

INNOCORP LIMITED

(Formerly Known as Innosoft Technologies Limited)

Date: 03rd September, 2019

To

Corporate Relationship Department
BSE LIMITED
P J Towers, Dalal Street,
Mumbai-400 001

Dear Sir,

Sub: - Annual Report for the Financial Year 2018-19

Ref: Scrip code- 531929

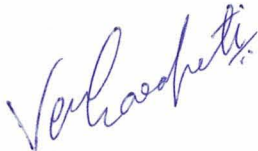
With reference to the Above Cited Subject, Please find the enclosed Annual Report for the financial year 2018-19 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations-2015.

The said annual report has also been uploaded on the company website.

This is for the information and necessary records

Yours truly,

For INNOCORP LIMITED



Venu Garapati
Managing Director

25TH
ANNUAL REPORT
2018 – 2019

INNOCORP LIMITED

25TH ANNUAL GENERAL MEETING

Friday 27th Day of September, 2019 AT 12:00 PM,
At Plot No. 41, IDA, Mallapur, Hyderabad. Telangana - 500076, India

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COMPANY INFORMATION

BOARD OF DIRECTORS

1. Mr. Prasad V S S Garapati	Chairman and Executive Director
2. Venu Garapati	Managing Director
3. Mrs. K. Saraswathi	Whole Time Director
4. Mr. Venkaiah Doniparthi	Director
5. Mr. Cherukuri Subrahmanyam	Director
6. Mr. Naga Mohan Babu Mangalapurapu	Director

CFO

Mr. Sahu Garapati

STATUTORY AUDITORS

M/S. Ramasamy Koteswara Rao & Co, LLP
#8-2-293/82/JIII/573/M, 1st Floor,
Road No.82, Jubilee Hills, Hyderabad,
Telangana 500033

INTERNAL AUDITOR

M/s. Padarthi and Associates
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,
Telangana – 500 034

LISTED AT:

BSE Limited

BOARD COMMITTEE		
AUDIT COMMITTEE:	STAKEHOLDERS RELATIONSHIP COMMITTEE:	NOMINATION AND REMUNERATION COMMITTEE:
Cherukuri Subrahmanyam – Chairman	Cherukuri Subrahmanyam – Chairman	Cherukuri Subrahmanyam – Chairman
Venkaiah Doniparti - Member	Venkaiah Doniparti - Member	Venkaiah Doniparti - Member
Saraswathi Kovelamudi - Member	Saraswathi Kovelamudi - Member	Saraswathi Kovelamudi - Member

NOTICE

Notice is hereby given that the 25th 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 Friday, 27th September, 2019 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, 2019 and the Profit and Loss account for the year ended on 31st March, 2019 and the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place Prasad VSS Garapati (DIN-00209436), who retires by rotation, being eligible offers himself for re-appointment

SPECIAL BUSINESS:**3. APPOINTMENT OF VENU GARAPATI AS DIRECTOR OF THE COMPANY**

To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 161 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and all other applicable provisions, if any, of the Act, Venu Garapati, who was appointed as Additional Director by the Board with effect from 13th February, 2019 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 Venu Garapati for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation."

4. APPROVAL FOR THE APPOINTMENT OF VENU GARAPATI AS MANAGING DIRECTOR OF THE COMPANY

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

"RESOLVED THAT in pursuance of the provisions of Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), read with Schedule V to the said Act and subject to such other approvals, consents as may be required, the consent of the Members of the Company be and is hereby accorded for the appointment of Venu Garapati (DIN: 07148611) as Managing Director of the Company for a period of 3 (three) years with effect from 13th February, 2019 with a remuneration of Rs 40,000 upon the terms and conditions set out in the Explanatory Statement annexed to the Notice with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board of Directors and Venu Garapati."

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

5. APPOINTMENT OF SRI. SUBRAHMANYAM CHERUKURI (DIN 02750056) 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 a **Special Resolution**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 ("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) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri. Subrahmanyam Cherukuri (DIN 02750056), Non-Executive Independent Director of the Company, who has submitted a declaration that he meets

the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for second term of five consecutive years from the conclusion of this AGM till the conclusion of 30th AGM and whose office shall not be liable to retire by rotation".

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members be and is hereby accorded to the continuation of directorship of Sri. Subrahmanyam Cherukuri (DIN 02750056) after he attains the age of 75 years, as a Non-Executive, Independent Director of the Company

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions.

6. **APPOINTMENT OF SRI. VENKAIAH DONIPARTHI (DIN 02534812) 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 a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149,150,160 and any other applicable provisions of the Companies Act, 2013 ("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) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri. Venkaiah Doniparthi (DIN 02534812), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Non-Executive Independent Director of the Company to hold office for second term of five consecutive years from the conclusion of this AGM till the conclusion of 30th AGM and whose office shall not be liable to retire by rotation".

RESOLVED FURTHER THAT pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of the Members be and is hereby accorded to the continuation of directorship of Sri. Venkaiah Doniparthi (DIN 02534812), after he attains the age of 75 years, as a Non-Executive, Independent Director of the Company

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolutions.

By order of the Board
For INNOCORP LIMITED

Sd/-
Venu Garapati
Managing Director
DIN:- 07148611

Place: Hyderabad
Date : 13th August 2019

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 SATURDAY 21st SEPTEMBER, 2019 TO FRIDAY 27th SEPTEMBER, 2019 (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 25th 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 Tuesday, 24th September, 2019 to 05.00 P.M. on Thursday, 26th September, 2019

E-voting shall not be allowed beyond 05.00 P.M. on 26th September, 2019. 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 C 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
For INNOCORP LIMITED**

**Sd/-
Venu Garapati
Managing Director
DIN:- 07148611**

Place: Hyderabad
Date : 13th August 2019

Information in respect of directors seeking appointment/re-appointment

NAME OF THE DIRECTOR	VENU GARAPATI	PRASAD VSS GARAPATI	SUBRAHMANYAM CHERUKURI	VENKAIAH DONIPARTHI
Date of first appointment	13-02-2019	21-09-1994	31/10/2008	06-06-1997
Date of birth/age	09/07/1986	31-01-1957	12/10/1944	31-05-1936
Expertise in specific functional areas	Finance & Economics	Industrialist	Finance	Administration
Educational qualification	MSC	M.Com	Diploma In Electrical Eng	Civil Eng(IND) & Mechanical Eng (USA)
Chairman/member of the committees of Board of Directors of the company	Nil	Nil	Audit Committee Chairman Remuneration Committee Chairman Investor and Shareholder Grievance Committee Chairman	Audit Committee Member Remuneration Committee Member Investor and Shareholder Grievance Committee Member
List of Directorships, Committee Chairmanship, Membership held in other companies as on dated excluding private limited Company and Section 8	INNOVATIONS PAYMENT SERVICES LIMITED	I2T2 INDIA LIMITED INNOVATIONS PAYMENT SERVICES LIMITED	Nil	Nil

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

Item No 3:

In order to broad base the Board, Venu Garapati was appointed as an additional director of the Company by the Board of Directors in its meeting held on 13th February, 2019, with immediate effect.

The Company has received a notice in writing along with the deposit as required under Section 160 of the Companies Act, 2013 from one of its shareholders proposing the candidature of Venu Garapati for the office of the Director of the Company whose office shall be determinable by retirement of Directors by rotation.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 any such proposal needs to be approved by the members in their General Meeting. Hence, the Board recommends the resolution for your consideration and approval.

Venu Garapati shall be deemed to be interested / concerned in the aforesaid resolution.

Except as aforesaid, none of the Directors, Key Managerial Personnel and their relatives is interested in this resolution except to the extent of their shareholding in the Company.

Item No 4:

The Board of Directors of the Company in its meeting held on 13th February, 2019, has appointed Venu Garapati as Managing Director of the Company for a period of three (3) years w.e.f. 13th February, 2019 subject to the approval of members. Further, Venu Garapati was re-designated as Key Managerial Personnel of the Company as per Section 203 of the Companies Act, 2013

The present term of Venu Garapati as Managing Director of the Company will expire by efflux of time on February 13th 2022. The Board authorised the Nomination and Remuneration Committee to approve in the accordance with the provisions of Schedule V to the Companies Act, 2013.

The following additional detailed information as per Section - II of Schedule V is as follows:

I	General Information		
a.	Nature of Industry	Manufacturing Plastic ware Products	
b.	Date or expected date of commencement of commercial production	Existing Unit	
c.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not applicable	
d.	Financial performance based on given indicators	Financial Year 2018-19 (Rs in INR)	Financial Year 2017 -18 (Rs .in INR)
	♦ Total Income(Net of Taxes)	1,59,72,000	2,65,72,000
	♦ Profit/loss before tax	(99,02,000)	(18,76,000)
	♦ Net Profit/tax After Taxation	(98,83,000)	(68,42,000)
e.	Export performance and net foreign exchange collaborations	Not applicable	
f.	Foreign investments or collaborations, if any	Not applicable	

II	Information about the appointee	
	a. Background details	Hailed from Business family
	b. Past remuneration	40,000 per month
	c. Recognition or awards	None
	d. Job profile and his suitability	Administration
	e. Remuneration proposed	40,000 per month
	f. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	Minimal
	g. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	Venu Garapati is son of Mr. Prasad VSS Garapati (Executive Director and Chairman) and younger brother of Mr. Sahu Garapati (CFO) and nephew of K Saraswath Kovelamudi (whole time director)
III	Other Information	
	a. Reasons of loss or inadequate profits	Reduction in orders of Tupperware
	b. Steps taken or proposed to be taken for improvement	Orders already stabilized
	c. Expected increase in productivity and profits in measurable terms	In the coming FY

Pursuant to the provisions of section 196, 197 read with Schedule V to the Companies Act, 2013 the company needs to obtain the consent of its members by way of special resolution.

Hence, the Board recommends the resolution for your consideration and approval.

Venu Garapati shall be deemed to be interested / concerned in the aforesaid resolution.

Except as aforesaid, none of the Directors, Key Managerial Personnel and their relatives is interested in this resolution except to the extent of their shareholding in the Company.

Item No 5 & 6:

Sri Cherukuri Subrahmanyam (DIN: 02750056) and Sri. Venkaiah Doniparthi (DIN : 02534812) were appointed as an Non-Executive Independent Director of the Company by the members at the 20th AGM of the Company held on 30th September, 2014 for a period of five consecutive years.

As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company.

Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 160 read with Schedule IV and any other applicable provisions of the Act and SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi being eligible for re-appointment as an Independent Director and offering themselves for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from conclusion of 25th AGM till the conclusion of 30th AGM.

The Company has received declaration from them stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members.

In the opinion of the Board, Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi fulfills the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for their reappointment as an Independent Non-Executive Director of the Company and is independent of the management

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi as an Independent Director.

Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi as an Independent Director for another term of five consecutive years with effect from conclusion of 25th AGM till the conclusion of 30th AGM, for the approval by the shareholders of the Company.

Except Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi being an appointee and their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 5& 6 of the accompanying Notice of the AGM Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi are not related to any Director of the Company.

As per Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from April 1, 2019, no listed company shall appoint or continue the directorship of a non-executive director who has attained the age of 75 years, unless a special resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment. Considering that during the course of term of appointment of Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi will be attaining the age of 75 years, it is necessary to approve continuation of their directorship on the Board of Directors of the Company by way of a special resolution.

The Board of Directors recommends the resolution in relation to the appointment of Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi as Non-Executive Independent Director of the Company as set out in Item No. 5 & 6 for approval of the Members by way of a Special Resolution.

Profiles and justification for continuation of the directorship of Sri Cherukuri Subrahmanyam and Sri. Venkaiah Doniparthi are stated below:

1. Sri Cherukuri Subrahmanyam

Sri Cherukuri Subrahmanyam, born on October 12, 1944, is a Non-Executive Independent Director qualified as Diploma In Electrical Engineering with more than 5 decades of experience & specialist in Finance and related matters.

He has been an active member of the Board and the Board Committees of which he is a member. He brings independent judgment on the Board of the Company and his continued association will be valuable and positive. With his expertise, skills and knowledge, particularly in the field of finance and accounts, he articulates and provides his valuable guidance and inputs in all matters pertaining to the financial statements. He is physically fit and current with finance and business matters.

2. Sri. Venkaiah Doniparthi

Sri Venkaiah Doniparthi, born on May 5, 1936, is a Non-Executive Independent Director of the Company. He holds multiple degree lik, Civil Engineering (IND) & Mechanical Engineering (USA) and Sri. Venkaiah Doniparthi is a good administrator.

Sri. Venkaiah Doniparthi has been an active member of the Board and the Board Committees of which he is a member. He brings independent judgment on the Board of the Company and his continued association will be valuable and positive. With his expertise, skills and knowledge, particularly in the field of administration, factory management etc he articulates and provides his valuable guidance and inputs in all matters pertaining to the administration matter. Sri. Venkaiah Doniparthi is physically fit and current with finance and business matters.

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

**Sd/-
Venu Garapati
Managing Director
DIN:- 07148611**

Place: Hyderabad
Date : 13th August 2019

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 25th Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2019.

FINANCIAL HIGHLIGHTS**(Rupees in Lakhs)**

PARTICULARS	Year Ended 31.03.2019	Year Ended 31.03.2018
Sales (Excl. Duties and Taxes)	144.52	122.17
Other Income	15.20	143.55
Total Income	159.72	265.72
Total Expenditure	240.99	257.36
Profit Before Depreciation and Taxation	-81.27	8.36
Depreciation	17.75	27.12
Profit Before Tax	-99.02	-18.76
Tax	-0.19	49.66
Net Profit / (Loss)	-98.83	-68.42

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. 159.72 Lakh when compared to last year sales of Rs.265.72 lakh and recorded net loss of Rs.98.83 lakh for the financial year 2018-19 when compared to net Loss of Rs.68.42 lakh during the previous year.

SHARE CAPITAL :

The paid up equity share capital of the Company as on 31st March, 2019, 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 2018-19, Your Company has incurred loss, hence your Directors do not recommend any dividend for the Financial Year 2018-19.

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 its member and public during the Financial Year.

BOARD MEETINGS

During the year under review, Four board meetings were held on 30.05.2018, 14.08.2018, 14.11.2018, and 13.02.2019,. 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 2019 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, Prasad VSS Garapati, Director of the Company will retire by rotation and at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Venu Garapati appointed as managing Director on 13.02.2019 and resigned as CFO.

Sahu Garapati appointed as Chief Financial officer and resigned as Whole Time Director of the Company.

Appointment of Sri Subrahmanyam Cherukuri (DIN: 02750056) & Sri Venkaiah Doniparthi (DIN:02534812) as Non-Executive Independent Director of the Company for the second term of 5 consecutive year.

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 2018-19 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 2018-19 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. LLP (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 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. Padarathi and Associates 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. Jineshwar Kumar Sankhala a practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith as **ANNEXURE C** to this report.

SUBSIDIARIES:

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

RELATED PARTY TRANSACTIONS

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

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

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

EXTRACT OF ANNUAL RETURN

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

RISK MANAGEMENT:

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

CORPORATE SOCIAL RESPONSIBILITY:

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

CORPORATE GOVERNANCE:

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

VIGIL MECHANISM :

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

NOMINATION & REMUNERATION POLICY

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

PARTICULARS OF EMPLOYEES:

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

HUMAN RESOURCES:

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

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

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

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

ACKNOWLEDGEMENTS:

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

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

**Sd/-
Venu Garapati
Managing Director
DIN:- 07148611**

Place: Hyderabad
Date : 13th August 2019

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	962764	790822
Total Amount	Rs. 7,885,036	Rs. 64,81,273
Rate/Unit	Rs. 8.19	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 -	-N.A. -
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:

- 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:	2018-19
Foreign exchange earnings	NIL
Foreign exchange outgo	NIL

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

**Sd/-
Venu Garapati
Managing Director
DIN:- 07148611**

Place: Hyderabad
Date : 13th August 2019

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**

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

**Sd/-
Venu Garapati
Managing Director
DIN:- 07148611**

Place: Hyderabad
Date : 13th August 2019

Form No. MR-3**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31st March, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We 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 us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our 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 our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by INNOCORP LIMITED for the financial year ended on 31st March, 2019 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, 2015/2018;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009/2018; (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, 2008/2018; (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 Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable as the company is not registered as Registrar 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, 1998/2018; (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.

**For P S RAO & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
Jineshwar Kumar Sankhala
Company Secretary
M No : 21697
C P No: 18365**

Place: Hyderabad
Date : 13th August 2019

Annexure - D

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

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, Telangana - 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 and 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/CGN	Holding Subsidiary / Associate	% of Share Holding as an 31.3.2019	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 01.04.2018				No. of Shares held at the end of the Year 31.03.2019				% Change during the Year
	Demat	Physical	Total	% of shares	Demat	Physical	Total	% of shares	
Pramoter									
A (1) Indian									
Individual/ HUF	1662838	8000	1670838	21.04	2354238	1600	2355838	29.67	8.63
Central Govt									
State Govt(s)									
Bodies Corp.	685100	0	685100	8.63	0	0	0	0	8.63
Banks / FI									
Any Other									
Sub-total (A) (1):	2347938	8000	2355938	29.67	2354238	1600	2355838	29.67	0.00
A (2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) other Individuals									
c) Body Corp									
d) Banks / FI									
e) 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 promoter Shareholding (A) = (A) (1) + (A) (2)	2347938	8000	2355938	29.67	2354238	1600	2355838	29.67	0.00
B. Public Share Holding									

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									
FIs									
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 Corp.	178283	19700	197983	2.49	109105	19700	128805	1.62	(0.87)
Individuals									
i) Individual Shareholders holding nominal share capital upto Rs. 2 Lakh	2087376	133801	2220177	27.96	2116254	122501	2238755	28.19	0.23
ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakh	756620	24000	780620	9.83	806520	24000	830520	10.46	0.63
Others									
Non Resident Indians (NRI)	2314482	69200	2383682	30.02	2315482	69200	2384682	30.03	0.01
Clearing Members	2100	0	2100	0.03	1900	0	1900	0.02	(0.01)
Sub-total (B)(2):	5338861	246701	5584562	70.32	5349261	235401	5584662	70.32	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	5339661	246801	5585462	70.33	5350061	235501	5585562	70.33	0.00
C) Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	7687599	253801	7941400	100	7704299	237101	7941400	100	0

B. Shareholding of Promoters

Sl. No	Promoter Name(s)	Shareholding at the beginning of the Year (01.04.2018)			Shareholding at the end of the Year (31.03.2019)			% Change in Share holding during the year.
		No. of Shares	% to Total Shares of the Company	% of Shares pledged / Encumbered to total shares	No. of Shares	% to Total Shares of the Company	% of Shares pledged / Encumbered to total shares	
1	Prasad VSS Garapati	837950	10.55	0	1593050	20.06	0	9.51
2	Lakshmi V V V Garapati	359237	4.52	0	359237	4.52	0	0
3	K Saraswathi	100	0	0	100	0	0	0
4	Sahu Garapati	142251	1.79	0	142521	1.79	0	0
5	Venu Garapati	70700	0.89	0	70700	0.89	0	0
6	Sivram Prasad Chilakpati	71600	0.90	0	1500	0.02	0	(0.88)
7	Purna Chalasani	189000	2.38	0	189000	2.38	0	0
8	Innovation Showrooms Private Limited	685100	8.63	0	0	0	0	(8.63)

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

Sl. No	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	2355938	29.67	2355938	29.67
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	100 shares are sold to public			
	At the end of the year	2355838	29.67	2355838	29.67

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

S.No	Name	Share Holding as on 31.03.2018		Date	Increase Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the Beginning (01.04.2018) / end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	ZAHARA BEGUM	1150000	14.48	01.04.2018		Nil movement during the year		
					0			
		1150000	14.48	31.03.2019			1150000	14.48
2	KATRAGADDA DEVI PRASAD	1025000	12.91	01.04.2018		Nil movement during the year		
					0			
		1025000	12.91	31.03.2019			1025000	12.91
3	RAJ KUMAR LOHIA	184178	2.32	01.04.2018		Nil movement during the year		
					0			
		184178	2.32	31.03.2019			184178	2.32
4	AKASH AGGARWAL	75000	0.94	01.04.2018		Nil movement during the year	124900	1.57
					49900			
		124900	1.57	31.03.2019			124900	1.57
5	SUCHETA BITHAL	78675	0.99	01.04.2018		Nil movement during the year	78675	0.99
					0			
		78675	0.99	31.03.2019			78675	0.99
6	GUTHI KONDA MURALI	63200	0.80	01.04.2018		Nil movement during the year	63200	0.80
					0			
		63200	0.80	31.03.2019			63200	0.80
7	SIVA SAI KUMAR KAKARALA	63046	0.79	01.04.2018		Nil movement during the year	63046	0.79
					0			
		63046	0.79	31.03.2019			63046	0.79
8	SAI PRASAD VEERA-MACHINENI	50017	0.63	01.04.2018		Nil movement during the year	50017	0.63
					0			
		50017	0.63	31.03.2019			50017	0.63
9	JIGNESH MADHUKANT MEHTA	37950	0.48	01.04.2018		Nil movement during the year	37950	0.48
					0			
		37950	0.48	31.03.2019			37950	0.48
10	KANURI JAGADISH PRASAD	37712	0.47	01.04.2018		Nil movement during the year	37712	0.47
					0			
		37712	0.47	31.03.2019			37712	0.47

E Shareholding of Directors and Key Managerial Personnel

S.No	Name	Share Holding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the Beginning (01.04.2018)/ end of the year 31.03.2019)	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	Prasad V S S Garapati	837950	10.55	01.04.2018	-	Purchased 755100 shares during the year	837950	10.55
	Brought during The Year	755100	9.51	-	755100		755100	9.51
	Sold During The year	-	-	-	0		-	-
	At the End of the Year	1593050	20.06	31.03.2019	0		1593050	20.06
2	K. Saraswathi	100	0.00	01.04.2018	0	Nil Movement during the year	100	0.00
	Brought during The Year	-	-	-	0		-	-
	Sold During The year	-	-	-	0		-	-
	At the End of the Year	100	0.00	31.03.2019	0		100	0.00
3	Sahu Garapati (till 13.02.2019)	142251	1.79	01.04.2018	0	Purchased 270 shares during the year	142251	1.79
	Brought during The Year	270	0.00	-	270		270	0.00
	Sold During The year	-	-	-	0		-	-
	At the End of the Year	142521	1.79	31.03.2019	0		142521	1.79
4	Venu Garapati (as on 13.02.2019)	70700	0.89	13.02.2018	0	Nil Movement during the year	70700	0.89
	Brought during The Year	-	-	-	0		-	-
	Sold During The year	-	-	-	0		-	-
	At the End of the Year	70700	0.89	31.03.2019			70700	0.89
5	Sri Venkaiah Doniparthi	None of the Directors hold shares in the Company						
6	Cherukuri Subrahmanyam							
7	Naga Mohan Babu Mangalapurapu							

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

Amount in Rs.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	24515034	4100924	0	28616958
ii) Interest due but not paid			0	
iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	24515034	4100924	0	28616958
Change in Indebtedness during the financial year				
* Addition	4800038	2207459	0	7007497
* Reduction				
Net Change	4800038	2207459	0	7007497
Indebtedness at the end of the financial year				
i) Principal Amount	29316072	6308383	0	35624455
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	29316072	6308383	0	35624455

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i). Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No	Particulars of Remuneration	Name of MD/MTD/ Manager			Total Amount
		Chairman & Managing Director	Whole-time Director	Whole-time Director	
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-
	(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 a % of profit ● Others, specify	-	-	-	-
5.	Others please specify	-	-	-	-
	Total A	-	-	-	-
	Ceiling as per the Act				

B. Remuneration to other directors:

SNo	Particulars of Remuneration	Name of Directors				Total Amount
1.	Independent Directors					
	• Fee for attending Board Committee Meetings					
	• Commission					
	• Others please specify					
	Total (1)					
2.	others 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/WTB

SNo	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
	(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 a % of profit				
	• Others, specify				
5.	Others please specify				
	Total				

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					
Compounding					
C. others 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.**

- i. The percentage increase/decrease in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2018-19 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2018-19: NIL

Note: The median remuneration of employees of the Company during the financial year was Rs.312000/-

- ii. In the financial year under review, there was an increase of 3.31% in the median remuneration of employees.
- iii. The number of permanent employees on the rolls of company: 9
- iv. **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 decrease in the salaries of employees other than the managerial personnel in 2018-19 was 17.65% No managerial remuneration for the same financial year has given.

- v. The company affirms that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

INDEPENDENT AUDITOR'S REPORT

To The Members of
Innocorp Limited

Report on the Audit of the Ind AS Financial Statements**Opinion**

We have audited the accompanying financial statements of Innocorp Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS financial statements for the financial year ended 31st March, 2019. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Ind AS Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

Key Audit Matter	How the Matter was addressed in Audit
<p>1. Revenue Recognition</p> <p>As described in Note 1.2 to the Ind AS financial statements, the Company has adopted Ind AS 115, Revenue from Contracts with Customers ('Ind AS 115') which is the new revenue accounting standard.</p> <p>The application and transition to this accounting standard is complex and is an area of focus in the audit. The new standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized.</p> <p>This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period.</p> <p>The Company adopted Ind AS 115 and applied the available exemption provided therein, to not Restate the comparative periods.</p>	<p>Principal Audit Procedures</p> <p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with Customers ('Ind AS 115'), which is the new accounting standard, include -</p> <ul style="list-style-type: none"> • Evaluated the design and implementation of the processes and internal controls relating to implementation of the new accounting standard; • Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams; • Evaluated the cumulative effect adjustments as at 1st April 2018 for compliance with the new accounting standard; and • Evaluated the appropriateness of the disclosures provided under the new accounting standard and assessed the completeness and mathematical accuracy of the relevant disclosures

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these 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 the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judg-

ments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Undersection 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in inter-

nal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss 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 financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended 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 to which would have an impact on its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 : 28-05-2019

Annexure-A to the Auditors' Report (referred to in paragraph 1 of our Report of even date to the Members of "Innocorp Limited" for the year ended March 31, 2019)

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 to us by the Company the title deeds of immovable properties are held in the name of the company.
- ii. The Company has conducted physical verification of the inventory at regular intervals and no material discrepancies were noticed during such verification.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. The Company has neither granted loans nor made any investment. Hence provisions of sec 185 & 186 of Companies Act, 2013 are not applicable.
- 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 Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by 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 irregular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, 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, 2019 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 outstanding over dues which are payable to banks and financial institutions.
- 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. Based upon the audit procedures performed and the information and explanations given by the management, the provisions of section 197 read with Schedule V to the Companies Act are complied.
- 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 : 28-05-2019

Annexure B to the Independent Auditor's Report of Even Date On The 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, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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, 2019, 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 : 28-05-2019

BALANCE SHEET AS AT 31st MARCH, 2019

All the Amt's in INR Unless Specified

	Note No.	March 31, 2019	March 31, 2018
A. ASSETS:			
Non-current assets			
Property, plant and equipment	2	31,702,041	33,272,241
Intangible assets		-	-
Investments		-	-
Financial assets			
Investments		-	-
Trade receivables	3	310,649	310,649
Loans and advances	4	1,220,132	1,329,142
Other non current financials assets	5	-	-
Non current tax assets		-	-
Deferred tax assets (net)		7,910,821	7,891,808
		41,143,643	42,803,840
Current assets			
Inventories	6	2,906,467	3,680,235
Financial assets			
Trade receivables	3	2,015,688	2,634,876
Cash and cash equivalents	7	54,283	52,870
Loans and advances	4	-	191,610
Other current financial assets	5	1,810,771	1,876,238
Other current assets		-	-
		6,787,209	8,435,829
TOTAL		47,930,852	51,239,670
Equity and liabilities			
Equity			
Equity share capital	8	79,414,000	79,414,000
Other equity	9	-80,752,939	-70,870,010
		-1,338,939	8,543,990
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	10	9,503,759	8,102,280
Trade Payables		-	-
Other financial liabilities		-	-
Deferred tax liabilities (net)		-	-
Provisions		-	-
Other Laibilities		-	-
		9,503,759	8,102,280
Current liabilities			
Financial liabilities			
Borrowings	10	26,120,696	20,514,678
Trade Payables	11	2,203,924	3,340,963
Other financial liabilities		515,202	1,362,100
Provisions		-	-
Other current liabilities	12	10,926,209	9,375,659
		39,766,031	34,593,400
TOTAL		47,930,852	51,239,670
Summary of significant accounting policies	1		

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

As per our report on even date

For Ramasamy Koteswara Rao and Co LLP

Chartered Accountants

Firm Registration Number :010396S/S200084

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

Sd/-

C.V.Koteswara Rao

Partner

Membership No: 028353

Sd/-

Prasad VSS Garapati

Director

DIN: 00209436

Sd/-

Venu Ganapati

Managing Director

DIN: 07148611

Sd/-

Sahu Garapati

CFO

Sd/-

Karishma Hemraj Bhandari

Company Secretary

Place: Hyderabad

Date : 28-05-2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

All the Amt's in INR Unless Specified

	Note No.	For the year ended 31st March 2019	For the year ended 31st March 2018
Revenue			
Revenue from operations	13	14,452,354	12,217,338
Other income	14	1,520,083	14,354,987
Total Revenue (i)		15,972,438	26,572,325
Expenses			
Manufacturing Expenses	15	14,554,392	12,241,988
Employee benefits expenses	16	3,154,117	5,824,270
Other expenses	17	1,774,622	2,711,716
Total expenses (ii)		19,483,131	20,777,974
Earnings before interest, tax, depreciation and amortization (i-ii)		-3,510,693	5,794,352
Finance costs	18	2,209,392	3,175,758
Depreciation and amortization expenses	2	4,181,856	4,493,840
Profit before tax		-9,901,941	-1,875,246
Tax expense			
Current tax		-	-
Less: MAT credit entitlement		-	-
Taxes for earlier years		-	-
Deferred tax (credit)		-19,013	4,966,447
Total tax expense		-19,013	4,966,447
Net profit after tax		-9,882,929	-6,841,693
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		-9,882,929	-6,841,693
Earnings per share (EPS) (of Rs.10/each) (amount in Rs.)			
Basic		-1.24	-0.86
Diluted		-1.24	-0.86
Summary of significant accounting policies	1		

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

As per our report on even date

For Ramasamy Koteswara Rao and Co LLP

Chartered Accountants

Firm Registration Number :010396S/S200084

**For and on behalf of the Board of
Innocorp Limited****Sd/-****C.V.Koteswara Rao**

Partner

Membership No: 028353

Sd/-**Prasad VSS Garapati**

Director

DIN: 00209436

Sd/-**Venu Ganapati**

Managing Director

DIN: 07148611

Place: Hyderabad

Date : 28-05-2019

Sd/-**Sahu Garapati**

CFO

Sd/-**Karishma Hemraj Bhandari**

Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

All the Amt's in INR Unless Specified

PARTICULARS	For the year ended March 31, 2019	For the year ended March 31, 2018
Cash flow from operating activities		
Profit before taxation	-9,901,941	-1,875,246
Non-cash adjustment to reconcile profit before tax to net cash flows:		
Depreciation and amortisation	4,181,856	4,493,840
Interest income	-74,630	-81,082
Interest expense	2,209,392	3,175,758
(Profit)/loss on sale of assets (net)	-1,403,120	-14,273,905
Operating profit before working capital changes	-4,988,443	-8,560,635
Movements in working capital:		
(Increase)/decrease in trade receivables	619,188	-747,335
(Increase)/decrease in inventories	773,768	1,172,120
(Increase)/decrease in other assets	366,087	-486,542
Increase in current liabilities and provisions	-433,386	4,954,547
Cash generated from operations	-3,662,786	-3,667,846
Direct taxes paid (net of refunds)	-	-
Net cash generated from operating activities (A)	-3,662,786	-3,667,846
Cash flows from investing activities		
Purchase of fixed assets	-3,008,536	-
Proceeds from sales of fixed assets	1,800,000	19,033,630
Interest received	74,630	81,082
Net cash used in investing activities (B)	-1,133,906	19,114,712
Cash flows from financing activities		
Proceeds from issue of shares including share premium	-	-
Interest paid	-2,209,392	-3,175,758
Changes in Borrowings	7,007,497	-12,279,324
Net cash generated from/used in financing activities (C)	4,798,105	-15,455,082
Net decrease in cash and cash equivalents (A+B+C)	1,413	-8,215
Cash and cash equivalents at the beginning of the year	52,870	61,085
Cash and cash equivalents at the end of the year	54,283	52,870
Components of cash and cash equivalents		
Cash on hand	13,541	9,644
Balances with scheduled banks		
Current accounts	40,742	43,226
Fixed deposits	-	-
Remittance in transit	-	-
Total cash and cash equivalents	54,283	52,870

As per our report on even date

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 : 28-05-2019

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

Sd/-
Prasad VSS Garapati
Director
DIN: 00209436

Sd/-
Sahu Garapati
CFO

Sd/-
Venu Ganapati
Managing Director
DIN: 07148611

Sd/-
Karishma Hemraj Bhandari
Company Secretary

Statement of changes in equity
A. Equity share capital

All the Amt's in INR Unless Specified

Particulars	in Number	in Rs.
Balance as on 1st April 2017	7,941,400	79,414,000
Changes in equity share capital during the year	-	-
Balance as on 31st March 2018	7,941,400	79,414,000
Changes in equity share capital during the year	-	-
Balance as on 31st March 2019	7,941,400	79,414,000

B. Other Equity

Particulars	Investment subsidy	Securities Premium Reserve	Retained Earnings	Total Other Equity attributable to Equity holders
Opening Balance as at 1st April 2017	3,115,130	64,705,000	(131,848,447)	(64,028,317)
Profit for the Year	-	-	(6,841,693)	(6,841,693)
Dividend tax and Interim Dividend	-	-	-	-
Closing Balance as at 31st March 2018	3,115,130	64,705,000	(138,690,140)	(70,870,010)
Balance as at 1st April 2018	3,115,130	64,705,000	(138,690,140)	(70,870,010)
Profit for the Year	-	-	(9,882,929)	(9,882,929)
Other Comprehensive income	-	-	-	-
Ind AS Closing Balance as at 31st March 2019	3,115,130	64,705,000	(148,573,069)	(80,752,939)

The accompanying notes are an integral part of these financial statements

As per our report on even date
For Ramasamy Koteswara Rao and Co LLP
 Chartered Accountants
 Firm Registration Number :010396S/S200084

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

Sd/-
C.V.Koteswara Rao
 Partner
 Membership No: 028353

Sd/-
Prasad VSS Garapati
 Director
 DIN: 00209436

Sd/-
Venu Ganapati
 Managing Director
 DIN: 07148611

Place: Hyderabad
 Date : 28-05-2019

Sd/-
Sahu Garapati
 CFO

Sd/-
Karishma Hemraj Bhandari
 Company Secretary

Note 2. Property, plant and equipment

All the Amt's in INR Unless Specified

Particulars	Land	Buildings	Plant and equipments	Furniture and fixtures	Office equipment	Vehicles	Total (Property, plant and equipment)
As at March 31, 2018	1,074,229	9,565,178	82,490,415	501,955	1,171,305	2,310,927	97,114,009
Additions	-	-	482,934	-	-	2,525,602	3,008,536
Disposals	-	-	6,471,650	-	-	-	6,471,650
As at March 31, 2019	1,074,229	9,565,178	76,501,699	501,955	1,171,305	4,836,529	93,650,895
Depreciation							
As at April 01, 2018	-	5,711,414	55,672,907	501,956	1,141,296	814,195	63,841,768
Charge for the year	-	318,313	3,355,030	-	20,010	488,503	4,181,856
Disposals	-	-	6,074,770	-	-	-	6,074,770
As at March 31, 2019	-	6,029,727	52,953,167	501,956	1,161,306	1,302,698	61,948,854
Net block							
As at March 31, 2019	1,074,229	3,535,451	23,548,532	-1	9,999	3,533,831	31,702,041
As at March 31, 2018	1,074,229	3,853,764	26,817,508	-1	30,009	1,496,732	33,272,241

Note 3. Trade receivables

Particulars	Non Current		Current	
	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2019	As At 31st March, 2018
Unsecured, considered good				
Related parties	-	-	-	-
Others	310,649	310,649	2,015,688	2,634,876
Unsecured, considered doubtful				
Related parties	-	-	-	-
Others	-	-	-	-
Less: Allowances for doubtful receivables	-	-	-	-
Total	310,649	310,649	2,015,688	2,634,876

Note 4. Financial assets - Loans and advances

Particulars	Non Current		Current	
	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2019	As At 31st March, 2018
Loan and advances				
Other Advances				
Recoverable in cash or kind				
Unsecured, considered good	-	-	-	191,610
Unsecured, considered doubtful	-	-	-	-
	-	-	-	191,610
Less: Provision for doubtful advances	-	-	-	-
	-	-	-	191,610
Security deposits recoverable in cash or kind				
Balances with government authorities	1,220,132	1,321,570	-	-
Other Deposits	-	7,572	-	-
	1,220,132	1,329,142	-	-
Total	1,220,132	1,329,142	-	191,610

Note 5. Other financial assets

Particulars	Non Current		Current	
	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2019	As At 31st March, 2018
Unsecured - Considered good				
MAT Credit Entitlement	-	-	980,977	980,977
Balance with revenue authorities	-	-	829,794	782,239
Interest on ICD Receivables	-	-	-	72,974
Prepaid expenses	-	-	-	40,048
Total	-	-	1,810,771	1,876,238

Note 6. Inventories

Particulars	As At 31st March, 2019	As At 31st March, 2018
a. Raw Materials and components	2,906,467	924,849
b. Finished goods	-	538
c. consumable goods	-	569,247
d. Grinding materials	-	1,237,880
e. Packing material	-	947,722
Total	2,906,467	3,680,235

Note 7. Cash and cash equivalents

Particulars	As At 31st March, 2019	As At 31st March, 2018
Balance with banks		
- In current accounts	40,742	43,226
- Deposit with original maturity of less than three months	-	-
Cash on hand	13,541	9,644
Unclaimed Dividend	-	-
Total	54,283	52,870

Note 8. Equity

Particulars	As At 31st March, 2019	As At 31st March, 2018
Authorised Share Capital		
i) Equity share capital		
1,20,00,000 Shares of RS.10/- each	120,000,000	120,000,000
	120,000,000	120,000,000
Issued, subscribed and paid up capital		
7941400 Shares of Rs.10/- each	79,414,000	79,414,000
Total	79,414,000	79,414,000

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

Particulars	As At 31st March, 2019		As At 31st March, 2018	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year	7,941,400	79,414,000	7,941,400	79,414,000
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,941,400	79,414,000	7,941,400	79,414,000

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

Particulars	As At 31st March, 2019		As At 31st March, 2018	
	Number of shares held	% of holding	Number of shares held	% of holding
Prasad Garapati Venkata Shiva Sundara	1,593,050	20.06%	837,950	10.55%
Innovations Show Rooms Pvt Ltd	0	0	685,000	8.63%
Zahara Begum	1,150,000	14.48%	1,150,000	14.48%
Katragadda Devi Prasad	1,025,000	12.91%	1,025,000	12.91%

11. Other equity

All the Amt's in INR Unless Specified

Particulars	As At 31st March, 2019	As At 31st March, 2018
Security premium		
Opening balance	64,705,000	64,705,000
Add: Premium on equity shares issued during the year		
Closing balance	64,705,000	64,705,000
General Reserve	-	-
Capital Reserve		
Investment Subsidy	3,115,130	3,115,130
Retained earnings		
Opening balance	-138,690,140	-131,848,447
Adjustment		
Add: Net profit after tax transferred from statement of profit and loss	-9,882,929	-6,841,693
Items of other comprehensive income directly recognised in retained earnings	-	-
- Remeasurement of post employment benefit obligations, net of tax	-	-
Amount available for appropriations	-148,573,069	-138,690,140
Total	-80,752,939	-70,870,010

Note 10. Financial liabilities - Borrowings

All the Amt's in INR Unless Specified

Particulars	Non Current		Current	
	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2019	As At 31st March, 2018
Secured Loan				
a) Term Loans				
From Banks	-	-	-	174,208
b) Vehicle Loans				
From Banks	-	-	-	-
From Financial Institutions	1,534,868	133,389	396,636	258,372
c) Mortgage Loan	7,968,891	7,968,891	-	-
d) Bank OD				
From Banks	-	-	19,415,676	15,981,174
Unsecured loan				
Loan from directors and relatives	-	-	6,308,383	4,100,924
Total	9,503,759	8,102,280	26,120,696	20,514,678

Note 11. Financial liabilities - Trade payables

Particulars	Non Current		Current	
	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2019	As At 31st March, 2018
Trade Payable				
- Related parties	-	-	-	-
- Others	-	-	2,203,924	3,340,963
Total	-	-	2,203,924	3,340,963

Note 12. Other liabilities

Particulars	Non Current		Current	
	As At 31st March, 2019	As At 31st March, 2018	As At 31st March, 2019	As At 31st March, 2018
Statutory Liabilities Payable	-	-	542,153	643,428
Salaries and wages Payable	-	-	2,773,749	2,028,102
Advance Received from suppliers	-	-	2,037,906	657,021
Other Payables	-	-	5,572,402	6,047,107
Total	-	-	10,926,209	9,375,659

Note 13. Revenue from operations

All the Amt's in INR Unless Specified

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Sale of Goods	14,452,354	10,954,573
Income from Job works	-	1,262,765
Total	14,452,354	12,217,338

Note 14. Other income

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest income on		
- On inter corporate deposits	74,630	81,082
Other non-operating income:		
- Profit on sale of assets	1,403,120	14,273,905
- Other misc income	42,333	-
Total	1,520,083	14,354,987

Note 15. Operating expenses

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Raw material consumed	5,660,915	3,825,684
Changes in inventories of finished goods and work in progress	773,768	1,172,119
Power and fuel	7,885,036	6,487,057
Repairs and maintenance	158,002	655,401
Other Manufacturing Expenses	60,853	19,967
Water Charges	13,817	45,516
Freight handling and octroi	2,000	36,243
Total	14,554,392	12,241,988

Note 16. Employee benefit expense

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Staff Salaries	3,139,557	3,825,702
Employer Contribution to PF	6,239	
Employer Contribution to ESI	4,834	
Staff Welfare	3,487	18,568
Directors Remuneration	-	1,980,000
Total	3,154,117	5,824,270

Note 17. Other expenses

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Audit fee	100,000	100,000
Advertisement Expenses	24,890	42,862
Listing Fee	394,686	331,863
Computer Maintenance	-	19,551
Insurance	175,750	159,260
Maintenance/Transportation	6,190	10,600
Office Expenses	81,614	72,766
Postage & Telephones	52,335	127,028
Printing & Stationary	4,728	5,621
Professional & Consultancy Charges	108,939	111,557
Rates & Taxes	-	1,359
Security Charges	334,200	367,200
Travelling & Conveyance	30,414	299,695
Vehicle Maintenance	24,000	368,058
Bank charges	25,052	48,190
Property Tax	264,714	486,911
Penalty / Interest Expenses	20,972	122,994
Krishi Kalyan Cess	-	1,359
Professional Tax	10,000	10,000
Income Tax arrears	-	6,680
Foreign Exchange Loss/ Profit	7,373	1,156
Miscellaneous expenses	108,765	17,007
Total	1,774,622	2,711,716

Note 18. Finance costs

Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Interest on cash credit	1,896,704	2,592,146
Interest on Term Loans	16,948	251,408
Interest on vehicle loan	86,643	140,381
Other Finance Charges	209,097	191,823
Total	2,209,392	3,175,758

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 financial statements for the year ended March 31, 2018 were approved by the Board of Directors and authorised for issue on 28th May, 2019.

Significant Accounting Policies**1 Basis of preparation of financial statements**

These 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.

1.1 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 liabilities. 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.

1.2 Revenue recognition**Sale of goods:**

With Effective from April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The company has adopted Ind AS 115 using the cumulative catchup method. The effect of initially applying this standard is recognised at the date of initial application (i.e .April 1, 2018).The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated i.e. the comparative information continues to be reported under Ind AS 18. The impact of adoption of the standard on the financial statements of the Company is insignificant. "Revenue is recognized when the company satisfies a performance obligation by transferring a promised good or service to its customers. The company considers the terms of the contract and its customary business practices to determine the transaction price. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset."Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and value added tax. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives / discounts. Accumulated experience is used to estimate and provide for the discounts/ right of return, using the expected value method.

Interest Income:

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

1.3 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.

1.4 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

1.5 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.

1.6 Taxes on Income

"Income tax comprises current income tax and deferred tax. Income tax expense is recognized in the statement of profit 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 offsets 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.

1.7 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.

1.8 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.

1.9 Provisions and Contingent Liabilities

A Provision is recognized if, as a result of past event, the Company has a present legal obligation that is reasonably 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.

1.10 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.

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.

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.

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.

1.11 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.

1.12 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.

1.13 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."

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.

1.14 Related Party transactions

Sr. No.	Name of the Related Party	Relationship
1	Venkata Garapati Siva Sundara Prasasd	Chairman & Executive Director
2	Venu Garapati	Managing Director (Key Managerial Person)
3	Saraswathi Kovelamudi	Whole Time Director
4	Sahu Garpati	Chief Financial Officer (Key Managerial Person)
5	Venkaiah Doniparthi	Independent Director
6	Subrahmanyam Cherukuri	Independent Director
7	Naga Mohan Babu Mangalapurapu	Independent Director
8	Karishma Hemraj Bhandari	Company Secretary (Key Managerial Person)
9	Inno Projects Private Limited	Entity in which Director is related
10	Innovations Payment Services Limited (Formerly Known as Innovations Capital Services Limited)	Entity in which Director is related
11	Innocorp Global Private Limited (Formerly Known as Innovations Show Rooms Private Limited)	Entity in which Director is related

B. Related party Transactions for the year ended March 31, 2019:**Amount In Rs.**

S.No.	Nature of transaction/ relationship/ major parties	Transactions		Balance Outstanding	
	Particulars	2018-2019	2017-2018	2018-2019	2017-2018
		Amount	Amount	Amount	Amount
	Inno Projects Private Limited				
	Loan Outstanding	-	-	-	283,653
	Innovations Payment Services Limited				
	Loan Outstanding	-	-	-	130,105
	Innocorp Global Private Limited				
	Loan Outstanding	-	-	-	1,359
	Sahu Garapati				
	Sale of fixed assets	-	1,365,630	-	-

C. List of Transactions with directors and key management personnel:
Amount In Rs.

Particulars	Remuneration Paid in FY 2018-19	Remuneration Paid in FY 2017-18
Saraswati Kovelamudi	-	660,000
Venkata Garapati Siva Sundara Prasasd	-	780,000
Sahu Garapati	-	540,000
Venu Garapati	-	504,000

Remuneration paid to non-executive directors and independent directors
Amount In Rs.

Particulars	Remuneration Paid in FY 2018-19	Remuneration Paid in FY 2017-18
Nil	-	-

1.15. Earning per share

Particulars	Remuneration Paid in FY 2018-19	Remuneration Paid in FY 2017-18
Profit (Loss) for the year	(9,882,929)	(6,841,693)
Weighted average no.of Equity shares	7,941,400	7,941,400
Basic earning per share	(1.24)	(0.86)
Diluted earning per share	(1.24)	(0.86)

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 25th Annual General Meeting of the shareholders of Innocorp Limited on Friday, 27th September, 2019 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, Telangana - 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 25th Annual General Meeting of the company, to be held on the Friday 27th day of September, 2019 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:

Sl. No	Resolutions	For	Against
1	Consider and adopt audited financial statements as at 31.03.2019 and profit and loss accounts for the year ended and the reports of the board of Directors and Auditors		
2	Re-appointment of Prasad VSS Garapati (DIN 00209436) Director who retires by rotation		
3.	Appointment of Venu Garapati as Director of the Company		
4.	Approval for the appointment of Venu Garapati as Managing Director of the Company		
5.	Appointment of Sri. Subrahmanyam Cherukuri (din 02750056) as non- executive, independent director of the company		
6.	Appointment of Sri. Venkaiah Doniparthi (din 02534812) as non- executive, independent director of the company		

Affix
Revenue
Stamp

Signed this ____ day of _____.

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.

E-VOTING PROCESS

1. The instructions for shareholders voting electronically are as under:
 - (i) The voting period will commence on 24TH day of September, 2019 (Tuesday) at 9 a.m. (9.00 hours IST) and will end on the 26th day of September, 2019 (Thursday) at 5.00 p.m. (17:00 hours IST). During this period members of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The cut-off date for e-voting facility is 20th September, 2019 and members whose names appear on the register of members/list of beneficial owners shall be entitled to avail the service.

The members should log on to the e-voting website www.evotingindia.com

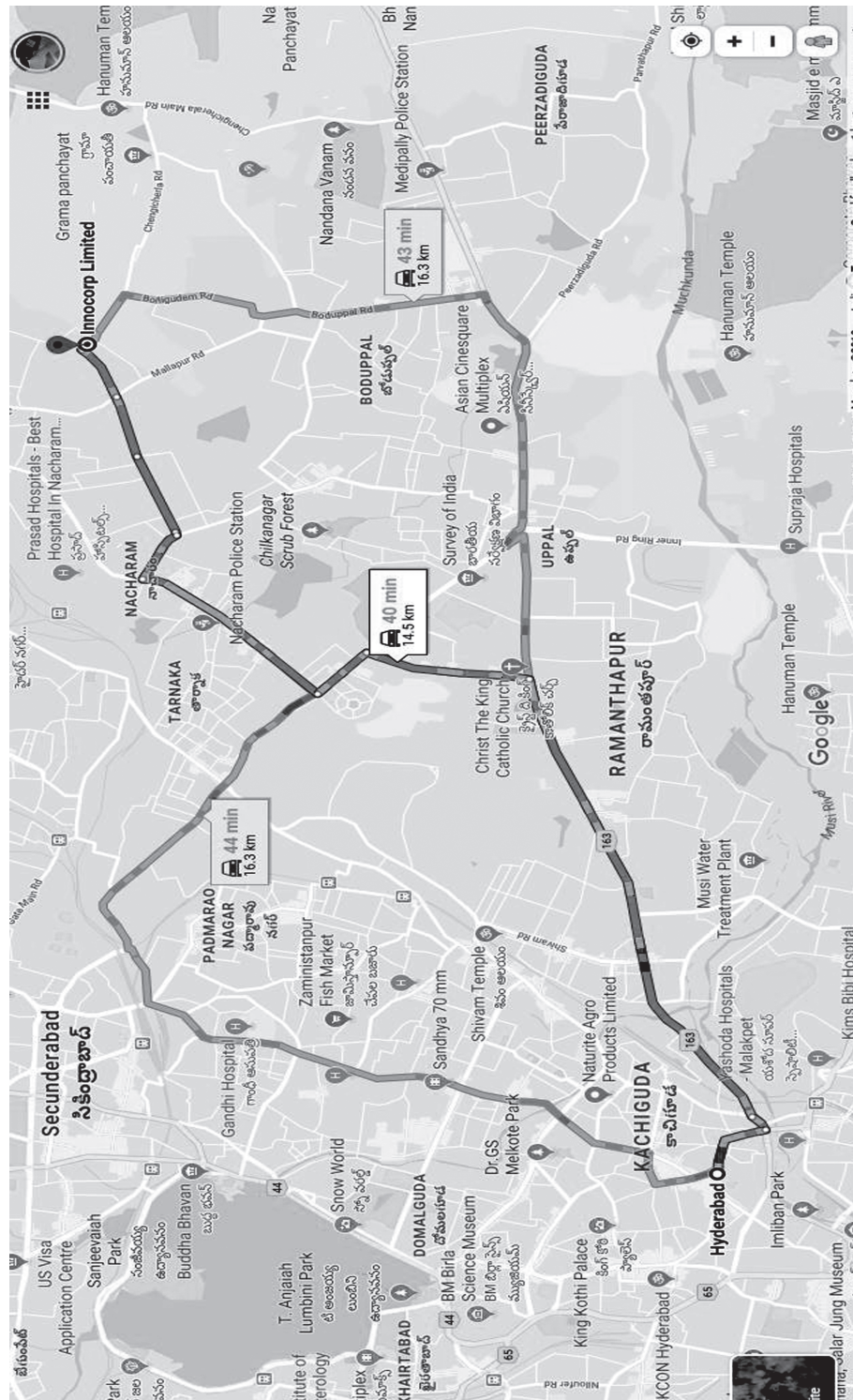
 - (iii) Click on "Shareholders / Members" tab.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) 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.
 - (vii) If you are a first-time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ● 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.
Dividend Bank Details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both 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).</p>

- (ix) 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company i.e., M/. Innocorp Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & entering the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - 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 a 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 linked in the login 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.
- (xx) 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.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Route Map



BOOK - POST
PRINTED MATTER

If undelivered, please return to :

INNOCORP LIMITED

Plot No: 41, IDA, Mallapur,
Hyderabad, Telangana - 500076, India