Director

STATUTORY AUDITORS**M/s. J B R K & CO.**

118, 5th Floor,
Maruthi Complex
Near Yashoda Hospitals
Somajiguda, Hyderabad

BANKERS**UCO BANK**

Tolichowki, Hyderabad.

REGISTERED OFFICE

Plot No: 41, IDA Mallapur
Hyderabad – 500 076

SHARE TRANSFER AGENTS**M/s. XL Softech Systems Ltd.**

3, Sagar Society, Road No: 2 Banjara Hills,
Hyderabad – 500 034

LISTED**BOMBAY STOCK EXCHANGE LIMITED**

NOTICE

Notice is hereby given that the 17th 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 on **FRIDAY, 30th SEPTEMBER 2011** at 11.00 A.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, 2011 and the Profit and Loss account for the year ended on that date and the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place of Sri.Venkaiah Doniparthi, who retires by rotation, being eligible, offers him for re-appointment.
3. To appoint Statutory Auditors of the Company from the conclusion of this ensuing Annual General Meeting till the conclusion of the next Annual General Meeting on remuneration as may be decided by the Board.

By order of the Board
For **INNOCORP LIMITED**

Place: Hyderabad
Date: 25.08.2011

sd/-
Prasad V S S Garapati
Chairman & Managing Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote at the meeting instead of himself / herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hrs before the commencement of the meeting.
2. The Register of members and share transfer books of Company shall remain closed from **MONDAY, 26TH SEPTEMBER 2011 TO FRIDAY, 30TH SEPTEMBER 2011** (both days inclusive).
3. Members are requested to notify any change in their addresses to the Company immediately.
4. 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.
5. 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. Unit: **Innocorp Limited**, 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad – 500034.

By order of the Board
For **INNOCORP LIMITED**

Place: Hyderabad
Date: 25.08.2011

sd/-
Prasad V S S Garapati
Chairman & Managing Director

ADDITIONAL INFORMATION ON DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT.

VENKAI AH DONIPARTHI

Mr. Venkaiah is a diploma holder in Civil Engineering (India) and Mechanical Engineering (USA). He worked as Design Engineer in USA and erected the Projects like Power Plant, Nuclear Power Plant, etc. He is also a consulting Engineer to the city of Chicago (Government) besides being President of Induswear Import and Founder Committee, Buchireddy Palem, Andhra Pradesh.

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 17th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2011.

FINANCIAL HIGHLIGHTS

PARTICULARS	(Rs. in lac)	
	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
Sales (Excl: Duties & Taxes)	663.96	695.44
Other Income	8.52	1.84
TOTAL INCOME	672.48	697.28
TOTAL EXPENDITURE	597.67	655.80
Profit/ (Loss) before depreciation & Financial Charges	74.81	41.48
Depreciation	40.69	30.76
Financial Charges	4.64	9.56
Misc. Exp Witten Off	22.30	--
Profit Before Tax	7.18	1.16
Prior period items	0.85	26.73
Provision for tax	1.49	--
NET PROFIT / (LOSS)	6.54	(25.57)
Balance carried to balance sheet		

Your Directors would like to bring to your kind notice that even though there has been good growth in plastic division the overall turnover of the Company was satisfactory, recorded a nominal net profit. Your Directors are hopeful of good performance and profitability in future years.

Your directors would like to bring to your kind notice that the company has availed Rs.125.00 lakh working Capital limits and Rs. 215.00 lakh term loan from UCO Bank by extending Land & Building and Machinery as collateral security towards expansion of the activities.

The company has already acquired two injection molding machines of 450 MT and 550 MT in the months of June, 2011 and August, 2011 respectively and put into use forthwith.

DIVIDEND:

During the Financial Year 2010-11, Your Company has recorded a nominal Net profit and plan to ploughed the same into business hence your Directors do not recommend any dividend for the Financial Year 2010-11.

DEPOSITS:

During the year under review, the Company has not accepted deposits attracting the provisions of Section 58A of the Companies Act 1956.

DIRECTORS:

Sri Venkaiah Doniparthi, Director of the Company retires at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2 AA) OF THE COMPANIES ACT:

The Directors of your Company hereby report:

- (i) that in the preparation of Annual Accounts for the year ended 31st March, 2011, the applicable accounting standards have been followed along with the proper explanation relating to material departures;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year ended 31st March, 2011 and of the profit and loss of the Company for that period;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts on a going concern basis.

AUDITORS:

M/s. J B R K & CO., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and has expressed their unwillingness to be reappointed.

Company has received a notice under section 225 from a member for the appointment of M/s Ramasamy Koteswara Rao & Co, Chartered Accountants, Hyderabad as statutory auditors to hold office from conclusion of this ensuing Annual General Meeting till the conclusion of the next Annual General Meeting on a remuneration as may be decide by the board.

The Company has received a certificate from the Auditors to the effect that their appointment, if made will be in accordance with the provisions of Section 224(1B) of the Companies Act, 1956.

REPLY TO AUDITORS OBSERVATION

1. With regard to the observation of the Auditors on updating the records showing full particulars of fixed assets including quantitative details and situation of fixed assets, we would like to bring to your kind notice that the Company is under the process of updating the same.
2. W
With regard to the observation of the Auditors for not complying with the requirements of AS-22- accounting for taxes on income - in respect of deferred tax we would like to bring to your kind notice that the same will be complied with, in the F.Y 2011-12.
3. W
With regard to the observation of the Auditors that the Company has no internal Audit System, we would like to bring to your kind notice that the Company would comply with this observation as and when the company's operations grow commensurate to its size of investment and break even capacity utilization.

PARTICULARS OF EMPLOYEES:

During the year under review, none of the employees were in receipt of remuneration in excess of Rs. 2,00,000/- per month or Rs. 24,00,000/- per annum the limits prescribed under the Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

EMPLOYEE RELATIONS:

The relationship with the employees continues to be cordial. The Directors would like to place on record their appreciation of the services rendered by all the employees of the Company.

INFORMATION REQUIRED UNDER SECTION 217(1) (e) OF THE COMPANIES ACT 1956 READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

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 clause 49 of the Listing Agreement, a report on management Discussion & Analysis is set out as an **ANNEXURE- B**

CORPORATE GOVERNANCE:

The Company is regular in complying with the Clause 49 of the Listing Agreement entered with the Stock Exchanges. A brief report on the Corporate Governance with certificate from the Statutory Auditors of the Company for compliance with the Clause 49 of the Listing Agreement with the Stock Exchanges is set out in **ANNEXURE-C**.

HUMAN RESOURCE VALUATION:

Your Company recognizes that the human resources are the most crucial factor for achieving sustained growth over the years. The management considers it's highly motivated and passion driven work force as its partner in the growth of the Company.

ACKNOWLEDGEMENTS:

Your Directors acknowledge with gratitude and wish to place on record their sincere thanks and appreciation for the co-operation received by the Company from various departments of Central/ State Government, Banks, for their continued co-operation and the support extended during the year. Your Directors also wish to acknowledge the continued support and confidence reposed in the management by the Shareholders.

For and On behalf of the Board of Directors

Place: Hyderabad

Date: 25.08.2011

Sd/-

PRASAD V S S GARAPATI
Chairman & Managing Director

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

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	:
c. Whether Technology fully absorbed	:
d. If not fully absorbed, areas and reasons for future plans actions	:

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:	2010-11
	Foreign exchange earnings	NIL
	Foreign exchange outgo	Rs 3216350/-

**For and On behalf of the
Board of Directors**

Place: Hyderabad
Date: 25.08.2011

Sd/-
PRASAD V S S GARAPATI
Chairman & Managing Director

MANAGEMENT DISCUSSION & ANALYSIS

ANNEXURE-B

INDUSTRY SCENARIO

The potential Indian market has motivated Indian entrepreneurs to acquire technical expertise, achieve high quality standards and build capacities in various facets of the booming plastic industry. Phenomenal developments in the plastic machinery sector coupled with matching developments in the petrochemical sector, both of which support the plastic processing sector, have facilitated the plastic processors to build capacities to service both the domestic market and the markets in the overseas.

The plastic processing sector comprises of over 30,000 units involved in producing a variety of items through injection molding, blow molding, extrusion and calendaring. The capacities built in most segments of this industry coupled with inherent capabilities has made us capable of servicing the overseas markets.

The economic reforms launched in India since 1991, have added further fillip to the Indian plastic industry. Joint ventures, foreign investments, easier access to technology from developed countries etc have opened up new vistas to further facilitate the growth of this industry.

BUSINESS OUTLOOK

The immense potential of Indian plastic industry has motivated Indian manufacturers to acquire technical expertise, achieve superior quality standards and build capacities in different facets of the booming plastic industry. Substantial developments in the plastic machinery sector coupled with matching developments in the petrochemical sector, both of which support the plastic processing industry, have facilitated the plastic processors to develop capacities to cater both the domestic as well as overseas exports.

OVER VIEW OF OPERATIONS

During the Financial Year under review your company has achieved turnover of Rs 672.48 Lakh as against Rs 697.28 Lakh for the previous year and incurred nominal profit of Rs. 6.53 lakh Compared to net loss of Rs.25.57 lakh in the last year.

OUT LOOK AND STRATEGY FOR THE CURRENT YEAR

Your directors would like to bring to your kind notice that the company has availed Rs.125.00 lakh working Capital limits and Rs. 215.00 lakh term loan from UCO Bank by extending Land & Building and Machinery as collateral security towards expansion of the activities.

The company has already acquired two injection molding machines of 450 MT and 550 MT in the months of June, 2011 and August, 2011 respectively and put into use forthwith.

The company during the year under review, transferred Rs.268.74 lakh represent net of current assets & liabilities relating to erstwhile Cable & Project Divisions whose operations were ceased since year 2009-10 to Inno Projects (P) Limited, an associate company.

FUTURE OUTLOOK

The Indian plastic industry clearly has the potential to continue its fast growth. However, over the next few years, competition in the industry is expected to increase considerably, as a result of global trends, which will become applicable to the liberalizing economy of country. To survive the competition, both polymer manufacturers and processors will need to adopt radically new methods and approaches to reduce costs, improve market and customer service and management of performance.

CORPORATE GOVERNANCE REPORT

1. COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

We believe that our company shall go beyond adherence to regulatory framework. Our corporate structure, business and disclosure practices have been aligned to our Corporate Governance Philosophy. Transparency, accountability, fairness and intensive communication with stakeholders are integral to our functioning. We believe in system driven performance and performance oriented systems. We accord highest priority to these systems and protect the interests of all our shareholders, particularly the minority shareholders.

2. BOARD OF DIRECTORS:

▪ **Composition of Board of Directors**

At present, the strength of the Board is Six Directors. The Board comprises of 3 Executive and 3 Non-Executive Independent Directors.

▪ **Board meeting and attendance**

Six Board Meetings were held during the Financial Year and the gap between two board meetings did not exceed four months.

The dates on which meeting were held are as follows:

15.05.2010	17.06.2010	14.08.2010	28.08.2010	13.11.2010	14.02.2011
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The constitution of the Board is given below:

S. No	Directors	Category	Attendance at AGM held on 30.09.2010	Attendance in Board Meeting		Other Boards		
				Held	Attended	Directorship	Committee chairman-ship	Committee membership
1	Prasad Garapati	Chairman & Managing Director Promoter	Yes	6	6	4	Nil	Nil
2	K. Saraswathi	Executive Whole Time Director	Yes	6	6	2	Nil	Nil

3	Sahu Garapati	Executive, Whole Time Director	Yes	6	6	1	Nil	Nil
4	Cherukuri Subrahmanyam	Non-Executive Director & Independent Director	Yes	6	5	1	Nil	Nil
5	Venkaiah Doniparthi	Non-Executive Director & Independent Director	No	6	5	Nil	Nil	Nil
6	Devineni Madhusudhana Rao	Non-Executive Director & Independent Director	Yes	6	5	3	Nil	Nil

3. AUDIT COMMITTEE :

► **Brief description of terms of reference**

The terms of reference as per Clause 49 of the Listing Agreement are as follows

- Financial reporting process
- Draft financial statements and auditor’s report (before submission to the Board)
- Accounting policies and practices
- Internal controls and internal audit systems
- Risk management policies and practices
- Related party transactions
- Internal audit reports and adequacy of internal audit function

The role of the audit committee includes recommending the appointment and removal of the external auditor, discussion of the audit, plan, and fixation of audit fee and also approval of payment of fees for any other services.

► **Composition**

The Audit Committee of the Company comprise of the following Independent Directors:

Name of the Director	Designation
D. Madhusudhan Rao	Chairman
Venkaiah Doniparthi	Member
Cherukuri Subrahmanyam	Member

► **Meetings and Attendance during the Financial Year:**

MEETINGS:

The Audit committee of the Board met five times during the year, the meetings was held for approval of Un- Audited Financial Results and Audited Financial results of the Company i.e. on:

15.05.2010	14.08.2010	28.08.2010	13.11.2010	14.02.2011
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ATTENDANCE:

Name	No of Meetings Held	No of Meetings Attended
D. Madhusudhan Rao	5	5
Venkaiah Doniparthi	5	5
Cherukuri Subrahmanyam	5	5

The meetings of Audit Committee are also attended by the heads of finance and Statutory Auditor as Invitees. The un- audited financial results for each quarter are approved by the Audit Committee before passed on to the Board of Directors for approval and adoption.

4. REMUNERATION COMMITTEE:**► Terms of Reference:**

The terms of reference as per Clause 49 of the Listing Agreement is to determine and review the remuneration, performance and related bonus of Directors.

► Composition

The Remuneration Committee of the Company comprise of the following independent Directors:

Name of the Director	Designation
D. Madhusudhan Rao	Chairman
Venkaiah Doniparthi	Member
Cherukuri Subrahmanyam	Member

► Remuneration paid to Directors during the Financial Year

No Remuneration paid to Directors except to Whole Time Directors of the Company and details of the remuneration are as follows:

Name of Director	Salary	Perks	Total
Prasad Garapati	600000	116087	716087
K. Saraswathi	240000	21380	261380
Sahu Garapati	200000	23853	223853

5. INVESTORS AND SHAREHOLDERS GRIEVANCE COMMITTEE:**► Brief description of terms of reference:**

To look into various affairs relating to the shareholders with regard to redressal of complaints in relation to transfer of shares, non-receipt of share certificates, balance sheets, dividends etc.,

► Composition

The Investor & Shareholders Grievance Committee of the Company comprise of the following independent Directors

Name of the Director	Designation
D. Madhusudhan Rao	Chairman
Venkaiah Doniparthi	Member
Cherukuri Subrahmanyam	Member

Name & Designation of the Compliance Officer : **Sri Prasad V S S Garapati**
Chairman & Managing Director

No. of shareholders complaints received during the Financial Year: Nil

No. of complaints solved to the satisfaction of the share holders : Nil

No. of pending complaints : Nil

6. LOCATION AND TIME WHERE THE LAST THREE AGMS HELD:

Year	Date	Location	Time (A.M)
2009-10	30.09.2010	Plot No: 41, IDA Mallapur, R.R. District – 500 076	11.00
2008-09	30.09.2009	Plot No: 41, IDA Mallapur, R.R. District – 500 076	11.00
2007-08	30.09.2008	Plot No: 41, IDA Mallapur, R.R. District – 500 076	11.00

SPECIAL RESOLUTION

Special Resolution was passed in 15th Annual General Meeting held on 30.09.2009 for reappointment of Sri Prasad V S S Garapati as Chairman & Managing Director and Smt K. Saraswathi as whole time director.

POSTAL BALLOT:

No Special Resolution is passed through postal ballot in the last year.

No Special Resolution is proposed to be conducted through Postal ballot at the ensuing Annual General Meeting

7. DISCLOSURES:

- a. Materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of Company at large. – **NIL** –
- b. Details on non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. – **NIL** –

8. MEANS OF COMMUNICATION:

- The Quarterly results are usually published in the **Business Standard (in English) and Andhra Prabha** (in regional language) dailies.

9. SHAREHOLDER INFORMATION:

- **AGM:** The 17th Annual General Meeting of the Company will be held on **FRIDAY, 30TH SEPTEMBER, 2011** at the Registered Office of the Company
- **Financial Year:** **1st April 2011 to 31st March 2012**

CALENDER OF EVENTS:

Event	Dates
First Quarter un-audited (Provisional) Financial Results	Second Week of August 2011
Second Quarter un-audited (Provisional) Financial Results	Second Week of November, 2011
Third Quarter un-audited (Provisional) Financial Results	Second Week of February, 2012
Fourth Quarter audited Financial Results	Second Week of May, 2012

- **Book Closure Date:** From **MONDAY, 26TH SEPTEMBER 2011 TO FRIDAY, 30TH SEPTEMBER 2011**
- **Listing on Stock Exchanges:** The shares of the Company are listed at Bombay Stock Exchange Limited.
The company has paid the listing fees to the above Stock Exchange.

- **Dividend Payment Date:** NA
- **Stock Exchange Code:** 531929
- **Demat ISIN Number**

Under the Depository System the International Securities Identification Number (ISIN) allotted to the Company's Equity Shares by NSDL & CDSL	INE214B01017
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- **Share Transfer System:**

All the physical share transfers received are processed by the Share Transfer Agents M/s. XL Softech Systems Limited, Hyderabad. The Company's shares are being traded in compulsory Demat form. The Company has entered into agreement with both NSDL and CDSL to dematerialize its shares, which enable the Company's shares to be transferred electronically through Depositories System.

- **Market Price Data:** During the last Financial Year 2010-11

Month	Bombay Stock Exchange Limited	
	High (Rs.)	Low (Rs.)
April, 2010	9.00	7.52
May, 2010	8.80	7.52
June, 2010	8.95	7.65
July, 2010	9.50	7.75
August, 2010	9.60	7.66
September, 2010	10.75	8.00
October, 2010	8.10	6.91
November, 2010	8.09	6.73
December, 2010	7.49	6.41
January, 2011	7.14	5.52
February, 2011	6.04	4.12
March, 2011	4.45	3.95

- **Registrar and Transfer Agents:** **XL Softech Systems Limited**
3, Sagar Society, Road No: 2,
Banjara Hills, Hyderabad – 500034.

▪ **SHAREHOLDING PATTERN AS ON 31ST MARCH 2011:**

Sl no	Category	No.of Shares Held	%of Shareholding
	SHAREHOLDING OF PROMOTERS & PROMOTER GROUP		
	INDIAN		
A1	Individuals/Hindu Undivided Family	1117717	14.07
	Central Government /State Government(s)	-	-
	Bodies Corporate	988700	12.45
	Financial Institutions/Banks	-	-
	Sub Total of A1	2106417	26.52
	FOREIGN		
A2	Individuals (Non-Residents)	189000	2.38
	Bodies Corporate	-	-
	Institutions	-	-
	Any Other (Specify)	-	-
	Sub Total of A2	189,000	2.38
	TOTAL PROMOTERS SHAREHOLDING (A1 +A2)	2295417	28.90
B1.	Public Shareholdings		
	Institutions	-	-
	Mutual Funds and UTI	100	-
	Banks/Financial Institutions	800	0.01
	Central Government/State Government	-	-
	Venture Capital Funds	-	-
	Insurance Companies	-	-
	Foreign Institution Investor	50,000	0.63
	Foreign Venture Capital Investors	-	-
	Any Other (Specify)	-	-
	Sub Total B1	50,900	0.64
B 2	Non Institutions		
	Bodies Corporate	365413	4.60
	Individuals	-	-
	Individuals share holders holdings upto Rs. 1 Lakhs	1996080	25.14
	Individual Shareholding holding in excess of Rs. 1 Lakhs	797008	10.04
	Any Other (Specify)		
	NRIs/OCBs	2432953	30.64
	Clearing Members	3629	0.04
	Sub Total B2	5595083	70.46
	TOTAL OF PUBLIC SHAREHOLDING (B1+B2)	5645983	71.10
C	Shares held by Custodian and against which Depository Receipts have been issued	-	-
	TOTAL A+B+C	7,941,400	100

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2011

Sl. No.	Category From - To	No. of Holders	% of Holders	No. of Shares	% of Shares
1	Upto - 5000	2665	74.84	559999	7.05
2	5001 - 10000	422	11.85	370375	4.66
3	10001 - 20000	211	5.93	333408	4.20
4	20001 - 30000	75	2.10	200387	2.52
5	30001 - 40000	30	0.84	109401	1.38
6	40001 - 50000	38	1.07	180478	2.28
7	50001 - 100000	64	1.80	462511	5.82
8	100001 and above	56	1.57	5724841	72.09
TOTAL		3561	100.00	7941400	100.00

- **Dematerialization of shares and liquidity:** Since the Company has already entered into agreement with both the depositories, viz., NSDL and CDSL for dematerialisation of its shares, the shareholders are free to dematerialize their shares and keep them in dematerialized form with any Depository Participant.
- **Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity:** NA
- **Address for correspondence:** Sri Prasad V S S Garapati
Chairman & Managing Director
INNOCORP LIMITED
Plot No: 41, IDA, Mallapur, Hyderabad – 500 076.
Phone : 040 – 65990114, 040 - 27158152
Fax : 040 - 27179628

CEO & CFO CERTIFICATION: The Chairman & Managing Director of the Company give annual certificates on financial reporting and internal control to the board In terms of clause 49.

DECLARATION OF MANAGING DIRECTOR ON COMPLIANCE WITH CODE OF CONDUCT AND ETHICS

INNOCORP LIMITED has adopted Code of Business Conduct and Ethics (“the code”) which applied to all the employees and Directors of the Company. Under the Code, it is responsibility of all employees and Directors to familiarize themselves with the Code and comply with its Standards.

I hereby certify that the Board members and senior management personnel of INNOCORP LIMITED have affirmed compliance with the Code for the Financial Year 2010-11.

For and On behalf of the Board of Directors

Place: Hyderabad
Date: 25.08.2011

Sd/-
Prasad V S S Garapati
Chairman & Managing Director

Chief Executive Officer and Chief Finance Officer (CEO&CFO) Certificate:

I, Prasad Garapati, Chairman & Managing Director of Innocorp Limited, to the best of our knowledge and belief, certify that:

We have reviewed the Balance Sheet and Profit and Loss Account and all its schedules and notes on accounts as well as the Cash Flow Statement for the year ended 31.03.2011

To the best of our knowledge and belief:

- a) These statements do not contain any untrue statement or omit any material fact or contain statements that might be misleading.
- b) The financial statements and other financial information included in this report present a true and fair view of the Company's affairs and are in compliance with existing accounting standards and applicable laws and regulations.

To the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps taken or proposed to be taken for rectifying these deficiencies.

- a) There has not been any significant change in internal control over financial reporting during the year under reference;
- b) There has not been any significant changes in accounting policies during the year under reference; and
- c) We are not aware of any instances during the year of significant fraud, with involvement there in of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: Hyderabad
Date: 25.08.2011

Sd/-
Prasad V S S Garapati
Chairman & Managing Director

AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To
The Board of Directors
Innocorp Limited

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of Corporate Governance of Innocorp Limited (“the Company”) for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the guidance note on “Certification of Corporate Governance” issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Hyderabad
Date: 25.08.2011

For **M/s. J B R K & CO,**
Chartered Accountants
Firm regn no: 057755
Sd /-

P. JITENDRA KUMAR
Partner
Membership No: 22109

AUDITOR'S REPORT

To,
The Members,
INNOCORP LIMITED.
HYDERABAD.

1. W
We have audited the attached Balance Sheet of INNOCORP LIMITED ('the company') as at 31st March 2011, and also the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date (together referred as financial statements). These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. W
We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. A
As required by the Companies Auditor's Report Order, 2003, ('CARO'), issued by the Central Government of India in terms of Section 277(4A) of the Companies Act, 1956 ('the Act') and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraph 4 & 5 of the said order.
4. F
Further to our Comments in the Annexure referred to above, we report that
 - a) W
We have obtained all the information and explanations, which are to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) I
In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from examination of these book
 - c) T
The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) O
On the basis of the written representations received from directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on March 31, 2011 from being appointed as director under clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

The company has not complied with the requirements of AS-22- accounting for taxes on income- in respect of deferred tax .

Subject to above,

- e) In our opinion Balance Sheet, Profit and Loss Account and Cash Flow statement comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements, read with the notes thereon, 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, subject to note no.12 of notes on accounts.
- g) In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2011;
- h) In the case of the Profit and Loss Account, of the Profit of the company for the year ended on that date; and
- i) In the case of the Cash Flow Statement, of the Cash Flows of the company for the year ended on that date.

Place: Hyderabad
Date: 25.08.2011

For **M/s. J B R K & CO,**
Chartered Accountants
Firm regn no: 057755
Sd /-

P. JITENDRA KUMAR
Partner
Membership No: 22109

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in our Report of even date)

1. (a) The Company is required to update the proper records showing full particulars of fixed assets including quantitative details and situation of fixed assets.

(b) The Company has a system of verification of all fixed assets once in a period of two years which in our opinion, is reasonable having regard to the size of the Company and nature of its business.

2. (a) The Management carried out physical verification of the inventory at reasonable intervals during the year.

(b) In our opinion, and according to the information and explanations given to us, the procedures of physical verification on inventory followed by the management are Reasonable and adequate in relation to the size of the company and nature of its business.

(c) The Company maintains proper records of inventory. Discrepancies noticed on Physical Verification of inventory as compared to the book records were not material and these have been properly dealt with in the books of account.

3. In our opinion, the company has an adequate internal control procedure commensurate with the size of the company and nature of its business for the purchase of inventory and fixed assets and for the sale of goods.

4. (a) According to the information and explanations given to us, based on the disclosure of Interest made by the directors of the company, transactions that need to be entered into a register in pursuance of Section 301 of the Act have been so entered.

(b) In our opinion and according to the information and explanations given to us, in respect of the transactions made in pursuance of contracts or arrangement entered in

the registers maintained under section 301, the rates at which such services are rendered are reasonable having regard to the prevailing market prices of such services and the prices charged to other parties.

5. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA of the Act and the rules framed there under are applicable.
6. The Company has no internal Audit System during the period covered under this report.
7. The Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Act for any of the activities of the Company.
8. According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, Investors Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, WealthTax, Custom Duty, Cess and any other statutory dues with the appropriate authorities and there were no such outstanding dues as at March 31, 2011 for a period exceeding six months from the date they became payable other than

Income tax demand for the assessment year 2005-06. RS. 2999256

9. Company is registered for more than five years and the company has accumulated loss of Rs.66.54 lakh at the end of the financial year and it has incurred cash profit in the financial year while no cash loan found in the preceding year.
10. On the basis of our examination and according to the information and explanations given to us, the company has not defaulted in repayment of the dues to banks/financial institutions with respect to its borrowings.
11. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares.
12. Provision for special statute applicable to Chit Fund, Nidhi, and Mutual Benefit Funds/Societies are not applicable to the Company.
13. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
14. According to the information and explanations given to us, the Company has not given Guarantee for loans taken by others from banks or financial institutions the terms and conditions whereof are not prejudicial to the interest of the company.
15. On the basis of our examination and according to the information and examinations given to us, the company has not used the funds borrowed on short term basis for long term investment and vice versa.

16. According to the information and explanation given to us, the Term Loans were utilized for intended purpose.
17. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act 1956.
18. According to the information and explanation given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
19. According to information and explanations given to us the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by public issue is not applicable.
20. To the best of our knowledge and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

Place: Hyderabad
Date: 25.08.2011

For **M/s. J B R K & CO,**
Chartered Accountants
Firm regn no: 057755
Sd /-

P. JITENDRA KUMAR
Partner
Membership No: 22109

INNOCORP LIMITED			
BALANCE SHEET AS AT 31st MARCH, 2011			
P A R T I C U L A R S	Sch.No		
		For the year 2010-11 (Rs.)	For the year 2009-10 (Rs.)
A. SOURCES OF FUNDS :			
<u>SHARE HOLDERS FUNDS</u>			
Equity Share Capital	1	79414000	79414000
Share Application Money		4025000	4025000
Reserves & Surplus	2	(6654276)	(7307523)
<u>LOAN FUNDS</u>			
A) Secured Loans	3	5232562	1063065
B) Unsecured Loans (Directors)		2052299	719331
T O T A L		84069585	77913873
B. APPLICATION OF FUNDS			
<u>FIXED ASSETS</u>			
Gross Block	4	65998443	62999168
Less : Accumulated Depreciation		23453800	19912608
Net Block		42544643	43086560
Deferred Tax- Asset		4082874	4082874
<u>CURRENT ASSETS, LOANS AND ADVANCES :</u>			
Inventories	5	7385119	12335871
Trade Debtors		2805080	15400593
Cash & Bank Balance		2268852	3214282
Advances & Deposits		3862918	16874041
Inno Projects (P) Limited	6	26874454	0
		43196423	47824787

Less : Current Liabilities & Provisions	7	5754355	19310130
		37442068	28514657
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)		0	2229782
Balance from Profit & Loss A/c			
T O T A L		84069585	77913873
Significant Accounting Policies	11		
Notes to Accounts	12		

Schedules referred to above form an integral part of the Balance Sheet

To be read with our Report of even date

For JBRK & CO.,
Chartered Accountants
Firm Reg No : 05775S
// Sd //
P.Jitendra Kumar
Partner
Member ship no:22109

For and on behalf of The Board of Directors
For INNOCORP LIMITED

// Sd //
Prasad VSS Garapati
Managing Director

// Sd //
Sahu Garapati
Director

Place : Hyderabad
Date : 25.08.2011

INNOCORP LIMITED			
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011			
P A R T I C U L A R S	Sch.No		
		For the year 2010-11 Rs	For the year 2009-10 Rs
<u>I N C O M E :</u>			
Sales			
- Domestic Sales (Excl : Duties & Taxes)		64463444	69731842
Other Income		851606	183578
Increase/(Decrease) in Stocks		1932925	(187787)
NET I N C O M E		67247975	69727633
<u>E X P E N D I T U R E :</u>			
Manufacturing Expenses	8	51913670	57588033
Administrative Expenses	9	7853348	7992115
Financial Charges	10	463848	956076
Depreciation	4	4069537	3075623
Miscellaneous Expenditure - Written Off		2229782	0
T O T A L E X P E N D I T U R E		66530185	69611847
Profit before Prior Year Adjustment & Extraordinary Items		717790	115786

Prior Period Adjustments(Net)		84457	(2672592)
Profit before Tax		802247	(2556806)
Provision for Taxation (MAT)		149000	0
Net Profit for the year		653247	(2556806)
Profit Brought Forward		(75127653)	(72570847)
Profit Carried to Balance Sheet		(74474406)	(75127653)

Schedules referred to above form an integral part of the Balance Sheet

To be read with our Report of even date

For JBRK & CO.,
Chartered Accountants

Firm Reg No : 05775S

//Sd//

P.Jitendra Kumar

Partner

Member ship no:22109

For INNOCORP LIMITED

// Sd //

// Sd //

Prasad VSS Garapati

Managing Director

Sahu Garapati

Director

Place : Hyderabad

Date : 25.08.2011

INNOCORP LIMITED

17th Annual Report

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(Pursuant to clause 32 of Listing Agreement as amended)

(Rs. In Lakh)

Particulars	31.03.2011	31.03.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax and Prior period & Extra-ordinary Items	7.18	1.16
Add:		
Depreciation on Fixed Assets	40.70	30.76
Miscellaneous Expenses Written Off	22.30	0
Profit on sale of Fixed Assets	0	0
Loss on sale of Fixed Assets	0	4.60
Prior period interest in interest account	0	0
Prior period Income / (Expenses)	0.84	(26.72)
Income Tax Provision	1.49	0
Fringe Benefit Tax	0	0
Advances written off	0	0
TOTAL OF ADJUSTMENTS	65.33	8.64
Operating Profit before Working Capital changes	72.51	9.80
Adjustment for working capital changes		
Decrease in Stock	(19.33)	26.06
Decrease in Debtors & Others	12.91	34.04
Increase / (decrease) in other Current Assets	6.75	231.30
Decrease in Sundry Creditors	(105.68)	(9.99)
Increase/(decrease) differed tax (Assets)	0	0
	(105.35)	281.41
Net Cash from Operating Activities	(32.84)	291.21
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Fixed assets	11.39	0
Purchase/Adj of assets	(43.03)	(2.55)
Sale of Fixed Assets (Net Book Value)	0	46.18

Decrease in Investments	0	0	
Net Cash used in Investing Activity		(31.64)	43.63
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase / (Decrease) in Borrowings	55.03	(335.53)	
Net Cash Flow from Financing Activities	-	55.03	(335.53)
Net Increase in Cash and Cash Equivalents:		(9.45)	(0.69)
Opening Balance of Cash & Cash Equivalents		32.14	32.83
Cash & Cash Equivalents as at the end of the year		22.69	32.14

For Report of even date

For JBRK & CO.,
Chartered Accountants,
Firm Reg No 05775S

// Sd //

P .Jitendra Kumar
Partner
M.No: 022109
Place : Hyderabad,
Date : 25.08.2011

For and on behalf of the Board of Directors
For Innocorp Limited

// Sd //

PRASAD VSS GARAPATI
Managing Director

// Sd //

SAHU GARAPATI
Director

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31 MARCH 2011		
Schedule - 1 : SHARE CAPITAL		
Particulars	For the year 2010-11 Rs.	For the year 2009-10 Rs.
<u>AUTHORISED SHARE CAPITAL</u>	-	
1,20,00,000 Equity Shares of Rs.10/- each	120000000	120000000
<u>ISSUED AND SUBSCRIBED CAPITAL</u>		
7941400 Equity Shares of 10/- each (P.Y.7941400 Equity Shares @ Rs.10/- each)	79414000	79414000
<u>PAID-UP CAPITAL</u>		
7941400 Equity Shares of 10/- each (P.Y.7941400 Equity Shares @ Rs.10/- each)	79414000	79414000
T O T A L	79414000	79414000
Schedule - 2 : RESERVES & SURPLUS		
Particulars	For the year 2010-11 Rs.	For the year 2009-10 Rs.
Share Premium Account	64705000	64705000
Investment Subsidy	3115130	3115130
Profit & Loss Account	(74474406)	(75127653)
T O T A L	(6654276)	(7307523)
Schedule - 3 : LOAN FUNDS		
Particulars	For the year 2010-11	For the year 2009-10

	Rs.	Rs.
(A) Secured Loans :		
Punjab National Bank		
- Cash Credit	0	(1352)
UCO - Cash Credit	5232562	0
Hire Purchase Loans (Vehicles)	0	1064417
T O T A L (A)	5232562	1063065
(B) Unsecured Loans	2052299	719331
T O T A L (B)	2052299	719331

Schedule - 5 : CURRENT ASSETS, LOANS AND ADVANCES		
Particulars	For the year 2010-11 Rs.	For the year 2009-10 Rs.
(a) INVENTORIES :		
(As taken, valued and certified by the Management)		
Stores, Spares & Fuel	0	86254
Raw Materials and Packing Materials	4676226	3866832
Finished Goods	166855	1147700
Trading Stock	2542038	2147460
Work In Progress	0	5087625
T O T A L	7385119	12335871
(b) TRADE DEBTORS :		
(Unsecured - Considered Good)		
Bellow Six months	2805080	1498938
Over Six Months	0	13901655
T O T A L	2805080	15400593
(c) CASH AND BANK BALANCE :		
Cash on Hand	50319	21242
Balance with Scheduled Banks:		
In Current Accounts	2218533	3193040
T O T A L	2268852	3214282
(d) ADVANCES & DEPOSITS :		
Unsecured & Considered Good		
Recoverable in cash or in kind or for value to be received	2387548	6097671
Deposits	1270370	5687310
Retention Money (SKODA & SPML KOLKATA)	0	1241737
Other Receivables(Inno Projects GTFL)	205000	3658824
-APTRANSCO	0	50500

Other Divisions		
- Plastic Division	0	(41000)
- Business Development	0	138000
- Cable Division	0	40999
T O T A L	3862918	16874041

Schedule - 6

**ABSTRACT
INNOCORP LTD**

Transfer of Current Assets & Current Liabilities to Inno Projects(p)Ltd as on 31.03.2011

Particulars	Projects Division		Cable Division	
	Current Assets	Current Liabilities	Current Assets	Current Liabilities
SUNDRY DEBTORS	4200716.97		27756093.09	
ADVANCES	1421873.00			
DEPOSITS	4406940.00		432336.00	
STOCK	1054612.00		6883677.00	
SUNDRY CREDITORS		2603683.00		15210840
CURRENT LIABILITIES		1067271.00		400000
TOTAL	11084141.97	3670954.00	35072106.09	15610840

Receivable from Cable Division	35072106.09	
Receivable from Project Division	11084141.97	46156248.06
Payable from Cable Division	15610840.09	
Payable from Project Division	3670954.00	19281794.09
Transferred to Innoprojects (P) Ltd		26874453.97

Schedule - 7 : CURRENT LIABILITIES & PROVISIONS

Particulars	For the year 2010-11	For the year 2009-10
	Rs.	Rs.
GTFS Domestic Factoring	0	400000
Sundry Creditors	2041874	14523259
Outstanding Liabilities	3712481	4386871

T O T A L	5754355	19310130
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SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH 2011		
Schedule - 8 : MANUFACTURING EXPENSES		
Particulars	For the year 2010-11 Rs.	For the year 2009-10 Rs.
Raw Material	37076024	41922148
Packing Material	4584166	6318124
Consumables & Stores	789968	269815
Workmen Wages	2402621	2482943
Power & Fuel	4518875	4095275
Fright Inward	465851	151727
Repairs to Machinery	542852	902077
Repairs to Buildings	1276755	789174
Water Charges	31475	10256
Labour/Processing Charges	225083	646494
TOTAL	51913670	57588033

Schedule - 9 : ADMINISTRATIVE EXPENSES		
Particulars	For the year 2010-11 Rs.	For the year 2009-10 Rs.
Salaries & Allowences (Staff)	2295752	2969081
Maintainance Charges	272748	179758
Professional & Consultancy Charges	137329	133500
Insurance	39154	146837
Travelling & Conveyance	875316	415310
Advertisement Expenses	16846	24430
Audit Fee	110300	110300
Directors Remuneration	1040000	1077845

Donations	1000	0
Vehicle maintainance	221685	258904
Postage & Telephones	176579	164082
Printing & Stationery	101044	86519
Rates & Taxes	155197	550961
Business Development Expenses	714634	0
Office Expenses	200031	568004
Loss on Sale of Vehicles	0	459530
Bad debts / Advances Written off	1495733	847054
TOTAL	7853348	7992115

Schedule - 10 : FINANCIAL CHARGES		
Particulars	For the year 2010-11 Rs.	For the year 2009-10 Rs.
Interest		
- On Working Capital Loans/Limits	186647	385840
- On Medium Term Loans	0	47688
- On Hire Purchase Loans	0	135090
Interest on TDS/Others	70548	23345
Bank & LC Discounting Charges	16302	177497
Legal Expenses	0	186616
Commitment Charges (C C Limit -UCO BANK)	93751	0
Inspection Charges (UCO BANK)	15000	0
Processing Fee (C C Limit - UCO BANK)	81600	0
T O T A L	463848	956076

SCHEDULE 11**SIGNIFICANT ACCOUNTING POLICIES**

1. **Accounting Convention:** These accounts have been prepared under historical cost convention and on the accounting principles of going concern. Accounting policies not specifically referred to otherwise be consistent and accordance with generally accepted accounting principles.
2. **Revenue Recognition:** The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.
3. **Inventories:** Inventories are valued as under,
 - a. Raw Material are valued at purchases price and other attributable costs.
 - b. Finished goods are valued at lower of cost or net realizable value.
 - c. Work in progress is valued at lower of cost or net realizable.
4. **Foreign Currency Transactions:** Exchange difference arising out of foreign currency transaction are recorded at the exchange rates prevailing at the transaction date.
5. Depreciation of Fixed Assets, which have been put, to use has been provided on straight line method as per the classification and on the basis of Schedule XIV of the Companies Act, 1956.
6. Fixed Assets are stated at cost of acquisition.
7. Net of Current Assets & Current Liabilities (Rs.2,68,74,454 /-) relating to erstwhile Cable & Project Divisions whose operations were ceased since year 2009-10 transferred to Inno Projects (p) Ltd under Current Assets, Loans & Advances at Schedule –6 of the Balance Sheet.

SCHEDULE 12

NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31 ST MARCH, 2011

- 1 Contingent Liability not provided for
 - i Capital commitment not provided NIL " Previous Year " NIL
 - ii Claims against the company not acknowledge as debt NIL " Previous Year " NIL
 - iii Other Contingent Liabilities NIL " Previous Year " NIL
- 2 Balance in Debtors, Advance and Creditors accounts are subject to confirmation from the Parties.
- 3 Working Capital Limits from Uco Bank is secured by charge by way of Hypothecation of Current Assets of the Company and personal guarantee of the Directors.

	Current Year 2010-11 Rs.	Previous Year 2009-10 Rs.
4 Managerial Remuneration		
i) Chairman & Managing Director		
Salary	6,00,000	6,00,000
Others	1,16,087	1,68,867
ii) Executive Director		
Salary	2,40,000	2,40,000
Others	21,380	0
iii) Whole Time Director		
Salary	2,00,000	2,20,000
Others	23,853	36,846
5 Auditors Remuneration		
Statutory Audit Fee	1,10,300	1,10,300

- 6 No employee has received salary of Rs. 2,00,000 per month if employed part of the year or Rs. 24,00,000

per annum during the year 2010-11. Previous year : NIL

	Current Year 2010-11 Rs.	Previous Year 2009-10 Rs.
7 Sundry Debtors		
Below Six Months	28,05,080	0
Above Six Months	0	1,54,00,593
8 Conversion / Transaction of Foreign Currency Items Import of Machinery	32,16,350	0

	Current Year 2010-11 Rs.	Previous Year 2009-10 Rs.
9 Earning per Equity Share		
a) Net Profit/(Loss) After Tax (Rs. In Lakhs)	6,53,247	(25,56,806)
b) No. Equity Shares	79,41,400	79,41,400
c) Earnings per Share (In Rs. Ps)	0.08	0

10 These are not outstanding over - dues to small scale industrial undertakings and/or Ancillary industrial Suppliers on account of principal and/or interest at the close of the year. This disclosure is based on the documents/information available with in the company.

11 In accordance with the accounting standard 22 issued by the ICAI, the company is having a Tax Asset of Rs. 40,82,874 on timing differences as on 31.03.2009 .

12 Cenvat Credit : Excise Duty paid on inputs is debited to a separate account namely Cenvat on Raw Material Account. This account is credited as and when Cenvat actually utilized against payment of Excise Duty on final Dispatchs. Balance in Cenvat on Raw Materials is shown on assets side of Balance sheet under the current assets.

13 a) Previous year figurs have been regrouped and rearranged wherever necessary.
b) Paisa have been rounded off to the nearest Repee.

14 Prior - Period Items **Current Year** **Previous Year**

	2010-11	2009-10
	Rs.	Rs.
Expenses	0	26,72,592
Income	84,457	0
	84,457	26,72,592

15 Quantitative Information pursuant to the provisions of paragraphs 3,4C and 4D of Para-II of Schedule VI in respect of goods manufacture.

A) Installed Capacity (Plastic Division)	Current Year	Previous Year
	2010-11	2009-10
	Rs.	Rs.
Injection Moulded Items	1700 MT	1700 MT
Actual Production	Nos.	Nos.
i) Plastic Chairs	0	147530
ii) Tableware & Kitchenware	2138415	3014822

B) Turnover and Stocks

	Current Year		Previous Year	
	2010-11		2009-10	
	(Qty In Nos.)		(Value In Lakh.)	
	Qty	Value	Qty	Value
1 Plastic Chairs				
Opening Stock	0	0	170	0.28
Sales	0	0	147461	102.59
Closing Stock	0	0	239	34.87
2 Tableware & Kitchenware of Plastics				
Opening Stock	0	0	0	0
Sales	2138415	663.96	2986627	724.28
Closing Stock	15305	4.75	28195	11.13

3	Conductors				
	Opening Stock	0	0	64454	93.09
	Sales	0	0	0	0
	Closing Stock	0	0	64454	93.09
4	Cables				
	Opening Stock	0	0	5.62	19.38
	Sales	0	0	0	0
	Closing Stock	0	0	5.62	19.38

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE AS PER SCHEDULE VI.	
PART - (IV) OF THE COMPANIES ACT , 1956	
I	Registration Details
	Registration No. : 18364
	State Code : 1
	Balance Sheet Date : 31.03.2011
II	Capital Raised During the year
	(Rs. In Lakh)
	Public Issue : 0
	Rights Issue : 0
	Bonus Issue : 0
	Private Placement : 0
III	Position of Mobilisation and Deployment of Funds
	Total Liabilities : 840.70
	Total Assets : 840.70
	Sources of Funds
	Paid - up Capital : 794.14
	Reserves & Surplus : (66.54)
	Share Application Money : 40.25
	Secured Loans : 52.33
	Un - Secured Loans : 20.52
	TOTAL : 840.70
	Application of Funds
	Net Fixed Assets : 425.45
	Net Current Assets : 374.42

	Deferred Tax	:	40.83
	TOTAL		840.70
IV	Performance of the Company		
	Net Turnover	:	672.48
	Total Expenditure	:	665.30
	Profit/(Loss) After Tax	:	6.54
	Dividend Rate	:	N . A
V	Generic name of Principal Product/services of the Company (as monetary terms)		
	Item Code		Product Description
	84771000		Injection Moulding Articles
	39231000		Boxes , Cases and Crates
	34029003		Cleaning Agents

INNOCORP LIMITED

Regd. Office: Plot No. 41, IDA Mallapur, Hyderabad – 500076

PROXY FORM

Regd. Folio No.....

I/We.....of.....in the district
 Of.....being a member / members of the
 Above named company hereby appoint.....of.....in
 The district of.....as my / our proxy to vote for me / us on my /
 our behalf at the 17th Annual General Meeting to be held on Friday , 30th September , 2011 at
 11.00 A.M at the Registered office of the company and at any adjournment thereof.

Affix Re.1/- Revenue Stamp

Note: This form is order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the company, not less than 48 hours before the meeting.

INNOCORP LIMITED

Regd. Office: Plot No. 41, IDA Mallapur, Hyderabad – 500076

ATTENDANCE SLIP

17th Annual General Meeting – 30th September 2011

Regd. Folio No.....

I certify that I am a registered share holder / Proxy for the Registered share holder of the company.

I hereby record my presence at the 17th Annual General Meeting of the Company at the Registered office of the company on Friday, 30th September, 2011.

Member/s /Proxy's Name
(in block letters)

Member's / Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the entrance of the Hall.