

25TH
ANNUAL REPORT
2018 – 2019

INNOCORP LIMITED

25TH ANNUAL GENERAL MEETING

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

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COMPANY INFORMATION

BOARD OF DIRECTORS

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

CFO

Mr. Sahu Garapati

STATUTORY AUDITORS

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

INTERNAL AUDITOR

M/s. Padarthi and Associates
Chartered Accountants
Hyderabad

BANKERS

Andhra Bank
Mallapur, Hyderabad

REGISTERED OFFICE

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

SHARE TRANSFER AGENTS

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

LISTED AT:

BSE Limited

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

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at Plot No: 41, IDA, Mallapur, Hyderabad, Telangana-500076, on Friday, 27th September, 2019 at 12.00 P.M to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2019 and the Profit and Loss account for the year ended on 31st March, 2019 and the Report of Directors' and the Auditors thereon.
2. To appoint a Director in place Prasad VSS Garapati (DIN-00209436), who retires by rotation, being eligible offers himself for re-appointment

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

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

"RESOLVED THAT pursuant to the provisions of Section 161 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and all other applicable provisions, if any, of the Act, Venu Garapati, who was appointed as Additional Director by the Board with effect from 13th February, 2019 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act along with the deposit of requisite amount proposing the candidature of Venu Garapati for the office of Director, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation."

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

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

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

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

5. APPOINTMENT OF SRI. SUBRAHMANYAM CHERUKURI (DIN 02750056) AS NON- EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri. Subrahmanyam Cherukuri (DIN 02750056), Non-Executive Independent Director of the Company, who has submitted a declaration that he meets

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

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

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

6. **APPOINTMENT OF SRI. VENKAIAH DONIPARTHI (DIN 02534812) AS NON- EXECUTIVE, INDEPENDENT DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of Sections 149,150,160 and any other applicable provisions of the Companies Act, 2013 ("Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Sri. Venkaiah Doniparthi (DIN 02534812), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Non-Executive Independent Director of the Company to hold office for second term of five consecutive years from the conclusion of this AGM till the conclusion of 30th AGM and whose office shall not be liable to retire by rotation".

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

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

By order of the Board
For INNOCORP LIMITED

Sd/-
Venu Garapati
Managing Director
DIN:- 07148611

Place: Hyderabad
Date : 13th August 2019

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the company. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting
3. The Register of members and share transfer books of Company shall remain closed from SATURDAY 21st SEPTEMBER, 2019 TO FRIDAY 27th SEPTEMBER, 2019 (both days inclusive) for the purpose of AGM.
4. Members are requested to notify any change in their addresses to the Company immediately.
5. Members desirous of obtaining any information on the Annual Accounts of the Company are requested to write to the Company at least 7 working days before the date of the meeting to enable the Company for compilation of the required information.
6. Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their holdings in electronic form and also in respect of their physical share folios, if any to M/s. XL Softech Systems Ltd.3, Sagar Society, Road No: 2 Banjara Hills, Hyderabad, Telengana - 500034.
7. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 25th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Service (India) Limited (CDSL):

Commencement of e - voting: From 10.00 A.M. on Tuesday, 24th September, 2019 to 05.00 P.M. on Thursday, 26th September, 2019

E-voting shall not be allowed beyond 05.00 P.M. on 26th September, 2019. During the e-voting period, shareholders of the Company, holding shares either in physical form, may cast their vote electronically.

The login ID and password for e-voting along with process, manner and instructions for e-voting is being attached in the Annual Report.

The Company has appointed Mr. Anand Kumar C Kasat, Practicing Company Secretary, Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.

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

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

Place: Hyderabad
Date : 13th August 2019

Information in respect of directors seeking appointment/re-appointment

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

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

Item No 3:

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

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

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

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

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

Item No 4:

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

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

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

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

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

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

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

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

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

Item No 5 & 6:

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

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

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

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