

# INNOCORP LIMITED

( Formerly Known as Innosoft Technologies Limited )

**DATE: 30<sup>TH</sup> SEPTEMBER, 2016**

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

**SCRIP CODE: 531929**

Dear Sir,

**SUB: - 22<sup>nd</sup> 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 22<sup>nd</sup> 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 30<sup>th</sup> 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**



**22<sup>nd</sup> Annual General Meeting**  
**Friday 30<sup>th</sup> 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 &amp; CO.,

Plot No. 238/A, MLA's Colony,  
Road No. 12, Banjara Hills,  
Hyderabad-34

## REGISTERED OFFICE

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

## INTERNAL AUDITOR

M/S. SVP& Co  
Chartered Accountants  
Hyderabad.

## SHARE TRANSFER AGENTS

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

## BANKERS

Andhra Bank  
Mallapur, Hyderabad

## LISTED AT :

BSE Limited

BOARD COMMITTEE		
AUDIT COMMITTEE:	STAKEHOLDERS RELATIONSHIP COMMITTEE:	NOMINATION AND REMUNERATION 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, Telangana - 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 22<sup>nd</sup> Annual general meeting of the company, to be held on the Friday 30<sup>th</sup> day of September, 2016 at 12.00 p.m. at Plot No. 41, IDA, Mallapur, Hyderabad, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below:

**NOTICE**

Notice is hereby given that the 22<sup>nd</sup> 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, **30<sup>th</sup> 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 31<sup>st</sup> 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: 12<sup>th</sup> 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 24<sup>th</sup> SEPTEMBER, 2016 TO FRIDAY 30<sup>th</sup> 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 22<sup>nd</sup> 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, 27<sup>th</sup> September, 2016 to 05.00 P.M. on Thursday, 29<sup>th</sup> September, 2016

E-voting shall not be allowed beyond 05.00 P.M. on 29<sup>th</sup> 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.

**Place: Hyderabad**  
**Date: 12<sup>th</sup> August 2016**

**By order of the Board**  
**For INNOCORP LIMITED**  
**Sd/-**

**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 issued 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 22<sup>nd</sup> Annual General Meeting of the shareholders of Innocorp Limited on Friday, 30<sup>th</sup> 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

Name and Address of Member

Signature of Shareholder  
Representative (Please Specify)

- (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

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

**DIRECTORS' REPORT**

To

The Members

Your Directors have pleasure in presenting the 22<sup>nd</sup> Annual Report together with the Audited Accounts of the Company for the year ended 31<sup>st</sup> 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
<b>Total Income</b>	<b>179.58</b>	<b>1106.70</b>
<b>Total Expenditure</b>	<b>-211.46</b>	<b>-1404.03</b>
Interest	-44.63	-63.10
Profit Before Depreciation and Taxation	-76.51	-368.87
Depreciation	-45.01	-144.58
<b>Profit Before Tax</b>	<b>-121.52</b>	<b>-513.38</b>
Deferred Tax	-	236.10
<b>Net Profit / (Loss)</b>	<b>-121.52</b>	<b>-277.35</b>

**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 31<sup>st</sup> 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:

- 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 23<sup>rd</sup> September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- Click on "Shareholders" tab.
- Now, select the "**INNOCORP LIMITED**" from the drop down menu and click on "SUBMIT"
- Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- 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) <ul style="list-style-type: none"> <li>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.</li> <li>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</li> </ul>
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. <ul style="list-style-type: none"> <li>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).</li> </ul>

**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	79,41,400
Add: Adjustment for shares issued during the year on conversion of warrants	0	0
<b>Total Weighted average number of equity shares</b>	<b>79,41,400</b>	<b>79,41,400</b>
<b>Basic Earnings per Share</b>	<b>(1.53)</b>	<b>(3.49)</b>
<b>Diluted Earnings per Share</b>	<b>(1.53)</b>	<b>(3.49)</b>

**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	<b>54,67,846</b>	<b>8,19,07,363</b>

**b) Raw Material Consumed**

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

**c) Sales**

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

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,

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- 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;
- 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;
- The annual accounts for the year 2015-16 have been prepared on a going concern basis.
- Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- 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
<b>Total</b>	<b>19,80,000</b>	<b>19,80,000</b>

**2. Remuneration to Auditors:-**

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