INNOCORP LIMITED

(Formerly Known as Innosoft Technologies Limited)

DATE: 30TH SEPTEMBER, 2016

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

SCRIP CODE: 531929

Dear Sir,

SUB: - 22nd Annual General Meeting and Voting Results

With reference to the Above Cited Subject, we would like to submit the following information/documents with regard to the 22nd Annual General Meeting of the Company

1. Summary of proceedings as required under Regulation 30, Part-A of Schedule -III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as ***Annexure – I***

2. Voting results as required under Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations as ***Annexure – II.***

3. Report of Scrutinizer dated 30th September 2016, Pursuant to Section 108 of the Companies Act, 2013 and Rule 20(4) (xii) of the Companies (Management and Administration) Rules, 2014. as ***Annexure – III.***

4. Annual Report for the financial year 2015-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations duly approved and adopted by the members as per the provisions of the Companies Act, 2013. as ***Annexure – IV.***

This is for the information and necessary records

Yours Truly,
For INNOCORP LIMITED

K. Saraswathi

MRS. K SARASWATHI,
WHOLE TIME DIRECTOR

22nd Annual General Meeting
Friday 30th Day of September, 2016
At 12-00 P.M.
Plot No. 41, IDA. Mallapur,
Hyderabad.
Telangana State, INDIA,

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CORPORATE INFORMATION

BOARD OF DIRECTORS:

Sri Prasad V S S Garapati	....	**Chairman & Managing Director**
Smt K.Saraswathi	....	**Whole Time Director**
Sri Sahu Garapati	....	**Whole Time Director**
Sri Venkaiah Doniparthi	....	**Director**
Sri Gopala Krishna Vajha	....	**Director**
Sri Cherukuri Subrahmanyam	....	**Director**

CFO
Sri Venu Garapati

STATUTORY AUDITORS

M/s. RAMASAMY KOTESWARA RAO & CO.,
Plot No. 238/A, MLA's Colony,
Road No. 12, Banajara Hills,
Hyderabad-34

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

BANKERS
Andhra Bank
Mallapur, Hyderabad

REGISTERED OFFICE

Plot No: 41, IDA Mallapur
Hyderabad – 500 076 Telangana
CIN-L99999TG1994PLC018364
Email Id - info@innocorpltd.com

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

LISTED AT :
BSE Limited

BOARD COMMITTEE		
AUDIT COMMITTEE:	**STAKEHOLDERS RELATION-SHIP COMMITTEE:**	**NOMINATION AND REMU-NERATION COMMITTEE:**
Gopal Krishna Vajha (Chairman)	**Gopal Krishna Vajha** (Chairman)	**Gopal Krishna Vajha** (Chairman)
Venkaiah Doniparti	**Venkaiah Doniparti**	**Venkaiah Doniparti**
Cherukuri Subrahmanyam	**Cherukuri Subrahmanyam**	**Cherukuri Subrahmanyam**

Sl.	Resolutions	For	Against
1	Consider and adopt audited financial statements as at 31-03-2016 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 Director who retires by rotation		
3	Appointment of statutory auditor and fix their remuneration		

Signed this ………… day of ……………… 2016.

Affix
Revenue
Stamp

Signature of shareholder :

Signature of Proxy holder(s) :

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

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 Malkpet Village, Shamirpet Mandal R.R. District, Telengana - 500 014.		
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 22nd Annual general meeting of the company, to be held on the Friday 30th day of September, 2016 at 12.00 p.m. at Plot No. 41, IDA, Mallapur, Hyderabad, Telangana, India and at any adjournment there of in respect of such resolutions as are indicated below:

NOTICE

Notice is hereby given that the 22nd 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, **30th SEPTEMBER, 2016** 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, 2016 and the Profit and Loss account for the year ended on that date and the Report of Directors' and the Auditors thereon.

2. To appoint a Director in place of Sri Prasad V S S Garapati, who retires by rotation, being eligible offers herself for re-appointment

3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to the provisions of Sections 139,141,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s. Ramasamy Koteswara Rao & Co., Chartered Accountants, Hyderabad (Registration No. 010396S) be and are hereby appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this Meeting for a period of 5 years, subject to ratification by the members at every Annual General Meeting, on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to reimbursement of all out of pocket expenses in connection with the audit of the accounts of the Company for the financial year ending March 31, 2017.".

By order of the Board
For INNOCORP LIMITED

Place: Hyderabad
Date: 12th August 2016

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

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 24th SEPTEMBER, 2016 TO FRIDAY 30th SEPTEMBER, 2016** (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 – 500 034.
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 22nd 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, 27th September, 2016 to 05.00 P.M. on Thursday, 29th September, 2016

   E-voting shall not be allowed beyond 05.00 P.M. on 29th September, 2016. 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. Yellareddy Vootkuri, Practicing Chartered Accountant, 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/-

Place: Hyderabad
Date: 12th August 2016

Mr. Prasad V S S Garapati
Chairman and Managing Director

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

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(To be surrendered at the venue of the meeting)

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

I hereby record my presence at the 22nd Annual General Meeting of the shareholders of Innocorp Limited on Friday, 30th September, 2016 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

Signature of Shareholder
Representative (Please Specify)

Name and Address of Member

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

(xiii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field Kindly note that

this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

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

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

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

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

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

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

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

(xxii) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to **https://www.evotingindia.co.in** and register themselves as Corporate.

Information in respect of directors seeking appointment/re-appointment

NAME OF THE DIRECTORS	***PRASAD VSS GARAPATI***
Date of first appointment	21/09/1994
Date of birth/age	31/01/1957
Expertise in specific functional areas	**Industrialist**
Educational qualification	M.Com
Chairman/member of the committees of Board of Directors of the company	Nil
List of Directorships, Committee Chairmanship, Membership held in other companies as on dated excluding private limited Company and Section 8	I2T2 INDIA LIMITED

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in presenting the 22nd Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2016.

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

PARTICULARS	**YEAR ENDED 31.03.2016**	**YEAR ENDED 31.03.2015**
Sales (Excl. Duties and Taxes)	166.05	1099.27
Other Income	13.53	7.43
Total Income	**179.58**	**1106.70**
Total Expenditure	**-211.46**	**-1404.03**
Interest	-44.63	-63.10
Profit Before Depreciation and Taxation	-76.51	-368.87
Depreciation	-45.01	-144.58
Profit Before Tax	**-121.52**	**-513.38**
DeferredTax	-	236.10
Net Profit / (Loss)	**-121.52**	**-277.35**

PERFORMANCE:
Your Board would like to bring to your notice that the Company has witnessed major reduction in orders from Tupperware and there by effecting severely on the profitability. Board would like to bring to your notice that the company has started job work for Millennium Appliances India Limited contributing to the major revenue to the company for the FY2015-16.

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. 166.05 lacs when compared to last year sales of Rs.1099.35 lacs and recorded net loss of Rs.121.52 lacs for the financial year 2015-16 when compared to net loss of Rs.277.35 lakh during the previous year. The decline in sales is majorly because we have moved from doing contract manufacturing to job work with Millennium Appliances India Limited unlike Tupperware India Pvt Ltd for whom we still do contract manufacturing.

SHARE CAPITAL:
The Paid-up Equity Share Capital of the company as on 31st March 2016, is Rs.7,94,14,000/- During the year under the review, the company has not issued with any differential voting rights, sweat equity shares or employee stock options

EVOTING PROCESS

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

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

(i) The voting period begins on Tuesday 27th September, 2016 at 10.00 AM and ends on Thursday, 29th September, 2016 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September 2016. may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
(ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
(iii) Click on "Shareholders" tab.
(iv) Now, select the **"INNOCORP LIMITED"** from the drop down menu and click on "SUBMIT"
(v) Now Enter your User ID
(vi) For CDSL: 16 digits beneficiary ID,
(vii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
(viii) Members holding shares in Physical Form should enter Folio Number registered with the Company.
(ix) Next enter the Image Verification as displayed and Click on Login.
(x) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
(xi) If you are a first time user follow the steps given below:

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

3. Earnings Per Share

Particulars	2015-16	2014-15
i) Profit After Tax	(121,52,192)	(2,77,34,502)
Less: Preference Dividend Including Tax Thereon	0	0
Profit attributable to equity shareholders	(121,52,192)	(2,77,34,502)
ii) Weighted average number of equity shares		
Equity shares as at beginning of the year	79,41,400	7941400
Add: Adjustment for shares issued during the year on conversion of warrants	0	0
Total Weighted average number of equity shares	**7941400**	**7941400**
Basic Earnings per Share	(1.53)	(3.49)
Diluted Earnings per Share	(1.53)	(3.49)

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

a. Contingent Liabilities:

i. Guarantees and letters of credit : Nil

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

5. Materials and Goods:

a) Goods Purchased (in Rs)

Particulars	2015-16	2014-15
Purchases	54,67,846	8,19,07,363

b) Raw Material Consumed

Particulars	2015-16	2014-15
Raw material consumption	62,38,424	8,25,56,433

c) Sales

Particulars	2015-16	2014-15
Sale of finished goods	1,66,05,959	10,99,27,331

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

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

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

Place: Hyderabad
Date : 30-05-2016

For and on behalf of the Board

Sd/
Prasad VSS Garapati
Managing Director
DIN : 00209436

Sd/
Sahu Garapati
Director
DIN : 02546999

DIVIDEND:

During the Financial Year 2015-16, Your Company has incurred loss, hence your Directors do not recommend any dividend for the Financial Year 2015-16.

DIRECTORS

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

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

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Your Company has not given any Loans or Guarantees nor has it made any Investments covered under the provisions of Section 186 of the Companies Act, 2013.

FIXED DEPOSITS

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

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 2015-16 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 2015-16 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.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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. The details of the Policy are posted on the website of the Company.

AUDITORS:

Pursuant to the provisions of Section 139(2) of the Companies Act, 2013, the Statutory Auditors M/s. Ramasamy Koteswara Rao & Co, Hyderabad, as the Statutory Auditors of the Company to hold office from conclusion of this Annual General Meeting for a period of 5 years in accordance with the Act, subject to the ratification of shareholders at every Annual General Meeting. The Company is in receipt of confirmation from the Statutory Auditor that in the event of his re-appointment as Statutory Auditor at the ensuing Annual General Meeting, such appointment will be in accordance with the limits specified in Section 141 of the Companies Act, 2013.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments. There are no qualifications in the report of the statutory auditors for the year 2015-16.

INTERNAL AUDITOR:

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

BOARD MEETINGS

During the year under review, four board meetings were held on 30.05.2015, 12 08.2015, 09.11.2015, and 12.02.2016. The maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

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**

7. Tax Expense:

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

8. Dues to Micro, Small and Medium Enterprises

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

9. Employee Benefits

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

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

10. Borrowing costs

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

B. Other Notes to Accounts and Disclosures: -

1. Related party disclosures (AS-18):

a) Related Parties and their relationship:

i) Key Management Personnel (Directors)

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

b) Transactions with the above parties

Particulars	2015-16	2014-15
Remuneration to Directors	19,80,000	19,80,000
Total	**19,80,000**	**19,80,000**

2. Remuneration to Auditors:-

Particulars	2015-16	2014-15
Audit fee	1,00,000	1,00,000

MEASUREMENT AND DISCLOSURES AS PER ACCOUNTING STANDARDS

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

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

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

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

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

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

4. **Fixed Assets:**
Fixed assets are recognized at cost of acquisition and installation less accumulated depreciation. The cost comprises purchase price, fright, duties, levies, borrowing cost and directly attributable cost of

bringing the assets to their working condition for intended use. Subsequent expenditure related to an item of fixed assets is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance or extend its estimated useful life.

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

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

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. MB suneel 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.

EXTRACT OF ANNUAL RETURN

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

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.

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.

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.as **ANNEXURE-F.**

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.

HUMAN RESOURCES

Your 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.

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.

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

Place : Hyderabad
Date 12th August 2016

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

Note 20
Other Expenses

Particulars	2015-16	2014-15
Audit fee	100,000	100,000
Advertisement Expenses	12,600	23,978
Subscriptions	270396	151583
Bad debts/Advances written off	23924	0
Computer Exp	24490	14140
E D L I (EPF)	0	8133
Insurance	239,773	102,962
Job Work Charges	-	424,242
Loss on Sale of Vehicles	-	273,939
Maintenance/Transportation	23,050	140,649
Office Expenses	203,516	572,653
Postage & Telephones	143,924	133,579
Printing & Stationary	55,813	77,529
Professional & Consultancy Charges	141,408	331,566
Rates & Taxes	11,900	706,342
Security Charges	328,800	306,798
Travelling & Conveyance	74,180	1,229,145
Vehical Maintainance	426,334	606,570
Goodwill written off	-	1,050,000
Provision for Bad & Doubtful Debts	-	25,196,191
Property Tax	264,714	-
Penalty / Interest Expenses	107,434	-
Total	**2,452,256**	**31,449,999**

Note 21
Prior Period Expenses/Income

Particulars	2015-16	2014-15
Audit Fee (2012-13)	0	0
Prior Period Income	0	844552
Total	**-**	**844,552**

Note 18

Employee Benefits Expenses

Particulars	2015-16	2014-15
Staff Salaries	3,645,887	3,572,662
Employer Contribution to PF	224,612	195,421
Employer Contribution to ESI	33,928	58,284
Staff Welfare	611,409	305,312
Directors Remunaration and other benefits	1,980,000	1,980,000
Total	**6,495,836**	**6,111,679**

Note 19

Finance costs

Particulars	2015-16	2014-15
Bank & LC Discounting Charges	-	36,044
Foreign Excharge Loss/Conversion Charges	11,475	145,956
Inspection / Loan Processing Charges	-	58,989
Interest on EFL Loans (BL & Genset)	-	358,039
Interest on CC & SOD (Andhra Bank)	2,371,886	2,242,326
Interest on HDFC Bank Car Loans	-	153,702
Interest on Magma Fincorp Loans (BL & Car)	-	362,422
Interest on Corporation Bank Car Loan	40,252	102,171
Interest on Bajaz Finance Business. Loan	-	125,753
Interest on Tata Capital Fin Service (BL)	119,086	395,941
Interest on Term Loans (Andhra BANK)	1,537,157	2,224,343
Interest on Volks Wagen Finance Car loan	88,015	21,833
Interest on Skoda Superb Car loan - HDFC	163,590	-
Interest on Others	1,000	50,355
Renewal Charges	6,000	28,247
Other Finance Charges / Interest	125,063	3,700
Total	**4,463,524**	**6,309,821**

ANNEXURE A

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

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

A) CONSERVATION OF ENERGY

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

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

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

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

A. POWER AND FUEL CONSUMPTION

1. Electricity

Purchased	Current year	Previous Year
Unit		8,42,702
Total Amount		Rs. 66,62, 045
Rate/Unit		Rs. 7.91ps

2. Coal

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

3. Furnace Oil

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

B. CONSUMPTION PER UNIT OF PRODUCTION:

PRODUCTS	Current year	Previous Year
Electricity (kwh)		
Furnace Oil		
Coal (kgs)	-N.A -	-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:

1. Activities relating to exports, initiatives taken to increase exports, development of new export market for products and services and export plans.
   The Company plans to explore and tap overseas markets. The Company also proposes to bring in new products and services which shall be first launched in the domestic markets and then shall be introduced in the overseas markets.
2. Foreign exchange earnings and outgo:

	2015-16
Foreign exchange earnings	NIL
Foreign exchange outgo	NIL

By order of the Board
For INNOCORP LIMITED

Place : Hyderabad
Date 12th August 2016

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

Note 15

Raw Material Consumed

Particulars	2015-16	2014-15
Opening Raw Material	6,435,463	7,084,533
Add : Purchases	5,467,846	81,907,363
Less: Closing Stock	5,664,885	6,435,463
Total	**6,238,424**	**82,556,433**

Note 16

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

Particulars	2015-16	2014-15
Opening Stock :		
Work-in-Process		
Finished Goods	192,132	246,964
Traded Items	548,890	6,514,525
	741,022	**6,761,489**
Closing Stock :		
Finished Goods	145,132	192,132
Traded Items	548,890	548,890
	694,022	**741,022**
Total	**47,000**	**6,020,467**

Note 17

Manufacturing Expenses

Particulars	2015-16	2014-15
Consumbles & Stores	148,578	2,460,627
Workmen wages	116,105	2,408,055
Power & fuel	5,198,407	7,799,189
Fright In ward	22,390	296,871
Repairs to Machinery	145,764	771,050
Repairs to Buildings	3,700	15,473
Water Charges	278,298	178,713
Labour/Processing Charges	-	334,370
Total	**5,913,242**	**14,264,348**

Note 11

Cash and cash equivalents

Particulars	2015-16	2014-15
Balances with banks	156,462	178,277
Cash on head	6,516	1,353
Cheques on head	-	4,329,520
Total	162,978	4,509,150

Note 12

Other Current Assets

Particulars	2015-16	2014-15
MAT Credit Entitlement	980,977	980,977
Service Tax	81,046	103,947
TDS Receivables	158,829	13,542
Interest on ICD Receivables	85,204	75,964
Excise Duty (Capital Goods)	0	4,770
Service Tax (ED,S & H Cess)	3,030	0
Input Credit (VAT)	32,531	0
CENVAT Credit (ED, Ed. Cess, S & H Cess)	3,636	0
Input Ed. Cess, S & H Cess on Capital Goods	4,770	
Prepaid expenses	99,744	123,721
Total	1,449,767	1,302,921

Note 13

Revenue from operations

Particulars	2015-16	2014-15
Domestic Sales	12,457,373	118,057,485
Less: Excise Duy	1,171,290	3,618,002
Less: VAT	1,145,003	5,003,354
Net Domestic Sales	10,141,080	109,436,129
Job work Income	6,464,879	491,202
Total	16,605,959	109,927,331

Note 14

Other Income

Particulars	2015-16	2014-15
Interest Income (in case of a company other than a finance company)	101,345	84,404
Mold Trial & Testing Charges	502,639	480,270
Other non-operating income (net of expenses directly attributable to such income)	749,442	178,699
Total	1,353,426	743,373

ANNEXURE- B

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS:

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

OPPORTUNITIES AND THREATS:

Opportunities:

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

Threats:

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

OUTLOOK:

The Company is planning to 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 unorganized small scale sector via cut-throat competition from the new entrants in the market, thereby squeezing the Company's proût 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

Place : Hyderabad
Date 12th August 2016

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

ANNEXURE-C

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2016

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

To,
The Members,
INNOCORP LIMITED
Mallapur,
Hyderabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INNOCORP LIMITED**, (hereinafter called the "Company") having its registered office at Plot No. 41, IDA, Mallapur, Hyderabad, Telangana- 500076. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the **INNOCORP LIMITED** books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by **INNOCORP LIMITED** for the financial year ended on 31st March, 2016 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)**

Note 7

Deferred Tax Assets (net)

Particulars	2015-16	2014-15
Deferred Tax Assets (Net) as on 01-04-2015	28,729,910	5,119,659
Deferred Tax Savings on account of Depreciation and Brought forward losses	(0)	23,610,251
Deferred Tax Asset Net) as on 31-03-2016	**28,729,910**	**28,729,910**

Note 8

Other non-current assets

Particulars	2015-16	2014-15
Others (Deposits-Assets)		
Deposit-CESTAT Case	8,698	8,698
Deposits with Electricity Department	1,176,660	1,176,660
Deposits with the Telephne Department	7,572	7,572
Sales Tax Deposit	35,900	35,900
Receivables		
Cable & Projects division (due for more than 3 years)	1,350,000	1,350,000
Total	**2,578,830**	**2,578,830**

Note 9

Inventories

Particulars	2015-16	2014-15
a. Raw Material and components	5,664,885	6,435,463
b. Finished goods	145,132	192,132
c. Stock - in - trade	548,890	548,890
Total	**6,358,907**	**7,176,485**

Note 10

Trade Receivales

Particulars	2015-16	2014-15
Trade receivables outstanding for a period less than six months from the date they are due for payment Un- Secured, considered Good	2,506,498	5,348,777
Total	**2,506,498**	**5,348,777**

Note 6

	Fixed Assets	Gross Black: Balance as at 1 April 2015	Additions/	Disposals	Realuations / Impairments	Balance as at 31 March 2016	Accumulated Depreciation: Balance as at 1 April 2015	Depreciation charge for the year	Adjustment due to revaluations	on disposals	Balance as at 31 March 2016	Net Black: Balance as at 1 April 2015	Balance as at 31 March 2016
a	Tanfible Assets												
1	Land	4,871,009	-	-	-	4,871,009	-	-			-	4,871,009	4,871,009
2	Buldings	9,565,178	-	-	-	9,565,178	4,756,475	318,313			5,074,788	4,808,703	4,490,390
3	Plant and Machinery	71,381350	60,000	-	-	71,441,350	37,886,695	2.718,798			40,605,493	33,494,655	30,835,857
4	Furniture and Fixtures	501,954	-	-	-	501,955	501,955	-			501.955	-	-
5	Vehicles	5,747,472	-	-	-	5,747,472	988,458	636,128			1,624,586	4,759,014	4,122,886
6	Office equipment	1,146,305	25,000	-	-	1,171,305	1,024,513	37,324			1,061,837	121,792	109,468
7	Electrical equipment	7,924,094	-	-	-	7,924,094	7,397,164	77,148			7,474,312	526,930	449,782
8	Moulds (Imported)	6,391,650	80,000	-	-	6,471,650	3,407,309	713,584			4,120,893	2,984,341	2,350,757
	Total	**107,529,012**	**165,000**	**-**	**-**	**107,694,013**	**55,962,568**	**4,501,295**	**-**	**-**	**60,463,863**	**51,566,444**	**47,230,150**

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

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

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

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

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

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

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

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

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

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

vi. Other laws applicable specifically to the Company.

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

It has been informed by the Company that there are no laws applicable specifically to the Company.
I have also examined compliance with the applicable clauses of the following:

ii. The Listing Agreements entered into by the Company with Stock Exchange and Secretarial Standards issued by the Institute of Company Secretaries of**.**

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 the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be

We further report that: there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the Company's affairs.

Place: Hyderabad
Date: 12th August 2016

Sd/-
MB Suneel
Company Secretary
C.P. No. : 14449

S. No.	Name of the Bank	Loan Amount	March 31-2016	March 31-2015	Security/ Guarantee
1	Andhra Bank - OCC	17,500,000	17,664,805	17,022,963	Stock & Receivables
2	Andhra Bank - TL - 1	17,400,00	4,350,000	4,350,000	Land, Bulding, Plant & Machinery
3	Andhra Bank - TL - 2	7,500,000	1,500,000	1,500,000	Land, Bulding, Plant & Machinery
4	HDFC Bank-Skoda-Superb	14,70,058	474,672	311,081	Vehicle
5	Corporation Bank - Cruze	750,000	150,000	150,000	Vehicle
6	Volkswagen Finance-Vento	1,022,000	258,372	170,357	Vehicle
7	Tata Capital Fine Services ltd	3,000,000	-	1,364,183	-NA-
	Total		**24,397,849**	**24,868,584**	

Loan from Related Parties	**2015-16**	**2014-15**
Prasad Garapati - Director	12,328,695	

Note 5

Other Current Liabilities

	2015-16	2014-15
Duties and Taxes	300,244	2,225,823
Audit fee Payable	204,174	202,248
Outstanding Expenses	895,368	765,373
Remunaration Payable	1,277,438	159,438
Salaries and wages Payable	859,794	374,023
TDS Payable	215.726	67,695
Property Tax Payble	706,342	-
Total	**4,459,086**	**3,794,600**

Term Loans

S. No Name of the Bank	Loan Amount	March 31 2016	March 31 2015	Repayment Terms	Loan Start Date
Secured					
1 Andhra Bank -(Term loan-1)	17,400,000	4,747,352	8,302,896	48 Monthly Instalments of Rs. 3,62,500/-	30-03-2013
2 Andhra Bank - (Term loan-2)	7,500,000	4,707,222	5.545.963	60 Monthly Instalments of Rs. 1,25,000/-	31-10-2013
3 HDFC Bank-Skoda-Superb	14,70,058	996,414	1.307,613	60 Monthly Instalments of Rs. 39,556/-	01-09-2014
4 Corporation Bank - Cruze	7,50,000	288.007	445,550	60 Monthly EMIs of Rs. 16,401/- each	13-09-2012
5 Volkswagen Finance-Vento	1,000,469	787,352	957,709	60Monthly EMIs of Rs.21,531/- each	20-12-2014
		11,526,347	**16,559,731**		

Note 4

Short Term Brrowings

Particulars	2015-16	2014-15
Bank OD A/c		
Andhra Bank OCC	17,664,805	17,022,963
Secured		
(a) Term loans		
From Andhra Bank - 1	4,350,000	4,350,000
From Andhra Bank - 2	1,500,000	1,500,000
(b) Vehicle Loans		
HDFC Bank-Skoda-Superb	474,672	311,081
Volkswagen Finance-Vento	258,372	170,357
Corporation Bank - Cruze	150,000	150,000
Tata Capital Fin Services Ltd	-	1,364,183
(C) Loans Form Directors	12,328,695	-
Total	**36,726,544**	**24,868,584**

ANNEXURE-D

FormNo.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31st MARCH 2016

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

I. REGISTRATIONANDOTHERDETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

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

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

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

A. Category-Wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year01.04.2015				No. of Shares held at the end of theyear31.03.2016				% Change during the year
	Demat	Physical	**Total**	**% of Total Shares**	Demat	Physical	**Total**	**% of Total Shares**	
(A) Promoter									
A (I) Indian									
Individual/ HUF	1116217	1600	1117817	14.08	1655867	8000	1663867	20.65	6.87
Central Govt									
State Govt (s)									
Bodies Corp	988700	0	988700	12.45	685000	0	685000	8.63	(3.82)
Banks / FI									
Any Other									
Sub-total(A)(1):-	**2104917**	**1600**	**2106517**	**26.53**	**2340867**	**8000**	**2348867**	**29.58**	**3.05**
A (2) Foreign									
NRIs-Individuals	182600	6400	189000	2.38	0	0	0	0	(2.38)
Other-Individuals									
Bodies Corp.									
Banks / FI									
Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	**182600**	**6400**	**189000**	**2.38**	**0**	**0**	**0**	**0**	(2.38)
Total Promotor Shareholding (A)=(A)(1)+(A)(2)	2287517	8000	2295517	28.91	2340867	8000	2348867	29.58	0.67
(B)Public Shareholding									
B (I)Institutions									
Mutual Funds	0	100	100	0.00	0	100	100	0.00	0
Banks / FI	800	0	800	0.01	800	0	800	0.01	0
Central Govt									
State Govt(s)									
Venture Capital Funds									
Insurance Companies									
FIIs									
Foreign Venture Capital Funds									
Others (specify)	0	0	0	0.00	0	0	0	0	
Sub-total(B)(1)	800	100	900	0.01	800	100	900	0.01	0

Note 2
Reserves and surplus

Particulars	2015-16	2014-15
a. Capital Reserves		
Investmentment Subsidy	3,115,130	3,115,130
Closing Balance	3,115,130	3,115,130
b. Securities Premium Account		
Opening Balance	64,705,000 -	64,705,000 -
Closing Balance	64,705,000	64,705,000
C. Surplus		
Opening balance	(93,480,325)	(65,745,823)
(+) Net Profit/(Net Loss) For the current year	(12,152,192)	(27,734,502)
Closing Balance	(105,632,517)	(93,480,325)
Total	**(37,812,387)**	**(25,660,195)**

Note3
Long Term Borrowings

	2015-16	2014-15
Secured		
(a) Term loans		
From Andhra Bank - 1	397,352	3,952,896
From Andhra Bank - 2	3,207,222	404,963
(b) Vehicle Loans		
HDFC Bank-Skoda Superb	521,742	996,532
Volkswagen Finance-Vento	528,980	787,352
Corporation Bank-Cruze	138,007	295,550
Total	**4,793.303**	**10,078,293**

Note 1
Share capital

Share Capital	2015-16		2014-15	
	Number	Amount	Number	Amount
Authorised 12000000 Equity Shares of Rs.10 each	12,000,000	120,000,000	12,000,000	120,000,000
Issued 7941400 Equity Shares of Rs.10 each	7,941,400	79,414,000	7,941,400	79,414,000
Subscribed & Paid up 7941400 Equity Shares of Rs.10 each fully paid	7,941,400	79,414,000	7,941,400	79,414,000
Total	7,941,400	**79,414,000**	**7,941,400**	**79,414,000**

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

	2015-16		2014-15	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	7,941,400	79,414,000	7,941,400	79,414,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	7,941,400	79,414,000	7,941,400	79,414,000

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

Name of Shareholder	2015-16		2014-15	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Prasad VSS Garapati	501600	6.32	501600	6.32
Innovations Show Rooms Pvt ltd	685000	8.63	685000	8.63
Zahara Begum	1150000	14.48	1150000	14.48
Katragadda Devi Prasad	1025000	12.91	1025000	12.91

B (2). Non Institution

Bodies Corporate	227285	19700	246985	3.11	206306	19700	226006	2.85	(0.26)
(i)Individuals Shareholders holding nominal sharre capital in exoess ofupto Rs. 2 lakh	1838802	135801	1974603	24.86	2093376	134801	2228177	28.06	3.2
Individuals (ii)Individuals Shareholders holding nominal sharre capital upto Rs. 2 lakh	997233	56650	1053883	13.27	741217	24000	765217	9.64	(3.63)
Others (NRI)	2297933	69200	2367133	29.81	2300933	69200	2370133	29.85	0.04
Cleaning Member	2379	0	2379	0.03	2100	0	2100	0.03	0
Sub total (B) (2)	**5363832**	**281151**	**5644983**	**71.09**	**5343932**	**247701**	**5591633**	**70.41**	**(0.68)**
Total Public Shareholding(B)=(1)+(B)(2)	**5364632**	**281251**	**5645883**	**71.1**	**5344732**	**247801**	**5592533**	**70.42**	**(0.68)**
C. Shares held by Custodian for GDRs& ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (+B+C)	**7651949**	**289451**	**7941400**	**100**	**7685599**	**255801**	**7941400**	**100**	**0**

B. Shareholdings of Promoters:

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encum-bered to total shares	
1	Prasad VSS Garapati	501600	6.32	0	837950	10.55	0	4.23
2	Lakshmi VVV Garapati	352266	4.44	0	352266	4.44	0	0
3	K Saraswathi	100	0.00	0	100	0.00	0	0
4	Sahu Garapati	142251	1.79	0	142251	1.79	0	0
5	Venu Garapati	50000	0.63	0	70700	0.89	0	0
6	Sivram Prasad Chilakpati	71600	0.90	0	71600	0.90	0	0
7	Purna Chalasani	189000	2.38	0	189000	2.38	0	0
8	Innovation Showrooms Private Limited	685000	8.63	0	685000	8.63	0	0
9	Innovation Capital Service Limited	303700	3.82	0	0	0	0	0

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

S No.	Particular	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Share	% of total shares of the company	No. of Share	% of total shares of the company
	At the beginning of the year	2295517	28.91	2295517	28.91
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	PURCHASE OF SHARES BY PROMOTORS OF 53,350			
	At the end of the year	2348867	29.58	2348867	29.58

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

Sl. No	Name	Shareholding			Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16	
		No. of Shares at the beginning (01-04-14)/ end of the year (31-03-16)	% of total shares of the Company	Date			No. of Shares	% of total shares of the Company
1	ZAHARA BEGUM	1150000	14.48	01.04.2015		NILMovement During The year		
					0			
		1150000	14.48	31.03.2016			1150000	14.48
2	KATRAGADDA DEVI PRASAD	1025000	12.91	01.04.2015		NILMovement During The year		
					0			
		1025000	12.91	31.03.2016			1025000	12.91
3	RAJ KUMAR LOHIA	184178	2.32	01.04.2015		NILMovement During The year		
					0			
		184178	2.32	31.03.2016			184178	2.32
4	GUTHI KONDA MURALI	63200	0.80	01.04.2015		NILMovement During The year		
					0			
		63200	0.80	31.03.2016			63200	0.80

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

Particulars	31-03-2016 Amount	31-03-2016 Amount	31-03-2015 Amount	31-03-2015 Amount
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit/ (Loss) be fore tax & adjustments		(12,152,192)		(51,344,753)
Adjustments for :				
Depreciation	4,501,295		14,458,158	
Interest paid/ Provided	4,463,524		6,309,821	
Goodwill writeoff			1,050,000	
Bad Debts			25,196,191	
Interest Received			-	
Subsidy Received	-		-	
Foreign Exchange (Profit)/ Loss			-	
Loss on sale of asset	-	8,964,819	273,939	47,288,109
Operating Profit before Working Capital Change		(3,187,373)		(4,056,644)
Adjustments For :				
Inventories	817,578		6,669,537	
Trade & Other Receivables	2,842,279		15,682,761	
Current Liabilities	5,241,704		801,759	
Loans & Advance and other current assets	(146,846)	8,754,715	6,800,770	29,954,827
Net Cash flow from Operations before tax		5,567,342		25,898,183
Less : Taxes Paid		-		-
Cash Flow from Operating Activities		5,567,342		
B. CASH FLOW FROM INVESTING ACTIVITIES				25,898,183
Fixed Assets Purchased	(165,000)		(3,413,688)	
Fixed Assets sold	-		758,000	
(Purchase) /Sale of Investment	-		-	
Interest Received	-		-	
Net Cash used for Investing activities		(165,000)		
C. CASH FLOW FROM FINANCING ACTIVITIES				(2,655,688)
Change in Share Capital	-		-	
Borrowing Increase/Decrease	(5,284,990)		(13,099,000)	
Interest Paid	(4,463,524)		(6,309,821)	
Net Cash used for Financing Activities		(9,748,514)		(19,408,821)
Net increase in Cash & Cash Equivalents		(4,346,172)		3,833,674
Cash & Cash equivalents at the beginning of the year		4,509,150		675,473
Cash & Cash equivalents at the end of the year		162,978		4,509,150

As per our report of even date

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

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

Place: Hyderabad
Date : 30/05/2016

For and on behalf of the Board

Sd/
Prasad VSS Garapati
Managing Director
DIN : 00209436

Sd/
Sahu Garapati
Director
DIN : 02546999

Profit and loss statement for the year ended 31st March 2016

	Particulars	Refer Note No.	2015-16 (Rs.)	2014-15 (Rs.)
I.	Revenue from operations (Net of Duties & Taxes)	13	16,605,959	109,927,331
II.	Other income	14	1,353,426	743,373
III.	**Total Revenue (I + II)**		**17,959,385**	**110,670,704**
IV.	Expenses:			
	Raw Material Consumed	15	6,238,424	82,556,433
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade	16	47,000	6,020,467
	Manufacturing Expenses	17	5,913,242	14,264,348
	Employee benefits expense	18	6,495,836	6,111,679
	Finance costs	19	4,463,524	6,309,821
	Depreciation and amortization expense		4,501,295	14,458,158
	Other expenses	20	2,452,256	31,449,999
	Total expenses		**30,111,577**	**161,170,905**
V.	**Profit before exceptional and extraordinary items and tax (III-IV)**		**(12,152,192)**	**(50,500,201)**
VI.	Exceptional items			
	Prior Period adjustment (Net)	21	-	(844,552)
VII.	**Profit before extraordinary items and tax (V-VI)**		**(12,152,192)**	**(51,344,753)**
VIII.	Extraordinary Items			
IX.	**Profit before tax (VII- VIII)**		**(12,152,192)**	**(51,344,753)**
X.	Tax expense:			
	(1) Current tax		-	-
	MAT Credit Entitlement		-	-
	Income Tax Prior Period		-	
	(2) Deferred tax	7	0	(23,610,251)
XI.	**Profit (Loss) for the period (XI + XIV)**		**(12,152,192)**	**(27,734,502)**
XII.	Earnings per equity share:			
	(1) Basic		(1.53)	(3,49)
	(2) Diluted		(1.53)	(3,49)

As per our report of even date

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

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

Place: Hyderabad
Date : 30/05/2016

For and on behalf of the Board

Sd/
Prasad VSS Garapati
Managing Director
DIN : 00209436

Sd/
Sahu Garapati
Director
DIN : 02546999

5	ZEN SECURITIES	39712	0.50	01-04-2015		Transfer		
				No date	39712			
		0	0	31-03-2016			0	0
6	RAJCHANDRA CAPITAL SERVICES	25822	0.33	01-04-2015		NILMovement During The year		
					0			
		25822	0.33	31-03-2016			25822	0.33
7	SHRI PARASRAM HOLDINGS PVT. LTD.	25530	0.32	01-04-2015		Purchase		
					0		31316	0.39
		31316	0.39	31-03-2016			31316	0.39
8	MADAN BHAGCHAND MELWANI	25000	0.32	01-04-2015		NILMovement During The year		
					0			
		25000	0.32	31-03-2016			25000	0.32
9	P KRISHNA REDDY	17500	0.22	01-04-2015		NILMovement During The year		
					0			
		17500	0.22	31-03-2016			17500	0.22
10	S.P. CORPORATE SERVICES PVT. LTD.	17500	0.22	01-04-2015		NILMovement During The year		
					0			
		17500	0.22	31-03-2016			17500	0.22
11	JYOTI PORTFOLIO LIMITED	0	0	01-04-2015		Purchase		
				No date	20599		20599	0.26
		20599	0.26	31-03-2016			20599	0.26

E. Shareholding of Directors and Key Managerial Personnel :

Sl. No	Name	Shareholding: No. of Shares at the beginning (01-04-15) / end of the year (31-03-16)	Shareholding: % of total shares of the Company	Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-15 to 31-03-16): No. of Shares	Cumulative Shareholding during the year (01-04-15 to 31-03-16): % of total shares of the Company
1	Prasad V S S Garapati	501600	6.32	01-04-2015	-	Purchase	501600	6.32
	Brought during The Year	-	-	-	336350		336350	-
	Sold During The year	-	-	-			-	-
	At the End of the Year	837950	10.55	31-03-2016	0		837950	10.55
2	K. Saraswathi	100	0.00	01-04-2015	0	NILMovement During The year		
	Brought during The Year	-	-	-	0		-	-
	Sold During The year	-	-	-	0		-	-
	At the End of the Year	100	0.00	31-03-2016	0		100	0.00
3	Sahu Garapati	142251	1.79	01-04-2015		NILMovement During The year		
	Brought during The Year	-	-	-			-	-
	Sold During The year	-	-	-			-	-
	At the End of the Year	142251	1.79	31-03-2016			142251	1.79
4	Sri Venkaiah Doniparthi	None of the Directors hold shares in the Company						
5	Gopala Krishna Vajha							
6	Cherukuri Subrahmanyam							
7	Venu Garapati	5000	0.63	31-03-2016	0		5000	0.63

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

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	33582694	1364183	0	34946877
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	33582694	1364183	0	34946877
Change in Indebtedness during the financial year				
* Addition	2470527	**0**	0	**2470527**
* Reduction	7894070	7675312	0	15569382
Net Change	5423543	7675312		13098855

Balance Sheet as at 31st March 2016

	Particulars	Note No.	2015-16 (Rs.)	2014-15 (Rs.)
I	**EQUITY AND LIABILITIES**			
1	Shareholders' funds			
	(a) Share capital	1	79,414,000	79,414,000
	(b) Reserves and surplus	2	(37,812,387)	(25,660,195)
2	Non-current libilities			
	(a) Long-term borrowings	3	4,793,303	10,078,293
3	Current libilities			
	(a) Short-term borrowings	4	36,726,544	24,868,584
	(b) Trade payables		1,436,494	8,717,236
	(c) Other current liabilities	5	4,459,086	3,794,600
	TOTAL		**89,017,040**	**101,212,518**
II	**ASSETS**			
1	Non-current assets			
	(a) Fixed assets	6		
	(i) Tangible assets		47,230,150	51,566,445
	(b) Deferred tax assets (net)	7	28,729,910	28,729,910
	(c) Long-term loans and advances	8	2,578,830	2,578,830
2	Current assets			
	(a) Inventories	9	6,358,907	7,176,485
	(b) Trade receivables	10	2,506,498	5,348,777
	(c) Cash and cash equivalents	11	162,978	4,509,150
	(d) Other current assets	12	1,449,767	1,302,921
	TOTAL		**89,017,040**	**101,212,518**

As per our report of even date

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

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

Place: Hyderabad
Date : 30/05/2016

For and on behalf of the Board

Sd/
Prasad VSS Garapati
Managing Director
DIN : 00209436

Sd/
Sahu Garapati
Director
DIN : 02546999

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have 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, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ramasamy Koteswara Rao & Co.,
Charted Accountants
Firm regn No. : 010396S

Place: Hyderabad
Date: 30-05-2016

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

Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Chairman & managing director (Prasad VSS Garapati)	Whole-time Director (K.Saraswathi	Whole-time director (Sahu Garapati)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	780000	660000	540000	1980000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify…	-	-	-	-
5	Others, please specify	-	-	-	-
	Total (A)	780000	660000	540000	1980000
	Ceiling as per the Act				

B. Remuneration to other directors

S.No	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)			NI		
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

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

S.No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO (Venu Garapati)	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			480000	480000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		NIL		
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit others, specify…				
5	Others, please specify				
	Total			480000	480000

"Annexure B" to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **INNOCORP LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by
ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

viii. In our opinion and according to the information and explanations given to us, the Company as not defaulted in the repayment of dues to banks. The Company has taken loan from inancial 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 clause3 of the Order are not applicable to the Company and hence not commented upon.

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

xi. 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 4 (xii) of the Order are not applicable to the Company.

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

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

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

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

For Ramasamy Koteswara Rao & Co.,
Charted Accountants
Firm regn No. : 010396S

Place: Hyderabad
Date: 30-05-2016

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

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of theCompanies ACT	Brief Description	Details of Penalty/punishment Compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, ifany (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS			NIL		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE E

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

A. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary during the financial year 2015-16 and Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2015-16:

Name of the Director/Key Managerial Personnel	Remunerationof DirectorKMP for thefinancial year 2014-15	% increase inRemuneration in the financial year 2014-15	Ratio of the remuneration to the median remuneration ofthe employees
PRASAD VSS GARAPATI	7,80,000	No Increase	3.00
SARASWATHI KOVELAMUDI	6,60,000	No Increase	2.53
SAHU GARAPATI	5,40,000	No Increase	2.07
VENU GARAPATI	4,80,000	No Increase	1.84

Note: the median remuneration of employees of the Company during the financial year was Rs.252000

B. The percentage increase in the median remuneration of employees in the Financial year: 3.17%

C. The number of permanent employees on the rolls of company: 14

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

The average increase in the employee remuneration effected during the year 2015-16 is based on the individual performance and Company's performance during the previous financial year 2014-15. The other factors considered for revision in remuneration is based on market survey, functional expertise, industry standards etc

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

Aggregate remuneration of Key Managerial Personnel (KMP)	24,60,000
Revenue	1,79,59,385
Remuneration of KMP as a % of revenue	13.70%
Profit / Loss(-) Before Tax (PBT)	-1,21,52,192
Remuneration of KMP as a % of PBT	NA

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

Particular	As at March 31, 2016	As at March 31, 2015	Variation
Market Capitalisation (in ' Crores)	2.00	1.89	5.88%
Market Price	2.52	2.38	5.88%
EPS		-	-
Price Earnings Ratio		-	-

"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, 2016)

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

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to

the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(c) The title deeds of immovable properties are held in the name of the company.

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

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

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

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

vi. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on 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 regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service T ax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2016 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 outstanding on account of any dispute.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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

2. As required by section 143 (3) of the Act, we report that:
   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   c. the Balance Sheet, t he Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
   d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. on the basis of written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
   f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B**".
   g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company does not have any pending litigations which would impact its financial position.
   ii.The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
   iii.There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Ramasamy Koteswara Rao & Co.,
Charted Accountants
Firm regn No. : 010396S

Place: Hyderabad
Date: 30-05-2016

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

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

The average increase in the salaries of employees other than the managerial personnel in 2015-16 was 10%. The Percentage increase in the managerial remuneration for the same financial year was Nil.

H. Comparison of each remuneration of the Key Managerial Personnel against the perfor mance of the company

Name	Remuneration	Revenue	% of revenue	PBT	% of PBT
PRASAD VSS GARAPATI	7,80,000	1,79,59,385	4.34%	-1,21,52,192	NA
SARASWATHI KOVELAMUDI	6,60,000	1,79,59,385	3.67%	-1,21,52,192	NA
SAHU GARAPATI	5,40,000	1,79,59,385	3.01%	-1,21,52,192	NA
VENU GARAPATI	4,80,000	1,79,59,385	2.67%	-1,21,52,192	NA

I. The key parameters for any variable component of remuneration availed by the directors:

Not Applicable as the directors does not avail any variable component of remuneration

J. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:

Not Applicable as no employee is receiving remuneration in excess of the highest paid Director

K. Affirmation that the remuneration is as per the remuneration policy of the company.

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

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

To
The Board of Directors,
Innocorp Limited,
Hyderabad.

We have audited the financial results of M/s. Innocorp Limited ('the Company) for the Year ended 31st March, 2016 attached herewith, being submitted by the company pursuant to the requirement of regulation 33 of Securities and Exchange Board of India (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) Regulations, 2015. These Financial Results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management .Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25 , Interim Financial Reporting specified under section 133 of the Companies Act ,2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and other accounting principles generally accepted in India.

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

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

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

(ii) Give a true and fair view of net loss and other financial information for the year April 1, 2015 to March 31, 2016.

For Ramasamy Koteswara Rao & Co.,
Charted Accountants
Firm regn No. : 010396S

Place: Hyderabad
Date: 30-05-2016

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

Independent Auditor's Report

To the Members of
INNOCORP LIMITED
Report on the Financial Statements

We have audited the accompanying financial statements of **M/s. INNOCORP LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

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If undelivered please return to :

INNOCORP LIMITED

REGISTERED OFFICE :

Plot No. 41, IDA Mallapur, Hyderabad.

Telangana, INDIA,

INNOCORP

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