

# INNOVENTIVE VENTURE LIMITED

## BOARD OF DIRECTORS

Mr. O. K. Balraj	- Managing Director
Mr. Parag Mulye	- Whole-time Director
Mr. Pradeep Tupe	- Independent Director
Mr. Ramprasad Joshi	- Independent Director

## STATUTORY AUDITORS

R Kabra & Company  
Chartered Accountants  
515, Tulsiani Chambers,  
Nariman Point,  
Mumbai – 400021

## BANKERS

Axis Bank Limited  
United Bank of India

## REGISTERED OFFICE

Office No. 601 & 602,  
Nucleus Mall, 1  
Church Road, Camp,  
Pune – 411001  
[investor.grievance@innoventure.in](mailto:investor.grievance@innoventure.in)

## REGISTRAR & TRANSFER AGENT

Karvy Computershare Private Limited  
Plot No. 17 – 24, Vittal Rao Nagar,  
Madhapur, Hyderabad 500081,  
Andhra Pradesh

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## FORWARD LOOKING STATEMENT

In this Annual Report, we have disclosed forward- looking statements to enable investors to comprehend our prospects and take investment decisions. The report and other statements- written and oral- that are periodically make certain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

## NOTICE

**NOTICE** is hereby given that the 28<sup>th</sup> Annual General Meeting of Innoventive Venture Limited will be held on Saturday, the 28<sup>th</sup> day of September, 2013 at 10.30 a.m. at the registered office of the Company at Office No. 601 & 602, Nucleus Mall, 1 Church Road, Camp, Pune 411001, Maharashtra, India to transact the following business:

### ORDINARY BUSINESS

#### 1. Adoption of Accounts

To receive, consider and adopt the Audited Balance Sheet as at, and the Profit and Loss Account for the Financial Year ended 31<sup>st</sup> March 2013 together with the Directors' report and Auditors' report thereon.

#### 2. Reappointment of Mr. Ramprasad Joshi

To appoint a Director in place of Mr. Ramprasad Joshi who retires by rotation and being eligible offers himself for re-appointment as a Director of the Company.

#### 3. Appointment of Auditor

To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to authorize the Board / Audit Committee to fix their remuneration.

### SPECIAL BUSINESS

#### 4. Appointment of Mr. O. K. Balraj as Managing Director

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

**"RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies, Act, 1956 or any statutory modification(s) or any re-enactment thereof, Mr. O. K. Balraj, who was co-opted as an Additional Director by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution), with effect from 05<sup>th</sup> November, 2012, be and is hereby appointed as a Director of the Company, not liable to retire by rotation.

**RESOLVED FURTHER THAT** pursuant to the provision of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or re-enactment thereof) appointment of Mr. O. K. Balraj as a Managing Director of the Company be and is hereby ratified / confirmed by the members on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with an authority to the Board to alter and vary the conditions of appointment and/ or remuneration, subject to the same not exceeding the limits specified under Schedule XIII of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof for the time being in force.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors  
For **Innoventive Venture Limited**

Director

Place: **Pune**  
Date: **13<sup>th</sup> August, 2013**

#### Registered Office:

Office No. 601 & 602, Nucleus Mall,  
1 Church Road, Camp, Pune 411001,  
Maharashtra, India

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF/ HERSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY;
2. Proxies in order to be effective must be received by the company not less than 48 hours before the time appointed for the Meeting;
3. Pursuant to Section 173 of the Companies Act, 1956, an Explanatory Statement in respect of the business mentioned under Item No. 4 above, is annexed hereunder;
4. The Register of Members and Share Transfer Register will remain closed from 23<sup>rd</sup> September, 2013 to 28<sup>th</sup> September, 2013 (both days inclusive)
5. Investor Grievance Redressal:  
  
The Company has designated an exclusive email ID viz. [investor.relation@innoventure.in](mailto:investor.relation@innoventure.in) for the investor to register their complaints or give any suggestion/feedback, if any.
6. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so that the information is made available by the Management at the day of the meeting.
7. Members who are holding shares in demat mode are requested to notify any change in their residential address, email addresses immediately to their respective Depository Participants;
8. The annual accounts of subsidiary companies are available for inspection at the Registered Office of the Company and of the subsidiaries concerned and copies will be made available to Shareholders of Innoventive Venture Limited and its subsidiary companies upon request.
9. Pursuant to the requirements of the Listing Agreement of Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed / re-appointed at the Annual General Meeting is given in the Annexure to the Notice.
10. Corporate members intending to send their Authorised Representative(s) to attend the meeting are requested to send a certified copy of the Board Resolution / Power of Attorney authorizing their representatives to attend and vote on their behalf at the meeting.
11. Members are requested to bring their attendance slip and copy of the annual report at the meeting.
12. Innoventive Venture Limited is concerned about the environment and believes in utilization of natural resources in a suitable way. The Ministry of Corporate Affairs ("MCA"), Government of India, has by its Circular Nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, permitted the Companies to send the official documents to their shareholders electronically as part of its green initiative in the Corporate Governance. We request you to update your email address with your Depository Participants to ensure that the annual report and other documents reach you on preferred email account.

By Order of the Board of Directors  
For **Innoventive Venture Limited**

Director

Place: **Pune**  
Date: **13<sup>th</sup> August, 2013**

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No. 4

The Board of Directors of the Company (the Board), at its Meeting held on November 08, 2012 has, appointed Mr. O. K. Balraj as Additional/ Managing Director (MD) for a period of 5 years with effect from 05<sup>th</sup> November, 2012 subject to necessary approvals.

Hence, it is proposed to seek Members' approval for the appointment of and remuneration payable to Mr. O. K. Balraj in terms of the applicable provisions of the Companies Act, 1956 or any amendment or statutory re-enactment thereof. None of the Directors other than Mr. O. K. Balraj is interested or concerned in the resolution.

Broad particulars of the terms of appointment and remuneration payable to Mr. O. K. Balraj are as under:

Category	Particulars
<b>Tenure</b>	Period of five years with effect from 5 <sup>th</sup> November 2012 to 4 <sup>th</sup> November 2017.
<b>Basic Salary</b>	Rs. 5,00,000/- per month <i>The Board of Directors may alter the remuneration, from time to time, in accordance with the limits specified in Schedule XIII of the Companies Act, 1956.</i>  <i>Pursuant to MCA Notification No. G. S. R. 534(E) dated 14<sup>th</sup> July, 2011 approval of Central Government is not required for payment of remuneration to Mr. O. K. Balraj since he does not have any interest in the capital of the Company either directly or indirectly. Further, he is also not related to or have any direct or indirect interest in directors or promoters of the Company at any time in last two years from the date of his appointment. Moreover, Mr. O. K. Balraj is a Chartered Accountant with expert and specialized knowledge in the field of Accountancy &amp; Finance.</i>
<b>Variable Pay</b>	Subject to overall ceiling limit of Rs. 25,00,000/- per annum MD shall be entitled to variable pay based on his performance as the Board of Directors (which includes any Committee thereof for the time being in force) may deem fit & appropriate in their sole discretion.
<b>Perquisites and Allowances</b>	<b>House Rent Allowance:</b> Payment of House Rent Allowance of Rs. 45,000/- per month.  <b>Other Allowance:</b> Payment of other allowance of Rs. 2,88,334/-  <b>Medical Benefits:</b> Reimbursement of medical expenses incurred by the appointee on self, spouse and dependent children will be reimbursed to him subject to a ceiling of one month's salary in a year.  <b>Leave Travel Concession:</b> For self and family once a year in accordance with the rules of the Company.  <b>Personal Accident Insurance:</b> Personal accident insurance cover shall be payable as per rules of the Company.  <b>Gratuity:</b> Gratuity at the rate of half month's salary for each completed year of service.  <b>Leave:</b> Leave with full pay or encashment thereof as per the Rules of the Company.  <b>Other perquisites:</b> Subject to the overall ceiling on remuneration mentioned hereinabove, additional benefits and / or perquisites may be provided by the Board of Directors (which includes any committee thereof) as they may deem fit.
<b>Amenities</b>	<b>Conveyance facilities:</b> MD will be provided with a car and a driver for use on Company's business. Use of car for private purpose, if any will be billed by the Company. The provision of car for official use and telephone at residence will not be considered as perquisite.  <b>Communication facilities:</b> Company shall provide telephone at the residence.  <b>Explanation:</b> Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

The Board of Directors accordingly recommends the resolution as set out in Item No. 4 of the Notice for approval of Members.

By Order of the Board of Directors  
For **Innoventive Venture Limited**

**Director**

Place: **Pune**  
Date: **13<sup>th</sup> August, 2013**

## ANNEXURE

**PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE, INFORMATION ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED IS FURNISHED BELOW:**

### I. RAMPRASAD JOSHI

Mr. Ramprasad Joshi, aged 43 years, is an Independent Director of our Company. He holds a 'Bachelor of Engineering in Computers' from Shivaji University, Kolhapur and 'M.E in Computers' from Veermata Jijabai Technological Institute, Mumbai University. After Engineering, he worked as a Lecturer with Veermata Jijabai Technological Institute for a few years. He was a Project Engineer, IIT Mumbai in the Aerospace Engineering department in 1993-94. He served as Software & Hardware Engineer at Venus Engineers for a couple of years. Thereafter, he worked as an Assistant Professor PICT, Pune from 1998 to 2002. At present, he is pursuing Ph.D. in Computer Science from BITS Pilani.

**Public Companies (other than Innoventive Venture Limited) in which Mr. Ramprasad Joshi hold directorships and committee memberships**

Directorships	Chairman of Board Committees	Member of Board Committees
1. Innoventive Industries Limited 2. Opal Luxury Time Products Limited	1. Innoventive Industries Limited • IPO Committee  2. Opal Luxury Time Products Limited • Shareholders'/Investors' Grievance, Share Allotment and Share Transfer Committee	1. Innoventive Industries Limited • Audit committee  2. Opal Luxury Time Products Limited • Audit committee • Working Group Committee

Mr. Ramprasad Joshi does not hold any share of the Company.

He is not related to any other director on the Board of the Company as per Section 6 of the Companies Act, 1956.

### II. O. K. BALRAJ

Mr. O. K. Balraj has over 30 years of experience both in India and Abroad in different facets of Finance such as Banking, Corporate Finance, Capital Markets, Mergers & Acquisitions, Private Equity & Debt markets and has held senior positions in Tata Group, ANZ Grindlays Bank PLC, IDFC, Essar Group, Guggenheim Infrastructure Fund/Vikram Logistics Ltd., Nuzeeveedu Seeds Group, Escorts Group, etc.

He has received the Best CFO Award by Institute of Chartered Accountants of India in 2011 from Honourable Minister of Corporate affairs Govt. of India.

Mr. O. K. Balraj is a Chartered Accountant by profession with an advanced degree in infrastructure financing from Kennedy School of Government, Harvard University, USA.

**Public Companies (other than Innoventive Venture Limited) in which Mr. O. K. Balraj hold directorship and committee memberships**

Directorships	Chairman of Board Committees	Member of Board Committees
Opal Luxury Time Products Limited	NIL	Opal Luxury Time Products Limited • Shareholders'/Investors' Grievance, Share Allotment and Share Transfer Committee

Mr. O. K. Balraj does not hold any share of the Company.

He is not related to any other director on the Board of the Company as per Section 6 of the Companies Act, 1956.

## DIRECTORS' REPORT

To,  
The Members of,  
**Innoventive Venture Limited,**  
Pune

The Directors hereby present the report on business and operations of the Company for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS

Particulars	(Rs. in Lacs except per share data)	
	Year ended 31.03.2013	Year ended 31.03.2012
Turnover / Income	0.00	0.00
Other Income	0.00	0.00
Total Expenditures (Including extra-ordinary item)	63.83	4.48
Interest and Finance Cost	25.57	0
Depreciation	0	0
Profit Before Tax	(89.40)	(4.48)
Provision for Tax	0	0
Profit After Tax	(89.40)	(4.48)
Balance Brought forward from last year	(402.66)	(398.18)
Balance Carried over to Balance sheet	(492.06)	(402.66)
EPS (Face value - Rs. 10/- per equity share)	(0.59)	(0.03)

Note- Figures in bracket indicate negative figures.

### SUBSIDIARY COMPANIES

The Company has following two subsidiaries within the meaning of Section 4(1)(b)(ii) of the Companies Act, 1956.

- Aim Filtertech Private Limited (51% holding)
- Membrane Filters (India) Private Limited (51% holding)

Note: Opal Luxury Time Products Limited ("Opal") was a subsidiary company of Innoventive Venture Limited during the year under review. However, Opal ceased to be subsidiary company in March 2013, due to Preferential Allotment made by Opal under Pre-IPO Placement in pursuance of Initial Public Offer.

### Financial Statements of the Subsidiary Companies

The Company shall made available annual accounts of subsidiary companies and other related information to the members of holding & subsidiary companies. The annual accounts shall also be available for inspection by any members at its registered office & those of respective subsidiary companies. Further, the company will provide hard copy of details of account of the subsidiary companies, upon receipt of a request from any shareholder of the Company.

The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2/2011 dated February 8, 2011 has granted general exemption under Section 212 of the Companies Act, 1956, waiving the requirement of attaching annual reports of subsidiary companies subject to certain conditions being fulfilled by the Company. In pursuance of this Circular, the Company has complied with necessary provisions for not attaching annual reports of subsidiary companies to Company's Balance Sheet

### DIVIDEND

The Directors of the Company do not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2013.

## PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975 and the Companies (Particulars of Employees) Amendment Rules, 2011, the name and other particulars of employees are set out below.

<b>Name, Designation, Qualification &amp; Age</b>	<b>Date of Joining</b>	<b>Experience</b>	<b>Gross Remuneration (Rs. In Lacs)</b>	<b>Previous Employment Designation</b>	<b>Details of Shareholding</b>
<b>Name &amp; Designation:</b> Mr. O. K. Balraj Managing Director  <b>Qualification:</b> Chartered Accountant  <b>Age:</b> 57 years	05.11.2012	Over 30 years	50.55	Escorts Group, Group CFO / Director	NIL

## DEPOSITS

The Company has not accepted any fixed deposits within the meaning of Section 58A of the Companies Act, 1956 during the year under review.

## DIRECTORS

During the financial year under report, the Board of Directors appointed Mr. O. K. Balraj as Managing Director of the Company subject to approval of Members and other necessary approvals, if any. Further, the Board seeks confirmation pursuant to Section 260 of the Companies Act, 1956 from members for reappointment of Mr. O. K. Balraj. Additionally, the Board also seeks approval of members for appointment of Mr. O. K. Balraj as Managing Director of the Company.

In accordance with the provisions of Section 256 of the Companies Act, 1956 Mr. Ramprasad Joshi retires by rotation at the forthcoming Annual General Meeting (AGM) and being eligible offers himself for the reappointment. The Board seeks approval of the shareholders for reappointment of Mr. Ramprasad Joshi at the ensuing AGM.

Pursuant to the requirement of the Listing Agreement of Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed / re-appointed at the Annual General Meeting is given in the annexure to the Notice calling 28<sup>th</sup> Annual General Meeting.

## NOTE ON CORPORATE GOVERNANCE

A separate section on Corporate Governance is included in this Annual Report.

## AUDITORS

M/s. R. Kabra & Co, Chartered Accountants, Mumbai retire and, being eligible, offer themselves for appointment.

The Board of Directors recommends their appointment.

## ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

As the Company's operations do not involve any manufacturing or processing activities, the particulars as per Companies (Disclosures of particulars in the Report of the Board of Directors) Rules, 1998 regarding conservation of energy and technology absorption, are not applicable.

The foreign exchange earnings and outgo during the year is NIL.



## **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm:

1. that in the preparation of the annual accounts for the financial year ended on 31<sup>st</sup> March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. that the Directors have prepared the accounts for the financial year ended on 31<sup>st</sup> March, 2013 on a 'Going Concern basis'.

## **CAUTIONARY STATEMENT**

The information and opinion expressed in the Report may contain certain forward-looking statements, which the management believes are true to the best of its knowledge at the time of its preparation. Actual results may differ materially from those either expressed or implied in the Report. Important factors that could make a difference to the Company's operations include, among others, economic condition in the domestic and the overseas market in which the Company operates, changes in the government regulations, tax laws and other statute and incidental factors

## **ACKNOWLEDGEMENT**

The Board of Directors of your Company wishes to record their appreciation for co-operation, support from all the stakeholders of the Company. Your Directors also gratefully acknowledge the sincere efforts and guidance extended to the Company by its customers, vendors, government authorities, bankers, employees.

**For and on Behalf of the Board of Directors**

**Place:** Pune  
**Date:** 30<sup>th</sup> May, 2013

**O. K. Balraj**  
**Managing Director**

**Ramprasad Joshi**  
**Director**

**ANNEXURE TO THE DIRECTOR'S REPORT**

**Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company  
As on 31<sup>st</sup> March, 2013**

**(Amount in Rs. Lacs)**

<b>Sr. No.</b>	<b>Particulars</b>	<b>Aim Filtertech Private Limited</b>	<b>Membrane Filters (India) Private Limited</b>
1	Capital	102.12	196.32
2	Reserve & Surplus	955.64	1,562.12
3	Total Assets	3,234.77	4,391.71
4	Total Liabilities	3,234.77	4,391.71
5	Investments	0.25	953.48
6	Total Sales (Net)	1901.47	1967.09
7	Profit Before Tax	229.78	446.38
8	Provision for Tax	67.83	28.80
9	Profit After Tax	161.95	417.58
10	Proposed Dividend	0.00	0.00

**Note:** Opal Luxury Time Products Limited ("Opal") was a subsidiary company of Innoventive Venture Limited during the year under review. However, Opal ceased to be subsidiary company in March 2013, due to Preferential Allotment made by Opal under Pre-IPO Placement in pursuance of Initial Public Offer.

**For and on Behalf of the Board of Directors**

**Place:** Pune  
**Date:** 30<sup>th</sup> May, 2013

**O. K. Balraj**                      **Ramprasad Joshi**  
**Managing Director**              **Director**

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **INDIAN ECONOMY**

The year 2012-13 may perhaps be the year in which the downturn in the Indian economy was arrested and a semblance of resurgence brought back. It has experienced its worst slowdown in nearly a decade on the back of global imbalances, domestic macro-economic imbalances and policy reversals on the fiscal front. It has had growth of 5% in 2012-13 as compared to the 6.2% in 2011-12.

The improved sentiment and confidence translated to substantial fund flows being diverted to the Indian equity markets in the second half of 2012. FII flows to the Indian market aggregated a staggering USD 30.8 billion for the full financial year ended March, 2013. The Sensex and the BSE 200 index recorded an appreciation of 8.2 percent and 6 percent respectively for the fiscal year. This compares better to the trend in the previous year with the Sensex recording a negative return of 10.5 percent.

### **STRUCTURE OF THE COMPANY AND THE BUSINESS**

Innoventive Venture Limited (IVL) is a Core Investment Company holding more than 90% of its assets in investments in shares of Group Companies. IVL has fresh new approach to both traditional and emerging markets. The Company has created a diversified investment portfolio which presents the optimal balance between the return on investment and future growth.

### **RISKS AND CONCERNS**

IVL's income will mainly come from the dividends that may be receivable on investments held by it / may be held in future or from profits earned on sale of such investments. Any adverse impact on the industries of which securities are held by Innoventive Venture, also have a bearing on the performance of Innoventive Venture. Any slowdown in the growth of Indian economy or future volatility in global financial market, could also adversely affect the businesses in which IVL has invested

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has well established internal control system commensurate with its size and nature of business which provides for efficient use and safeguarding of resources, accurate recording of transactions and custody of assets, compliance with prevalent statutes, adherence to applicable accounting standards and policies which include controls for facilitating the above.

### **CAUTIONARY STATEMENT**

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry - global or domestic or both, significant changes in political and economic environment in India, applicable statutes, litigations etc.

### **DISCLOSURES BY MANAGEMENT TO THE BOARD**

All disclosures relating to financial and commercial transactions where Directors may have a potential interest are provided to the Board and the interested Directors do not participate in the discussions nor do they vote on such matters.

## REPORT ON CORPORATE GOVERNANCE

### 1. PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures fairness in all its transactions in widest sense. The Company has endeavoured itself to implement and maintain the Corporate Governance process in the most democratic form. The Directors endeavour is to create an environment of fairness, equity and transparency in transactions with the underlying objective of securing long-term shareholder value, while, at the same time, respecting the rights of all stakeholders.

The Company has adopted the requirements of Corporate Governance under Clause 49 of the Listing Agreement entered into with Bombay Stock Exchange. The disclosure requirements of said Clause 49 are given in this report of Corporate Governance.

### 2. THE BOARD OF DIRECTORS

The Board of Directors of the Company have combination of Executive and Non-executive & Independent Directors. The Board comprises of four Directors, of whom two Directors are Executive Directors and two are Non-executive & Independent Directors.

None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees (as specified in Clause 49 of the Listing Agreement) across all the companies in which they are Directors. None of the Directors of the Company are related to each other.

During the financial year ended 31<sup>st</sup> March, 2013, 7 (Seven) Board meetings were held. The maximum interval between any two meetings was well within the maximum allowed gap of four months.

**Attendance of Directors at Board meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various companies:**

Name of the Director	Category	No. of Board Meetings attended in the year	Attendance at the last AGM	Directorships in Public Companies including our Company*	Committee positions in Public Companies including our Company		No. of equity shares held
					Chairman	Member	
Mr. O. K. Balraj#	Managing Director	4	NA	2	NIL	1	NIL
Mr. Parag Mulye	Whole-time Director	4	Yes	1	NIL	2	566435
Mr. Ramprasad Joshi	Independent Director	5	No	3	3	4	NIL
Mr. Pradeep Tupe	Independent Director	7	Yes	3	3	4	Nil

\*It does not include: (a) Private Company (b) Private Company which is a subsidiary of a Public Company (c) Company formed or incorporated under Section 25 of the Companies Act, 1956 and (d) Body Corporate / Company / Entity incorporated / established outside India.

# Appointed as Additional/ Managing Director w.e.f. 05<sup>th</sup> November, 2012.

### Compensation paid to directors in FY 2012-13

Following are the details of compensation paid to Directors during the financial year ending on March 31, 2013.

(Amount in Rs. Lacs)

Name of the Director	Basic Salary	House Rent Allowance	Variable Pay	Perquisites	Others	Total
Mr. O. K. Balraj	24.33	2.19	9.93	0.07	14.03	50.55

### 3. CODE OF CONDUCT

The company has adopted the Code of Conduct for the Board and members of senior management personnel of the Company. It is in compliance with Clause 49 of the Listing Agreement. The Code covers the Board of Directors and all the senior management personnel one level below the Board. A copy of the Code has been put up on the Company's website [www.innoventure.in](http://www.innoventure.in)

### 4. THE COMMITTEES OF THE BOARD

The Board has constituted following Committees.

#### A. Audit Committee

The scope of the activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956. The terms of reference of the Audit Committee include discussions on quarterly, half yearly and annual financial results, interaction with statutory auditors, recommendation for re-appointment of auditors, internal audit, ensuring compliance with statutory and regulatory provisions, etc.

The Audit Committee currently comprises of two Independent Directors and one Executive Director. The Audit Committee is headed by Mr. Pradeep Tupe, Independent Director of the Company. There were 5 (five) meetings of the Committee held during the year. The details of the composition of the committee are set out in the following table:

Name of the Director	Designation in the Committee	Nature of Directorship in the Company	No. of meetings attended during the year
Mr. Pradeep Tupe	Chairman	Independent Director	5
Mr. Ramprasad Joshi	Member	Independent Director	5
Mr. Parag Mulye	Member	Whole-time Director	2

#### B. Shareholders' / Investors' Grievance Committee

Shareholders' / Investors' Grievance Committee was constituted to specifically look into the redressal of Investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend, etc.

The Committee comprises three Directors including two Independent Directors. Mr. Ramprasad Joshi is the Chairman of the Committee. One meeting of the Shareholders' / Investors' Grievance Committee was held during the year.

Following are the details of the composition of the Committee and designation of the members.

Name of the Director	Designation in the Committee	Nature of Directorship in the Company
Mr. Ramprasad Joshi	Chairman	Independent Director
Mr. Pradeep Tupe	Member	Independent Director
Mr. Parag Mulye	Member	Whole-time Director

During the Financial Year 2012-13 there were no complaint(s) received from the Shareholders/Investors.

## 5. GENERAL BODY MEETINGS

A) Location and time, where last three Annual General Meetings (AGMs) were held:

Financial Year	Details of Location	Date of Meeting	Time of Meeting
2011-12	Office No. 601 & 602, Nucleus Mall, 1 Church Road, Camp, Pune 411001	27/09/2012	10.30 A.M.
2010-11	153, Maker Chambers III, Nariman Point, Mumbai - 400021	29/08/2011	11.00 A.M.
2009-10	153, Maker Chambers III, Nariman Point, Mumbai - 400021	30/09/2010	10.30 A.M.

B) At the AGM held on 29<sup>th</sup> August, 2011 one Special Resolution was passed to issue shares on preferential basis.

Further, the Company has not passed any special resolution in its Annual General Meeting held on 30/09/2010 and 27/09/2012.

## 6. DISCLOSURES

- i. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large.
- ii. As per our knowledge, no penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI or other statutory authorities, on any matter related to capital markets.
- iii. The Company has not adopted any Whistle Blower Policy.
- iv. Clause 49 of the Listing Agreement mandates the Company to obtain a certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance as stipulated in the Clause. We have obtained a certificate to this effect and the same is included in this Annual Report. Further, the Company has not complied with non-mandatory requirements as prescribed in Annexure 1D to Clause 49.
- v. The Managing Director of the Company have certified to the Board, the specified matters, as required under Clause 49 V of the Listing Agreement.

## 7. MEANS OF COMMUNICATION

The Company ensures that all information regarding the Company's position be accessible to the stakeholders to enable them to accurately assess its future potential through various means. The quarterly and annual results are forwarded to Bombay Stock Exchange on regular basis. Further, the results are generally published in Financial Express, Loksatta, etc. Moreover, the Company's website [www.innoventure.in](http://www.innoventure.in) serves as a key awareness facility for all its stakeholders, allowing them to access information at their convenience. The website displays information such as Profile of the Company, its subsidiaries, shareholding pattern, etc.

## 8. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting:

Day & Date	Time	Venue
Saturday, 28 <sup>th</sup> September, 2013	10.30 a.m.	Office No. 601 & 602, Nucleus Mall, 1 Church Road, Camp, Pune 411001

B. Financial Year:

01<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013

C. Date of Book Closure: (Pursuant to Clause 16 of the Listing Agreement)

Monday, 23<sup>rd</sup> September, 2013 to Saturday, 28<sup>th</sup> September, 2013 (both days inclusive)

**D. Listing on Stock Exchanges:**

Name of the Stock Exchange	Script Code	Script ID
Bombay Stock Exchange	512375	INNOVENT

The shares of the Company are admitted for trading under both the Depository Systems in India – NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited). The ISIN of the Company is INE322N01013.

The Shares of the Company are not frequently traded on the BSE. As such, stock market data is not available.

**E. Shareholding Pattern:**

Shareholding Pattern of the Company as on 31<sup>st</sup> March, 2013 is as mentioned below:

Sr. No.	Category of Shareholders	No. of Shares Held	Percentage of total Shareholding
1.	Promoter & Promoter Group	11358701	74.95%
2.	Resident Individuals including HUF	2938598	19.39%
3.	Bodies Corporate	857737	5.66%
<b>Total</b>		<b>15155036</b>	<b>100.00</b>

**F. Investor Correspondence**

If the Shareholders have any grievances / queries, they can contact to the Company and/or Registrar & Share Transfer Agent of the Company at the address mentioned below. Further, the Shareholders can forward their queries at the following email IDs

- a. [innoventive.venture@gmail.com](mailto:innoventive.venture@gmail.com)
- b. [investor.relation@innoventure.in](mailto:investor.relation@innoventure.in)

<b>Innoventive Venture Limited</b>	<b>Registrar &amp; Share Transfer Agent</b> Karvy Computershare Private Limited
Office No. 601 & 602, Nucleus Mall, 1 Church Road, Camp, Pune 411001. Tel No. +91-020-66203549 Fax No. +91-020-66203549 Email: <a href="mailto:investor.relation@innoventure.in">investor.relation@innoventure.in</a>	17-24, Vittal Rao Nagar, Madhapur, Hyderabad- 500081 Andhra Pradesh, India Tel No: +91-40-44655000 Fax No: +91-40-23420814 E-mail : <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a>

To  
The Members of  
**Innoventive Venture Limited**

We have examined the compliance of conditions of Corporate Governance by Innoventive Venture Limited for the year ended 31<sup>st</sup> March, 2013 as stipulated in Clause 49 of Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither audit nor an expression of opinion on the financial statement of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that, the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

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

**For Ritesh R. Mahajan**  
**Company Secretaries**

**Ritesh R. Mahajan**  
**Proprietor**

**Membership No:** 6318  
**C P No:** 6901

**Place:** Pune  
**Date:** 30<sup>th</sup> May, 2013

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**Declaration under Clause 49 I (D) (ii) by the Director of affirmation by the Board of Directors and Senior Management of Compliance with the Code of Conduct**

**To,**  
The members,

I, Parag M. Mulye, Whole-time Director of the Company, do hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management of Innoventive Venture Limited for the year 2012-13.

**Parag M. Mulye**  
**Whole-time Director**



## AUDITOR'S REPORT

### **Independent Auditor's Report To the Members of Innoventive Venture Limited**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Innoventive Venture Limited (Formerly known as Platinum Ocean Energy Limited, Kayton Trade & Finance Limited), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended 31<sup>st</sup> March, 2013, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- a) We have 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 appears from our examination of those books

c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> march, 2013 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the companies Act, 1956.

**For R. Kabra & Co.**

Chartered Accountants

(Registration No.104502W)

(Deepa Rathi)

Partner

M. Ship No.104808

FRN : 104502W

**Place: Mumbai**

**Date: 30.05.2013**

**INNOVENTIVE VENTURE LIMITED**  
**(Formerly Known as Platinum Ocean Energy Limited, Kayton Trade & Finance Limited)**

**ANNEXURE TO AUDITOR'S REPORT**

Annexure referred to in paragraph 3 of the auditor's report of even date to the members of Innoventive Venture Limited for the year ended as on 31<sup>st</sup> March, 2013.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

(i) (a) The Company does not have any fixed assets as such the point along with (i) (b) & (c) are not applicable.

(ii) (a) The Company does not have any inventory as such the point along with (ii)(b) & (c) are not applicable.

(iii) (a) As per the information and explanations given to us, the Company has not granted any unsecured loans, to Companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. As the Company has not given any loans, secured or unsecured, from parties listed in the register maintained under section 301 of the Companies Act, 1956, paragraphs (iii) (b) (c) and (d) of the order, are not applicable.

(e) The Company has not taken any loans, secured and unsecured, from Companies, firms or other parties listed in the Register maintained under section 301 of the Companies Act, 1956. As the Company has not taken any loans, secured or unsecured, from parties listed in the register maintained under section 301 of the Companies Act, 1956, paragraphs (iii) (e) (f) and (g) of the order, are not applicable.

(iv) This point is not applicable since there are no fixed assets and inventory during the year.

(v)(a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register in pursuance of Section 301 of the Companies Act, 1956 have been entered.

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, if any, have been entered in the register maintained under section 301 of the Companies Act, 1956 at prices which are reasonable having regard to prevailing market prices at the relevant time.

(vi) In our opinion & according to the information & explanations given to us the Company has complied with the directives issued by The Reserve Bank of India & the provisions of Sections 58A & 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. According to the information & explanation given to us, no Order has been passed by the Company Law Board on the Company.

(vii) In our opinion, the company has an internal audit system through internal control system which is carried out by the internal audit department, the scope and coverage of which is commensurate with the size and nature of business of the company.

(viii) As informed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 is not applicable.

(ix)(a) According to the information and explanation given to us & the records of the company examined by us in our opinion, the Company has been regular in depositing during the year undisputed statutory dues in respect of Income Tax, Sales Tax, Service Tax, Cess & other material statutory dues as applicable with the appropriate authority as on the last day of the financial year as at 31<sup>st</sup> March 2013 outstanding for a period more than six months from the date they became payable

(b) According to the information & explanations given to us there were no dues in respect of Income Tax, Wealth Tax, Sales Tax, & Cess which have not been deposited on account of any dispute.

(x) The Company has accumulated losses. The Company has incurred cash loss during the current financial year and also in the immediately preceding financial year.

(xi) According to the records of the Company examined by us & according to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debentures holders during the year.

(xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) The provisions of any special statute applicable to chit fund/ nidhi/mutual benefit fund/societies are not applicable to the Company.

(xiv) The Company has maintained proper records of the transactions and contracts in respects of shares & other investments and has also made timely entries therein. The shares are held by the company in its own name except to the extent exemption is granted under section 49 of the Companies Act, 1956.

(xv) The company has not given any guarantee for loans taken by others from bank or financial institutions and therefore clause xv of the order is not applicable

(xvi) Currently there are no term loans and therefore clause (xvi) of the order is not applicable.

(xvii) On the basis of an overall examination of the Balance Sheet of the Company, in our opinion & according to the information & explanation given to us there are no funds raised on short-term basis which have been used for long-term investment. No long term funds have been used to finance short term assets except permanent working capital.

(xviii) During the year the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act during the year.

(xix) According to the information and explanations given to us, during the period covered by audit report the company had not issued any debenture.

(xx) There was no public issue during the current year and therefore clause (xx) of the CARO report is not applicable

(xxi) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, either noticed or reported during the year, nor have we been informed of such case by the management.

**For R Kabra & Co**  
**Chartered Accountants**

**Deepa Rathi**  
**Partner**  
M No: 104808  
FRN: 104502W

**Place :** Mumbai  
**Dated:** 30<sup>th</sup> May, 2013

**INNOVENTIVE VENTURE LIMITED**  
(Formerly known as Platinum Ocean Energy Limited, Kayton Trade & Finance Limited)

**BALANCE SHEET AS AT 31st MARCH 2013**

Particulars	Note No	As at 31 March 2013	As at 31 March 2012
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	2	15,15,50,360	15,15,50,360
(b) Reserves and Surplus	3	(4,91,44,383)	(4,02,04,558)
<b>(2) Non-Current Liabilities</b>			
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	4	3,51,04,584	2,73,27,273
(b) Trade payables		-	-
(c) Other current liabilities	5	14,81,622	28,739
(d) Short-term provisions		-	-
<b>Total</b>		<b>13,89,92,183</b>	<b>13,87,01,814</b>
<b>II.Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets		-	-
(b) Non-current investments	6	13,85,79,860	13,85,79,860
(c) Long Term Loans and Advances	7	3,50,000	-
<b>(2) Current assets</b>			
(a) Cash and cash equivalents	8	62,323	66,804
(b) Other current assets	9	-	55,150
<b>Total</b>		<b>13,89,92,183</b>	<b>13,87,01,814</b>

Summary of Significant Accounting Policies 1

The accompanying notes are integral part of Financial Statements

As per our Report of even date

**For R. Kabra & Co.**  
**Chartered Accountants**

**For and on behalf of Board of Directors of**  
**Innoventive Venture Limited**

**Deepa Rathi**  
**Partner**  
**Membership No:- 104808**  
**Firm Reg No : 104502W**  
Place:- Pune  
Date :- 30th May, 2013

**O K Balraj**  
**Managing Director**

**Ramprasad Joshi**  
**Director**

**INNOVENTIVE VENTURE LIMITED**

(Formerly known as Platinum Ocean Energy Limited, Kayton Trade & Finance Limited)

**STATEMENT OF PROFIT AND LOSS**

Profit and Loss statement for the period ended 31st March, 2013

Particulars	Note No	As on 31 March, 2013	As on 31 March, 2012
Revenue from Operations		-	-
Other Income		-	-
<b>Total Revenue (A)</b>		-	-
<i>Expenses:</i>			
Employee benefit expense	10	50,48,709	-
Finance cost	11	25,57,340	-
Depreciation and amortization		-	-
Other expenses	12	13,33,776	4,47,918
<b>Total Expenses (B)</b>		89,39,825	4,47,918
<b>Profit before tax (C = A-B)</b>		<b>(89,39,825)</b>	<b>(4,47,918)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax		-	-
<b>Profit/(Loss) for the period</b>		<b>(89,39,825)</b>	<b>(4,47,918)</b>
Earning per equity share:			
- Basic		-	-
- Diluted		-	-

Summary of Significant Accounting Policies

1

The accompanying notes are integral part of Financial Statements

As per our Report of even date

**For R. Kabra & Co.**  
**Chartered Accountants**

**For and on behalf of Board of Directors of**  
**Innoventive Venture Limited**

**Deepa Rathi**  
**Partner**  
**Membership No:- 104808**  
**Firm Reg No : 104502W**

**O K Balraj**  
**Managing Director**

**Ramprasad Joshi**  
**Director**

Place:- Pune

Date :- 30th May, 2013

## INNOVENTIVE VENTURE LIMITED

(Formerly Known as Platinum Ocean Energy Limited, Kayton Trade & Finance Limited)

### Cash Flow For the Year Ended March 31, 2013

Particulars	March 31,2013	March 31,2012
<b>Cash flow from operating activities</b>		
Profit/(Loss) before tax from operations	(89,39,825)	(4,47,918)
Add: Interest expenses	25,57,340	
Operating Profit before working capital changes	(63,82,485)	(4,47,918)
<u>Movements in working capital :</u>		
Increase/(decrease) in other current liabilities	14,52,883	3,920
Increase/ (decrease) in other short-term provision	-	-
Decrease / (increase) in short-term loans/Long Term and advances	(3,50,000)	3,13,50,000
Decrease/(increase) in other current assets	55,150	(46,240)
Cash generated from /(used in) operations	(52,24,452)	3,08,59,762
Direct taxes paid (net of refunds)	-	-
<b>Net cash flow from/ (used in) operating activities (A)</b>	<b>(52,24,452)</b>	<b>3,08,59,762</b>
<b>Cash flows from investing activities</b>		
(Increases)/Decrease in Investment	-	(13,85,79,860)
<b>Net cash flow from/(used in) investing activities (B)</b>	<b>-</b>	<b>(13,85,79,860)</b>
<b>Cash flows from financing activities:</b>		
Proceeds from issue of share capital including securities premium	-	14,42,00,360
Redemption of Preference Shares	-	(3,13,50,000)
Interest expenses	(25,57,340)	
Proceeds from Short Term Borrowing	77,77,311	-
Repayment of short-term borrowings	-	(51,72,727)
<b>Net cash flow from/(used in) in financing activities (C)</b>	<b>52,19,971</b>	<b>10,76,77,633</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>(4,481)</b>	<b>(42,465)</b>
Cash and cash equivalents at the beginning of the year	66,804	1,09,269
<b>Cash and cash equivalents at the end of the year</b>	<b>62,323</b>	<b>66,804</b>
<u>Components of cash and cash equivalents</u>		
Cash on hand	8,299	31,443
With banks- on current account		
- On Current Accounts	54,024	35,361
<b>Total cash and cash equivalents</b>	<b>62,323</b>	<b>66,804</b>

Summary of Significant Accounting Policies 1  
 The accompanying notes are integral part of Financial Statements  
 As per our Report of even date

**For R. Kabra & Co.**  
**Chartered Accountants**

**For and on behalf of Board of Directors of  
 Innoventive Venture Limited**

**Deepa Rathi**  
**Partner**  
**Membership No:- 104808**  
**Firm Reg No : 104502W**

**O K Balraj**                      **Ramprasad Joshi**  
**Managing Director**              **Director**

Place:- Pune  
 Date :- 30th May, 2013

## **Innoventive Venture Limited**

Notes to the financial statements for the year ended March 31, 2013

### **1 Significant accounting policies**

#### **1.1 Basis of preparation of financial statements**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention.

#### **1.2 Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### **1.3 Investments**

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

#### **1.4 Provisions and Contingencies**

A provision is recognised when the Company has present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

#### **1.5 Income taxes**

Provision for Income Tax is made on the basis of estimated taxable income for the year at current rates. Tax expenses comprise both current Tax & Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income tax payable/recoverable in respect of the taxable income/loss for the reporting year. Deferred tax represents the effect of timing difference between taxable income & accounting income for the reporting year that originate in one year and are capable of reversal in one or more subsequent years. Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.



# Innoventive Venture Limited

## Notes to the financial statements for the year ended March 31, 2013

### 1.6 Earnings per Share

The Earning per Share is calculated by dividing the net profit or loss for the year attributable to equity shareholder (after deducting attributable taxes) by the weighted average number of shares outstanding during the year. The Earning per Share is calculated only on the Equity Share Capital as Zero percent preference Shareholder has no right of conversion except redemption. For the purpose of calculating diluted Earning per share if any, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### 1.7 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised 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.

### 1.8 Cash Flow Statement

The Cash Flow Statement is prepared by the Indirect Method set out in the Accounting standard -3 on Cash Flow Statement and presents the Cash Flow by operating, investing and financing activities of the company. Cash & Cash equivalents presented in the Cash Flow Statement consist if Cash on hand & Demand Deposit with Banks.

### 1.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year and are recorded inclusive of incentives received from State Government, excise duty, net of trade discounts, rebates, price adjustments, rejections and shortage in transit.

Dividends are recorded when the right to receive is established.

**INNOVENTIVE VENTURE LIMITED**

(Formerly known as Platinum Ocean Energy Limited, Kayton Trade & Finance Limited)

(Notes to the Financial Statements)

**Note 2 :- Share Capital**

a) Particulars	As at 31 March 2013		As at 31 March 2012	
	No. of Shares	Amt. in Rs.	No. of Shares	Amt. in Rs.
<b>Authorised</b>				
Non Cumulative Redeemable Preference shares of 10/-	4,00,000	40,00,000	4,00,000	40,00,000
Equity Shares of 10/- each	2,46,00,000	24,60,00,000	2,46,00,000	24,60,00,000
	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
<b>Issued</b>				
Equity Shares of Rs. 10/- each	1,51,55,036	15,15,50,360	1,51,55,036	15,15,50,360
<b>Subscribed &amp; Paid up</b>				
Equity Shares of Rs. 10/- each fully paid	1,51,55,036	15,15,50,360	1,51,55,036	15,15,50,360
<b>Total</b>	1,51,55,036	15,15,50,360	1,51,55,036	15,15,50,360

**b) Reconciliation of No. of shares outstanding during the period**

Particulars	Equity Shares	
	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,51,55,036	15,15,50,360
Shares Issued during the year	-	-
Shares bought back (redeemed) during the year	-	-
Shares outstanding at the end of the year	1,51,55,036	15,15,50,360

i) The company has issued 1,04,20,036 Equity shares of Rs. 10/- on swap basis for Consideration in form of Shares of Various Companies during the previous year 2011-12

**c) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:**

The company does not have any holding or ultimate holding company.

**List of Shareholders holding more than 5% of the total issued shares**

d) Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Chandu L Chavan	68,27,221	45	68,27,221	45
Ravindra Katre	15,86,018	10	15,86,018	10
Sanjay Waghulade	13,59,444	9	13,59,444	9
Orio Capital Advisors Pvt. Ltd	7,57,537	5	7,57,537	5

**e) Aggregate number of bonus shares issued / bought back during the period of five years immediately preceding the reporting date:**

Particulars	Year (Aggregate No. of Shares)				
	2012-13	2011-12	2010-11	2009-10	2008-09
<b>Preference Shares :</b>					
Shares bought back (Redeemed)	-	3,13,500	-	-	-

<b>Note 3 :- Reserves &amp; Surplus</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b>a. Capital Reserves</b>		
Opening Balance	61,353	61,353
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Closing Balance	61,353	61,353
<b>b. Securities Premium Account</b>		
Opening Balance	-	2,82,15,000
Less : Premium Utilised for various reasons	-	-
Premium on Redemption of Preference Shares	-	2,82,15,000
Closing Balance	-	-
<b>c. Surplus</b>		
Opening balance	(4,02,65,911)	(3,98,17,993)
(+) Net Profit/(Net Loss) For the current year	(89,39,825)	(4,47,918)
Closing Balance	(4,92,05,736)	(4,02,65,911)
<b>Total</b>	<b>(4,91,44,383)</b>	<b>(4,02,04,558)</b>

<b>Note 4 :- Short Term Borrowings</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b>(a) Loans and advances</b>		
<b>Inter Corporate Deposit</b>		
Phoenix Erectors Pvt. Ltd	3,51,04,584	2,73,27,273
*(The above loan is guaranteed by Directors)		
<b>Total</b>	<b>3,51,04,584</b>	<b>2,73,27,273</b>

<b>Note 5 :- Other Current Liabilities</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b>(a) Other payables</b>		
Elan Capital Advisors	9,231	9,231
R. Kabra & Co.	97,078	11,236
TDS Payable	6,18,735	8,272
Salary Payable	6,83,151	-
Others	73,427	-
<b>Total</b>	<b>14,81,622</b>	<b>28,739</b>

<b>Note 6 :- Non Current Investments</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b>(A) Trade Investments</b>	-	-
<b>(B) Other Investments (Refer Annexure)</b>		
(a) Investment in Equity instruments	13,85,79,860	13,85,79,860
<b>Total (B)</b>	13,85,79,860	13,85,79,860
<b>Grand Total (A + B)</b>	13,85,79,860	13,85,79,860
Less : Provision for diminution in the value of Investments	-	-
<b>Total</b>	<b>13,85,79,860</b>	<b>13,85,79,860</b>
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
Aggregate amount of quoted investments	-	-
Aggregate amount of unquoted investments	13,85,79,860	13,85,79,860

<b>Note 7 :- Long Term Loans &amp; Advances</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b><u>a. Others</u></b>		
<b><u>Unsecured, considered good</u></b>		
Deposit for Director Housing Accommodation	3,50,000	-
<b>Total</b>	<b>3,50,000</b>	<b>-</b>

<b>Note 8 :- Cash &amp; Cash Equivalents</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b><u>a. Balances with banks</u></b>		
Axis Bank	1,808	34,921
United Bank Of India	52,216	440
<b><u>b. Cash on hand</u></b>	8,299	31,443
<b>Total</b>	<b>62,323</b>	<b>66,804</b>

<b>Note 9 :- Other Current Assets</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b><u>Unsecured, considered good</u></b>		
Prepaid Expenses	-	55,150
<b>Total</b>	<b>-</b>	<b>55,150</b>

<b>Note 10 :- Employee Benefit Expense</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
Salary to Managing Director	50,48,709	-
<b>Total</b>	<b>50,48,709</b>	<b>-</b>

**Note 10.1** - The Managing Director has been appointed during the year w.e.f 5 November 2012. The salary of the Managing Director is in Excess of the limit prescribed for Loss making companies. However, the company has complied with the new provision inserted in Schedule XIII, Part II, Section II by notification no. G.S.R. 534 (E) dated 14 July 2011 as per point no. 3 and hence no Central Government approval was required as per the Management.

<b>Note 11 :- Finance Cost</b>		
<b>Particulars</b>	<b>As on 31 March 2013</b>	<b>As at 31 March 2012</b>
Other Interest	25,57,340	-
<b>Total</b>	<b>25,57,340</b>	<b>-</b>

<b>Note 12 :- Other Expenses</b>		
<b>Particulars</b>	<b>As at 31 March 2013</b>	<b>As at 31 March 2012</b>
<b>Auditors Remuneration</b>		
- For Audit Services	1,07,865	11,236
- For Other Services	78,652	-
Advertisement Expenses	2,78,400	28,740
Bank Charges	9,441	2,581
Demat Charges	-	1,927
Filling Fee & Stamp Duty	21,000	1,53,201
Depository Registration Fees	1,01,124	-
Legal & Professional charges	59,300	87,325
Listing Fees	50,761	42,575
Sundry balances Written off	-	140
Misc. Fees	-	370
Postage & Telephone	-	1,10,300
Processing Fee	-	9,143
Conveyance Expenses	2,144	-
Printing & Stationery	14,053	380
Registrar Expenses	20,224	-
Other Expenses	1,69,552	-
Website Development & Logo Creation Expenses	4,21,260	-
<b>Total</b>	<b>13,33,776</b>	<b>4,47,918</b>

<b>B</b>												
<b>Details of Other Investments</b>												
Sr. No.	Name of the Body Corporate	Subsidiary / Associate	No. of Shares / Units		Quoted / Unquoted	Partly Paid / Fully paid	Extent of Holding (%)		Amount		Whether stated at Cost Yes / No	If Answer to Column (9) is 'No' - Basis of Valuation
			As at 31 March 2013	As at 31 March 2012			As at 31 March 2013	As at 31 March 2012	As at 31 March 2013	As at 31 March 2012		
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
<b>(a)</b>	<b>Investment in Equity Instruments</b>											
	Aim Filtertech Pvt. Ltd	Subsidiary	5,20,818	5,20,818	Unquoted	Fully Paid	51	51	4,00,00,457	4,00,00,457	Yes	NA
	Membrane Filters (I) Pvt. Ltd.	Subsidiary	10,01,200	10,01,200	Unquoted	Fully Paid	51	51	3,89,66,760	3,89,66,760	Yes	NA
	Opal Luxury Time Products Ltd	Associate	11,10,270	11,10,270	Unquoted	Fully Paid	47	51	5,64,13,292	5,64,13,292	Yes	NA
	geneOmbio Technologies Pvt. Ltd	Associate	8,93,520	8,93,520	Unquoted	Fully Paid	37.4	37.4	31,99,351	31,99,351	Yes	NA
	<b>Total</b>								<b>13,85,79,860</b>	<b>13,85,79,860</b>		

**Note:** A) Opal Luxury Time Products Pvt. Ltd ceased to be a subsidiary w.e.f 13th March, 2013 due to issue of additional shares to other shareholders.

B) Opal Luxury Time Products Ltd has been listed on 'Emerge' the SME Platform of NSE on 12<sup>th</sup> April, 2013

# Innoventive Venture Limited

Notes to the financial statements for the year ended March 31, 2013

## 13 Related party transactions

### a) Parties where control exists

#### Subsidiaries

- Aim Filtertech Pvt. Ltd.
- Membrane Filters (India) Pvt. Ltd.

#### Associates

- geneOmbio Technologies Pvt. Ltd
- Opal Luxury Time Products Pvt. Ltd

### b) Key management personnel and their relatives

Mr. O. K. Balraj	Managing Director
Mr. Parag Mulye	Whole Time Director
Ramprasad Joshi	Director
Pradeep Tupe	Director

### c) Enterprise over which the relative of key management personal exercise control/significant influence

Name of the Enterprise	Legal Status of Such Entities
Ms. Orgreen	Partnership Firm

### d) Transactions and balances with related parties have been set out below:

Particulars	Relationship	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March 2012
<b><u>Investment in Subsidiary</u></b>			
Aim Filtertech Pvt. Ltd.	Subsidiary	4,00,00,457	4,00,00,457
Opal Luxury Time Product Ltd.*	Subsidiary	-	56,44,13,292
Membrane Filters (India) Pvt. Ltd.	Subsidiary	3,89,66,760	3,89,66,760
<b><u>Investment In Associates</u></b>			
Opal Luxury Time Product Ltd.*	Associate	56,44,13,292	-
geneOmbio Technologies Pvt. Ltd.	Associate	3,199,351	3,199,351
<b>Managerial Remuneration</b>			
	Managing Director	50,48,709	Nil

\*Opal Luxury Time Products Pvt. Ltd ceased to be a subsidiary w.e.f 13th March, 2013 due to issue of additional shares to other shareholders.

# Innoventive Venture Limited

Notes to the financial statements for the year ended March 31, 2013

## 14 Contingent Liabilities

There are no contingent liabilities outstanding as on balance sheet date.

## 15 Earning Per Share

Particulars	(Rs. In Lacs)	
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
Number of shares considered as weighted average shares and potential shares outstanding for computing diluted earnings per share	1,51,55,036	1,51,55,036
<b>Computation of basic and diluted earnings per share</b>		
Net profit/(Loss) after tax attributable to equity shareholders	(89,39,825)	(4,47,918)
Basic & Diluted earnings per equity share	N.A.	N. A.
Face value per share Rs.	10	10

16 In the opinion of the Board, the company does not envisage any liability for AS-15, Retirement Benefits for the current year and also for the previous years since the number employees working with the company are less than the prescribed limit.

17 In the opinion of the Board, the Current Assets, Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provision for all the known liabilities have been made, subject to and read together with the notes thereon at the reasonable amounts.

18 As per Regulatory Framework for Core Investment Companies where not less than 90% of their Assets were in investment in shares for the purpose of holding stake in the company is considered to be an Investment Company as per Section 45-IA of the RBI Act, 1934. The company though falls as an Investment Company but is exempted from the Registration as per following Guidelines / notifications since Asset Size is Less than 100 Crores.

- DNBS (PD) CC. No. 206/ 03.10.001/ 2010-11 dated January 5, 2011
- Notification No. DNBS. (PD) 219/ CGM (US) – 2011 dated January 5, 2011
- Notification No. DNBS. (PD) 220/ CGM (US) – 2011 dated January 5, 2011
- Notification No. DNBS. (PD) 221/ CGM (US) – 2011 dated January 5, 2011

**For R. Kabra & Co.**  
**Chartered Accountants**

**For Innoventive Venture Limited**

**Deepa Rathi**

**Partner**

**Membership No: - 104808**

**Firm Reg No : 104502W**

Place: Pune

Dated: 30<sup>th</sup> May, 2013

**O. K Balraj**

**Managing Director**

**Ramprasad Joshi**

**Director**



## **AUDITOR'S REPORT**

### **Independent Auditor's Report on Consolidated Financial Statements To the Members M/s Innoventive Venture Limited**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of Innoventive Venture Limited (the "company"), and its subsidiaries Aim Filtertech Pvt. Ltd, Membrane Filter(I) Pvt. Ltd and its associate, Opal Luxury Time Products Ltd, geneOmbio technologies Pvt. Ltd and its subsidiary's joint venture Pratibha Membrane Filters. (collectively referred to as "the IVL Group") which comprises the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2013, and the Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the financial position, Consolidated financial performance and Consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements of the IVL group, 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:

- a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

#### **Report on Other Matters**

1. We have not conducted the audit of the financial statements of two subsidiary company, whose financial statements reflect total assets of Rs.75,85,84,404/- as at 31st March 2013 and total revenue of Rs. 2,95,46,090/- which includes profit of subsidiary's joint venture for the year ended 31st March 2013 and their financial statements have been furnished to us. We have also not audited the accounts of two associate whose financial statements include the companies proportionate share of profit of Rs. 2,03,71,342

/-.These financial statements have been audited by other auditors whose report have been furnished to us, and in our opinion, insofar as it relates to the amounts included in respect of the subsidiaries, associates and its subsidiary's joint Venture are based solely on the reports of other auditors.

2. We report that the consolidated financial statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS-21), Consolidated Financial Statements for Subsidiaries, AS – 23 for Accounting for Investment in Associates and AS- 27 Financial Reporting of Interest in Joint Venture issued by The Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Innoventive Venture Limited and its subsidiaries included in the consolidated financial statements and the Profit proportion of the subsidiary's joint venture and its Associates and on the basis of assumption as narrated in the notes to consolidated accounts.

**For R. Kabra & Co.**  
**Chartered Accountants**

(Deepa Rathi)  
Partner  
M. Ship No.104808  
FRN : 104502W  
Place: Mumbai  
Date: 30<sup>th</sup> May, 2013

Innoventive Venture Ltd.			
Consolidated Balance Sheet As At 31 March 2013			
(All amounts are in Indian Rupees Lacs unless otherwise stated)			
Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	1,515.50	1,515.50
Reserves & Surplus	4	460.04	61.91
		1,975.54	1,577.41
Share Application Money Pending Allotment		334.64	-
Minority Interest		1,380.39	1,624.21
<b>Non Current Liabilities</b>			
Long Term Borrowings	5	1,005.03	1,353.57
Long Term Provisions	6	13.60	139.91
Deferred Tax Liability (Net)	12	110.52	78.75
		1,129.15	1,572.23
<b>Current Liabilities</b>			
Short Term Borrowings	7	2,487.49	2,502.38
Trade Payables	8	506.83	699.41
Other Current Liabilities	8	622.09	129.54
Short Term Provisions	9	55.48	71.80
		3,671.89	3,403.13
<b>TOTAL</b>		<b>8,491.61</b>	<b>8,177.00</b>
<b>ASSETS</b>			
<b>Non Current Assets</b>			
<b>Fixed Assets</b>			
Tangible Assets	10	3,383.34	2,098.04
Intangible Assets	10	2.07	682.77
Capital Work in Progress	10	24.60	98.58
Non Current Investments	11	1,855.40	696.28
Long Term Loans and Advances	13	335.61	372.72
		5,601.02	3,948.39
<b>Current Assets</b>			
Inventories	14	881.08	1,255.13
Trade Receivables	15	1,260.90	1,896.61
Cash & Bank Balances	16	585.16	444.54
Short Term Loans & Advances	17	140.76	632.32
Other Current Assets	18	22.69	-
		2,890.59	4,228.61
<b>TOTAL</b>		<b>8,491.61</b>	<b>8,177.00</b>
Notes to the Consolidated Financial Statements	1 and 2		
The accompanying notes are an integral part of the financial statements			
As per our Report of even date	For and on behalf of Board of Directors of		
<b>For R. Kabra &amp; Co.</b>	<b>Innoventive Venture Limited</b>		
<b>Chartered Accountants</b>			
<b>Deepa Rathi</b>	<b>O K Balraj</b>	<b>Ramprasad Joshi</b>	
<b>Partner</b>	<b>Managing Director</b>	<b>Director</b>	
<b>Membership No.:104808</b>			
<b>Firm Reg No : 104502W</b>			
<b>Place : Pune</b>			
<b>Date : 30th May, 2013</b>			

**Innoventive Venture Ltd.**

**Consolidated Statement of Profit and Loss For The Year Ended March 31, 2013**

(All amounts are in Indian Rupees Lacs unless otherwise stated)

Particulars	Note No.	As at March 31, 2013	As at March 31, 2012
<b>INCOME</b>			
Revenue from Operations (Gross)	19	4,334.31	3,708.01
Less: Excise Duty & Other Taxes		166.97	112.77
		4,167.34	3,595.24
Other Income	20	56.83	28.13
<b>Total Revenue</b>		<b>4,224.17</b>	<b>3,623.37</b>
<b>EXPENDITURE</b>			
Cost of Material and components Consumed	21	2,203.73	1,992.49
(Increase)/Decrease in Inventories	21	(68.02)	(206.20)
Employee Benefit Expenses	22	333.39	179.58
Manufacturing and Other Expenses	23	724.32	615.13
Finance Cost	24	319.48	229.07
Depreciation and Amortization	10	199.24	125.95
<b>Total Expenses</b>		<b>3,712.14</b>	<b>2,936.02</b>
<b>Profit Before Prior Period Items, Extraordinary Items &amp; Tax</b>		<b>512.03</b>	<b>687.35</b>
Less: Prior period (Expenses) / Income		(1.82)	(0.14)
<b>Profit Before Extraordinary Items and Tax</b>		<b>510.21</b>	<b>687.21</b>
Less: Extraordinary Items			
Excess / (Short) depreciation charged for earlier periods		76.56	-
<b>Profit Before Tax</b>		<b>586.77</b>	<b>687.21</b>
<b>Less: Tax Expenses</b>			
- Current Tax		57.72	90.47
- Deferred Tax Charge / (Credit)		39.47	0.09
- MAT Charge / (Credit)		-	(44.26)
- Reversal of Tax Provisions of Earlier Years		0.35	-
<b>Profit/ (Loss) After Tax but before Share of Profits From Associates &amp; Minority Interest</b>		<b>489.23</b>	<b>640.92</b>
<b>Add: Share in Net Profit From Associates</b>		<b>203.71</b>	<b>11.89</b>
<b>Less: Minority Interest</b>		<b>283.87</b>	<b>316.25</b>
<b>Profit After Tax And Minority Interest</b>		<b>409.78</b>	<b>336.56</b>
<b>Earning Per Share (EPS)</b>			
<b>Basis and Diluted (Nominal value of Rs. 10 each )</b>		<b>2.70</b>	<b>4.98</b>
Notes to the Consolidated Financial Statements	1 and 2		
The accompanying notes are an integral part of the financial statements			
As per our Report of even date <b>For R. Kabra &amp; Co.</b> Chartered Accountants		<b>For and on behalf of Board of Directors of Innoventive Venture Limited</b>	
<b>Deepa Rathi</b> Partner Membership No.:104808 Firm Reg No : 104502W Place : Pune Date : 30th May, 2013		<b>O K Balraj</b> Managing Director	<b>Ramprasad Joshi</b> Director

# Innoventive Venture Ltd.

## Notes to the financial statements for the year ended March 31, 2013

### 1. Basis of Preparation:

The consolidated financial statements comprise the financial statements of Innoventive Venture Limited ('IVL' or 'the Company'), its subsidiaries, its associates and its subsidiary's joint venture, (together referred to as 'Innoventive Venture group'). The consolidated financial statements are prepared under the historical cost convention, on accrual basis of accounting except in case of assets for which provision for impairment is made to comply in all material respects, with the mandatory accounting standards as notified by the Companies (Accounting Standards) Rules, 2006 as amended ('the Rules') and the relevant provisions of the Companies Act, 1956 ('the Act'). The accountings policies have been consistently applied by the Group; and the accounting policies not referred to otherwise, are in conformity with Indian Generally Accepted Accounting Principles ('Indian GAAP')

### 2. Significant Accounting Policies

#### a) Presentation and disclosure of financial statements

During the year ended March 31, 2013 the presentation of the financial statements are in conformity to the Revised Schedule VI.

#### b) Principles of consolidation

The consolidated financial statements of the Group are prepared in accordance with AS-21 Consolidated Financial Statements, AS – 23 for Accounting for Investment in Associates and AS - 27 Financial Reporting of Interest in Joint Venture as notified by the Rules. The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Company for its independent financial statements.

Subsidiaries are fully consolidated from the date of acquisition. The consolidation is on the basis of audited balances from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases and thereafter in proportionate basis of the subsidiary becoming associates. The consolidated financial statement also includes the share of Profit/ Loss of the subsidiary's joint venture company which has been accounted. The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra group balances and intra group transactions. The unrealised profits or losses resulting from the intra group transactions and intra group balances have been eliminated.

The excess of Company's portion of equity of the Subsidiary over the cost of investment therein is treated as Capital reserve.

The Company's portion of the equity in the subsidiaries at the date of acquisition is determined after realigning the material accounting policies of the subsidiaries to that of the parent and the charge/(reversal) on account of realignment is adjusted to the accumulated reserves and surplus of the subsidiaries at the date of acquisition.

The consolidated financial statement includes the share of profit/loss of associate company which has been accounted as per the "Equity Method", and accordingly, the share of profit/loss of associate company (the loss been restricted to the cost of investment) has been added to/deducted from cost of investments.

As associate is an enterprises in which investor has significant influence and which is neither subsidiary nor a joint venture of the investor.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the consolidated financial statements and are presented in the same manner as the Company's standalone financial statements.

Share of minority interest in the net profit is adjusted against the income to arrive at the net income attributable to shareholders of the parent Company. Minority interests' share of net assets is restated separately in the balance sheet.

If the losses attributable to the minority in a consolidated subsidiary exceed the minority's share in equity of the subsidiary, then the excess, and any further losses applicable to the minority, are adjusted against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are allocated to the Group's interest until the minority's share of losses previously absorbed by the Group has been adjusted.

# Innoventive Venture Ltd.

## Notes to the financial statements for the year ended March 31, 2013

Following are the subsidiaries included in consolidation:

Name of the subsidiary	Relationship	2012-13
Aim Filtertech Pvt. Ltd.	Subsidiary	51%
Membrane Filters (India) Pvt. Ltd.	Subsidiary	51%

Note : Opal Luxury Time Product Ltd ceased to be a subsidiary w.e.f 13<sup>th</sup> March, 2013.

Following are the associates included in consolidation:

Name of the subsidiary	Relationship	2012-13
Gene ombio Technologies Pvt. Ltd.	Associates	37.47%
Opal Luxury Time Products Ltd	Associates	47.07%

Following is the subsidiary's Joint Venture included in consolidation to the extent of profit:

Name of the Subsidiary joint Venture	Relationship	2012-13
Prathibha Membrane Filters (a joint venture of Membrane Filter(I) Pvt. Ltd)	Joint Venture	49%

### 2.1 Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### 2.2 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

Revenue means the gross inflow of cash, receivable or other consideration arising in the course of ordinary activities of an enterprise on sale of goods, from rendering of services and from the use by others of the resources of the enterprises yielding interest, royalties & dividend.

Revenue on composite contracts is recognised on Percentage completion Method as per Accounting Standard 9.

Dividends are recorded when the right to receive is established.

### 2.3 Tangible assets

Tangible assets are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable costs of bringing the asset to its working condition for the intended use. Trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of tangible asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing tangible assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

# Innovative Venture Ltd.

## Notes to the financial statements for the year ended March 31, 2013

### Capital Work in Progress (WIP)

Assets are not ready for intended use and other capital WIP are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### 2.4 Depreciation

Innovative Venture Ltd, a holding company does not have tangible fixed assets and therefore no depreciation is applicable.

Aim Filtertech Pvt. Ltd. is a subsidiary and depreciation on its tangible assets is provided on the Straight Line Method (SLM), pro-rata to the period of use.

Membrane Filters (India) Private Limited is a subsidiary and depreciation on its tangible assets was provided on the Written Down Value (WDV) Method till the last year. During the current year the company has changed its method of depreciation from WDV to SLM. As per Accounting Standard 6, difference arising because of change in method (with retrospective effect) has been credited to the profit and loss account as an extraordinary item.

The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 have been adopted by the Company, which in view of the management reflect the useful lives of related fixed assets.

Assets costing individually, Rs. 5,000 or less are depreciated at the rate of 100%.

Building and other constructions on leasehold land are depreciated over the lease term or the useful life, whichever is shorter.

### 2.5 Intangible assets and amortization

Intangible assets are recognised when the asset is identifiable, is within the control of the Group, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets consisting of technical know-how, patents and software, are recorded at acquisition cost and amortised on straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use.

### 2.6 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets till the date the said assets is made to use for commercial production. 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.

### 2.7 Impairment of assets

The carrying amounts of the Group's assets including intangible assets are reviewed at Balance Sheet date to determine whether there is any indication of impairment. If any such indications exist, the assets recoverable amount is estimated, as the higher of the net selling price and the value in use. An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. If at the Balance Sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reinstated at the recoverable amount subject to a maximum of depreciable historical cost.

### 2.8 Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited

# Innoventive Venture Ltd.

## Notes to the financial statements for the year ended March 31, 2013

to the statement of profit and loss.

### 2.9 Inventories

Inventories are valued at lower the cost or net realisable value. Finished goods & work in progress includes cost of conversion and other cost incurred in bringing the inventories to their present location and condition. Excise duty is included in the value of finished goods inventory.

### 2.10 Foreign currency transactions

Initial recognition

Foreign currency transactions are at the exchange rate prevailing at the date of transaction. Monetary assets and liabilities related to foreign currency transaction remaining outstanding at the end of the year are translated at the yearend rates. Gain/ Loss arising on fluctuation in the rates exchange are recognised in the profit and loss account.

### 2.11 Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Loss account on a straight line basis over the lease term.

### 2.12 Provisions and Contingencies

A provision is recognised when the Company has present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in the financial statements.

### 2.13 Income taxes

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.



# Innoventive Venture Ltd.

## Notes to the financial statements for the year ended March 31, 2013

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

### 2.14 Earning per share

Basic earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 2.15 Government Grants and Subsidies

Revenue grants and subsidies from the government are recognized when there is reasonable assurance that the grant/subsidy will be received and all attaching conditions will be complied with.

### 2.16 Employees Benefits

The holding company does not have any employees & therefore the retirement benefit is not applicable.

In the books of the subsidiary company the accounting policies followed for employee benefit are as follows:

#### **Membrane Filters (India) Private Ltd.**

Benefit to the employees comprising of payments under the defined benefits plan like provident fund and family pension fund are charged to profit & loss.

The company has made the provision for gratuity for all the employees who have served for more than 6 months as at the date of the balance sheet. The provision has been made on the basis of the gratuity that would have become due to such employees as on the date of the balance sheet.

#### **Aim Filtertech Private Limited**

The company provides for gratuity on payment basis.

**Innoventive Venture Ltd.**  
**Notes to Consolidated Financial Statements**  
**(All amounts are in Indian Rupees Lacs unless otherwise stated)**

3	Share Capital	As at 31 March 2013		As at 31 March 2012	
		No. of Shares	Amount	No. of Shares	Amount
	<b>Authorised</b>				
	Non Cumulative Redeemable Preference shares of 10/-each	4,00,000	40.00	4,00,000	40.00
	Equity Shares of 10/- each	2,46,00,000	2,460.00	2,46,00,000	2,460.00
		2,50,00,000	2,500.00	2,50,00,000	2,500.00
	<b>Issued</b>				
	Equity Shares of Rs. 10/- each	1,51,55,036	1,515.50	1,51,55,036	1,515.50
	<b>Subscribed &amp; Paid up</b>				
	Equity Shares of Rs. 10/- each fully paid	1,51,55,036	1,515.50	1,51,55,036	1,515.50
	<b>Total</b>	1,51,55,036	1,515.50	1,51,55,036	1,515.50

a) **Reconciliation of equity shares outstanding at the beginning and at the end of the reporting period:**

Particulars	Equity Shares	
	No. of Shares	Amount
Shares outstanding at the beginning of the year	1,51,55,036	1,515.50
Shares Issued during the year	-	-
Shares bought back (redeemed) during the year	-	-
Shares outstanding at the end of the year	1,51,55,036	1,515.50

The company has issued 1,04,20,036 Equity shares of Rs. 10 /- on swap basis for Consideration in form of Shares of Various Companies during the previous year 2011-12

b) **Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates:**

The company does not have any holding or ultimate holding company.

**Details of Shareholders holding more than 5% of the total issued shares**

c) Name of Shareholder	As at 31 March 2013		As at 31 March 2012	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Chandu L Chavan	68,27,221	45	68,27,221	45
Ravindra Katre	15,86,018	10	15,86,018	10
Sanjay Waghulade	13,59,444	9	13,59,444	9
Orio Capital Advisors Pvt. Ltd	7,57,537	5	7,57,537	5

d) **Aggregate number of bonus shares issued / bought back during the period of five years immediately preceding the reporting date:**

Particulars	Year (Aggregate No. of Shares)				
	2012-13	2011-12	2010-11	2009-10	2008-09
<b>Preference Shares :</b>					
Shares bought back (Redeemed)	-	3,13,500	-	-	-

**Innoventive Venture Ltd.**  
**Notes to Consolidated Financial Statements**  
(All amounts are in Indian Rupees Lacs unless otherwise stated)

<b>4 Reserves &amp; Surplus</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
<b>Capital Reserve</b>		
Balance as per last financials	0.61	0.61
Less: Reversed During the Period	-	-
Add: Transferred From Profit & Loss Account	-	-
	0.61	0.61
<b>Capital Reserve on Consolidation</b>		
Balance as per last financials	123.08	-
Add: On acquisition/increase in stake in subsidiaries during the year	-	123.08
Less : Consequent to change in Group's Interest	11.65	-
	111.43	123.08
<b>Profit and Loss Account</b>		
Balance as per last financials	(61.78)	(398.18)
Less: Reversal of tax provisions of earlier period	-	(0.16)
Add : Profit for the year as per statement of profit and loss	409.78	336.56
	348.00	(61.78)
<b>Total</b>	<b>460.04</b>	<b>61.91</b>

<b>5 Long Term Borrowings</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
Term loans from banks (Secured)*	624.96	668.83
Term loans from Financial Institutions (Secured)**	-	16.44
Term loans from Financial Institutions (Unsecured)	69.79	292.02
Loan From Others ( Unsecured)	310.29	376.28
<b>Total</b>	<b>1,005.03</b>	<b>1,353.57</b>

\* Secured Against Fixed Assets

\*\* Secured Against Specific machinery purchased against the loan

<b>6 Long Term Provisions</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
Provision for Gratuity	13.60	11.28
Provision for Income Tax (Net of advance tax)	-	128.63
<b>Total</b>	<b>13.60</b>	<b>139.91</b>

<b>7 Short Term Borrowings</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
Cash Credit/PCFC loans from banks (Secured)*	1,992.12	885.96
Short Term loans from banks (Secured)	-	848.15
Loans from Shareholders and others (Unsecured)	495.36	768.27
<b>Total</b>	<b>2,487.48</b>	<b>2,502.38</b>
* Secured Against Book Debts, Stock and Other Current assets		

**Innovative Venture Ltd.**  
**Notes to Consolidated Financial Statements**  
(All amounts are in Indian Rupees Lacs unless otherwise stated)

<b>8 Trade Payables and Other Current Liabilities</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
i) Trade Payables: (Refer Note No. 33)	506.83	699.41
ii) <u>Other current liabilities:</u>		
Current maturities of long term borrowings	172.27	23.88
Statutory Dues	70.45	87.08
Advances from customers	359.66	10.74
Other Payables	19.74	7.87
	622.11	129.57
<b>Total</b>	<b>1,128.94</b>	<b>828.98</b>

<b>9 Short Term Provisions</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
Provision for Expenses	55.48	71.80
<b>Total</b>	<b>55.48</b>	<b>71.80</b>

<b>11 Non Current Investments</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
<b>Investments</b>		
<u>Trade Investment (Valued at cost unless otherwise stated)</u>		
<b><u>Unquoted Equity Investment</u></b>		
In Joint Venture - Pratibha Membrane Filters	945.44	646.66
Others	0.30	0.30
Investment in Mutual Fund	-	5.44
Contribution to Group Gratuity Fund - LIC	7.99	
<b><u>Investment In Associates</u></b>		
8,93,520 (PY 8,93,520) Equity shares of Rs. 10/- each in geneOmbio Technologies Pvt. Ltd. (It includes Capital reserve of Rs. 9.66)	31.99	31.99
<u>Add: Share in Profits</u>		
Profits upto Last Year	11.89	-
Profits for The Current year	41.63	11.89
<b>Total Investment In Associate</b>	<b>85.51</b>	<b>696.28</b>
11,10,270 (PY Nil) Equity shares of Rs. 10/- each in Opal Luxury Time Products Ltd.* (It includes Capital reserve of Rs. 6.25)	564.13	-
<u>Add: Share in Profits</u>		
Profits upto Last Year	89.95	-
Profits for The Current year	162.08	-
<b>Total Investment In Associate</b>	<b>816.16</b>	<b>696.28</b>
<b>Total</b>	<b>1,855.40</b>	<b>696.28</b>

\* Opal Luxury Time Products Pvt. Ltd ceased to be a subsidiary w.e.f 13th March, 2013 due to issue of additional shares to other shareholders.

Innoventive Venture Ltd.  
Notes to Consolidated Financial Statements  
(All amounts are in Indian Rupees Lacs unless otherwise stated)  
10 Fixed Assets

Descriptions	Gross Block				Depreciation				Net Block	
	As At 01.04.2012	Additions / Reclassifications during the year	Deduction and Adjustments	As At 31.3.2013	As At 01.04.2012	For the year	Deduction and Adjustments	As At 31.3.2013	As At 31.3.2013	As At 31.3.2012
<b>TANGIBLE ASSETS</b>										
Land	258.01	-	-	258.01	-	-	-	-	258.01	258.01
Plant & Machinery*	1,603.93	648.76	86.93	2,165.76	305.18	160.99	69.04	397.13	1,768.63	1,298.74
Furniture & Fixtures*	113.17	124.88	83.10	154.95	28.79	4.11	20.46	12.44	142.51	84.38
Vehicles*	28.62	5.13	0.52	33.23	10.53	2.89	6.60	6.82	26.41	18.09
Office Equipments*	28.27	-	28.27	0	11.62	-	11.62	-	0	16.64
Computers	37.70	4.62	0.00	42.32	15.96	6.45	1.43	20.98	21.34	21.74
Building	413.84	790.10	0.00	1,203.95	13.41	24.09	-	37.50	1,166.44	400.43
<b>TOTAL TANGIBLE ASSETS</b>	<b>2,483.55</b>	<b>1,573.50</b>	<b>198.82</b>	<b>3,858.22</b>	<b>385.50</b>	<b>198.54</b>	<b>109.15</b>	<b>474.88</b>	<b>3,383.34</b>	<b>2,098.04</b>
<b>PREVIOUS YEAR</b>	<b>1,677.32</b>	<b>806.23</b>	<b>-</b>	<b>2,483.55</b>	<b>193.76</b>	<b>191.74</b>	<b>-</b>	<b>385.50</b>	<b>2,098.04</b>	<b>1,483.56</b>
<b>INTANGIBLE ASSETS</b>										
Brands/Trademarks*	682.05	-	681.88	0.17	0.09	0.02	0.01	0.11	0.06	681.97
Software	3.68	1.28	0.00	4.96	2.87	0.68	0.61	2.95	2.01	0.80
<b>TOTAL INTANGIBLE ASSETS</b>	<b>685.73</b>	<b>1.28</b>	<b>681.88</b>	<b>5.13</b>	<b>2.96</b>	<b>0.70</b>	<b>0.62</b>	<b>3.06</b>	<b>2.07</b>	<b>682.77</b>
<b>PREVIOUS YEAR</b>	<b>558.52</b>	<b>127.22</b>	<b>-</b>	<b>685.73</b>	<b>1.91</b>	<b>1.05</b>	<b>-</b>	<b>2.96</b>	<b>682.77</b>	<b>556.61</b>
<b>CAPITAL WORK IN PROGRESS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.60</b>	<b>98.58</b>

\* Opal Luxury Time Products Pvt. Ltd ceased to be a subsidiary w.e.f 13th March, 2013 due to issue of additional shares to other shareholders.

(All amounts are in Indian Rupees Lacs unless otherwise stated)

12 DEFERRED TAX	As at March 31, 2013	As at March 31, 2012
<b>Deferred Tax Liability (Net)</b> Difference between tax depreciation and depreciation/ amortisation charged for financial reporting	110.52	78.75
<b>Total</b>	<b>110.52</b>	<b>78.75</b>

13 Long Term Loans & Advances (Unsecured, Considered good)	As at March 31, 2013	As at March 31, 2012
Advances recoverable in cash or kind or for value to be received.	121.36	211.88
MAT Credit	59.88	98.84
Security Deposit	120.51	61.99
Advances Income Tax / TDS (Net of provisions)	33.86	-
<b>Total</b>	<b>335.61</b>	<b>372.71</b>

14 Inventories	As at March 31, 2013	As at March 31, 2012
[valued at lower of cost and net realizable value]		
Raw Materials & Components	344.96	473.01
Stores, Spares, Consumable etc.	41.63	119.47
Work-in-progress	209.34	251.47
Semi finished & Finished goods	285.15	411.18
<b>Total</b>	<b>881.08</b>	<b>1,255.13</b>

15 Trade Receivables	As at March 31, 2013	As at March 31, 2012
(Unsecured considered good unless otherwise stated)		
Outstanding for a period exceeding six months		
Considered Doubtful	25.66	2.34
Less : Provision for doubtful debts	25.66	2.34
	-	-
Above Six Months Considered Good	421.94	502.58
Other debts - Considered Good	838.96	1,394.03
<b>Total</b>	<b>1,260.90</b>	<b>1,896.61</b>

16 Cash and Bank Balances	As at March 31, 2013	As at March 31, 2012
<b>Cash and Cash Equivalent</b>		
Balances with Bank		
- Current Accounts	11.65	48.66
- Deposit Accounts	400.37	0.00
Cash on Hand	9.18	11.30
	421.21	59.96
Other Bank Balances		
- Margin money deposits	163.95	384.57
	163.95	384.57
<b>Total</b>	<b>585.16</b>	<b>444.54</b>

(All amounts are in Indian Rupees Lacs unless otherwise stated)

<b>17 Short Term Loans and Advances</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
(Unsecured considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	44.97	65.09
Capital Advances	1.48	414.95
Loans & Advances to Directors	0.48	1.05
Deposits	-	68.53
Advance to Suppliers	62.61	81.84
Balance with Central Excise & Customs & VAT etc.	31.22	0.86
<b>Total</b>	<b>140.76</b>	<b>632.32</b>

<b>18 Other Current Assets</b>	<b>As at March 31, 2013</b>	<b>As at March 31, 2012</b>
(Unsecured considered good unless otherwise stated)		
Tuff Subsidy Receivable	22.69	-
<b>Total</b>	<b>22.69</b>	<b>-</b>

<b>19 Revenue From Operations</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Revenue From Operations</b>		
Sale of manufactured goods	4,026.07	3,221.12
<b>Other Operating Revenue</b>		
Sale of Services	9.47	0.58
Group Share of Joint Ventures (Pratibha Membrane Filters JV)	298.77	486.31
Revenue from operations (Gross)	4,334.31	3,708.01
Less : Excise Duty & Other Taxes	166.97	112.77
	-	-
<b>Revenue from Operations (Net)</b>	<b>4,167.34</b>	<b>3,595.24</b>

<b>20 Other Income</b>	<b>Current Year</b>	<b>Previous Year</b>
Interest on Bank Deposits	18.59	10.32
TUFF Subsidy	8.70	-
Miscellaneous Income	29.54	17.81
<b>Total</b>	<b>56.83</b>	<b>28.13</b>

(All amounts are in Indian Rupees Lacs unless otherwise stated)

<b>21 Cost of Raw Materials and Components Consumed</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Cost of Raw Materials and Components Consumed</b>		
Inventory at the beginning of the year	539.27	481.91
Add: Stock on acquisition / (Disposal)*	(197.36)	-
Add: Purchases	2,266.07	2,049.85
Less: inventory at the end of the year & stock in transit	404.25	539.27
Cost of raw material and components consumed	2,203.73	1,992.49
<b><u>(Increase)/decrease in inventories</u></b>		
<b>Inventories at the end of the year</b>		
Work-in-progress	191.69	206.09
Finished goods	285.15	456.57
	476.84	662.66
<b>Inventories at the beginning of the year</b>		
Work-in-progress	206.09	177.43
Finished goods	456.57	279.03
Add: Stock on acquisition / (Disposal)*		
Work-in-progress	(41.88)	-
Finished goods	(211.96)	-
	408.82	456.46
Net (Increase)/Decrease in inventories	(68.02)	(206.20)
<b>Total</b>	<b>2,135.71</b>	<b>1,786.29</b>
* Opal Luxury Time Products Pvt. Ltd ceased to be a subsidiary w.e.f 13th March, 2013 due to issue of additional shares to other shareholders.		
<b>22 Employee Benefit Expenses</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Employee Benefits</b>		
Salaries, Wages & Bonus	306.65	162.09
Contribution to Provident and Other Funds	10.37	8.50
Gratuity Expenses	3.03	3.45
Staff Welfare Expenses	13.33	5.54
<b>Total</b>	<b>333.39</b>	<b>179.58</b>
<b>23 Manufacturing and Other Expenses</b>	<b>Current Year</b>	<b>Previous Year</b>
Power & Fuel	65.62	32.84
Labour Charges	68.56	30.19
Other Manufacturing Expenses	36.22	93.36
Audit fees & Other Services	5.74	2.24
<b>Repairs &amp; Maintenance</b>		
- Plant & Machinery	5.88	5.34
- Building	6.85	-
- Other Assets	4.20	3.37
Telephone Expenses	10.85	1.26
Rent, Rates & Taxes	107.00	68.13
Freight & Packing	71.53	90.51
Printing and Stationery	9.91	4.50
Insurance	8.75	5.83
Travelling & Conveyance	80.12	32.71
Professional & consultancy	25.92	15.00
Office & Other Expenses	17.59	14.85
Reserve for Doubtful Debts	23.32	3.93
Bad Debts Written off	-	126.63
Other Selling & Distribution Expenses	119.11	36.55
Foreign Exchange Loss / (Gain)	37.37	42.50
Sundry Balances Written off	19.04	-
Misc. Expenses	0.75	5.39
<b>Total</b>	<b>724.32</b>	<b>615.13</b>
<b>24 Finance Cost</b>	<b>Current Year</b>	<b>Previous Year</b>
Interest On Loans (Net)	319.48	229.07
<b>Total</b>	<b>319.48</b>	<b>229.07</b>



# Innoventive Venture Limited

## Notes to Consolidated financial statements for the year ended March 31, 2013

### 25. Capital commitments & Contingent Liabilities

(Rs. In Lacs)

	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Capital commitments</b>		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	4.98	518.78
<b>Contingent liabilities</b>		
Claims against Company not acknowledged as debts – Bank Guarantees Outstanding in Terms of Executed Contract	2837.49	2450.00

### 26. Related party transactions

Related party with whom transaction have taken place during the year:

a) **Associates**

- geneOmbio Technologies Pvt. Ltd.
- Opal Luxury Time Products Ltd.

b) **Key management personnel (KMP) and their relatives**

Name	Designation	Associated with
Mr. O.K. Balraj	Managing Director	Innoventive Venture Ltd.
	Director	Opal Luxury Time Products Ltd., geneOmbio Technologies Pvt. Ltd., Aim Filtertech Pvt. Ltd.
Mr. Parag Mulye	Director	Innoventive Venture Ltd.
Ramprasad Joshi	Director	Innoventive Venture Ltd., Opal Luxury Time Products Ltd.,
Pradeep Tupe	Director	Innoventive Venture Ltd., Opal Luxury Time Products Ltd.,
Mr. Sameer Gujar	Managing Director	Opal Luxury Time Products Ltd.
Ms. Pratibha Gujar	Director	Opal Luxury Time Products Ltd.
Mr. Subhash Gujar	Relative of KMP	Opal Luxury Time Products Ltd.
Mr. Subhash Devi	Director	Membrane Filters (India) Pvt. Ltd.
Ms. Pratibha Devi	Director	Membrane Filters (India) Pvt. Ltd.
Mr. Dhiren Shah	Director	Aim Filtertech Pvt. Ltd.
Mr. Abhijeet Yemul	Director	Aim Filtertech Pvt. Ltd.
Mr. Sachin Purohit	Director	geneOmbio Technologies Pvt. Ltd.
Mr. Pratap Mukhopadhyaya	Director	geneOmbio Technologies Pvt. Ltd.
Dr. Bikach Aich	Director	geneOmbio Technologies Pvt. Ltd.

c) **Enterprise over which the relative of key management personal exercise control/significant influence (Other related concerns)**

Name of the Enterprise	Legal Status
M/s. Orgreen	Partnership Firm
M/s. Opal Industries	Partnership Firm
M/s. Aim Marketing	Partnership Firm

# Innoventive Venture Limited

## Notes to Consolidated financial statements for the year ended March 31, 2013

Transactions and balances with related parties have been set out below:

(Rs. In Lacs)

Particulars	Relationship	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b><u>Investment In Associates</u></b>			
geneOmbio Technologies Pvt. Ltd.	Associate	31.99	31.99
Opal Luxury Time Products Ltd*	Associate	564.13	-
<b><u>Sales of goods</u></b>			
Aim Marketing	Other Related Concerns	99.61	-
<b><u>Other Transactions</u></b>			
Temporary advance given to Mr. Subhash Devi	Other Related Concerns	-	0.76
Expenses payable to Ms. Pratibha Devi	Other Related Concerns	-	0.23
Unsecured loan from Mr. Dhiren Shah	KMP	5.92	-
Advance to Mr. Dhiren Shah	KMP	-	24.51
Unsecured loan from Mr. Abhijeet Yemul	KMP	-	6.41
Unsecured loan from Aim Marketing	Other Related Concerns	-	211.99
<b><u>Remuneration/Salary</u></b>			
Salary to directors of M/s Innoventive Venture Ltd.	KMP	50.49	-
Salary to directors of M/s Aim Filtertech Pvt. Ltd.	KMP	25.00	15.75
Salary to directors of M/s geneOmbio Technologies Pvt. Ltd	KMP	19.20	29.53
Salary to directors of M/s Opal Luxury Time Products Limited	KMP	10.50	8.58
Salary to directors of M/s Membrane Filters (I) Pvt Ltd	KMP	34.00	12.00

\* Opal Luxury Time Products Pvt. Ltd ceased to be a subsidiary w.e.f 13th March, 2013 due to issue of additional shares to other shareholders.

### 27. Leases-

#### **Aim Filtertech Pvt. Ltd.**

Lease payments on cancellable operating lease arrangements debited to the profit and loss during the period is as under:

(Rs. In Lacs)

	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
Lease payment debited to profit and loss account	20.31	16.76
Future Minimum Lease payment in respect of leases	17.52	20.31
- Amount due within one year from the balance Sheet date.	17.52	20.31
- Amount Due in the period between on year and five year.		
- Amount due after five year	Nil	Nil
	Nil	Nil

#### **Membrane Filters (I) Pvt. Ltd.**

Lease rent under the operating lease are recognised in the profit & loss account on an accrued basis. The total charge as rent to the P&L a/c for the year is Rs. 26. 26 Lacs. The rent pertaining to factory of Rs. 9.85 Lacs and Guest house and office of Rs.

# Innoventive Venture Limited

## Notes to Consolidated financial statements for the year ended March 31, 2013

16.42 Lacs

### 28. Earnings Per Share

	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
<b>Reconciliation of basic and diluted shares used in computing earnings per share</b>		
Number of shares considered as weighted average shares and potential shares outstanding for computing diluted earnings per share	1,51,55,036	67,63,048
<b>Computation of basic and diluted earnings per share</b>		
Net profit/(Loss) after tax attributable to equity shareholders (Rs. In Lacs)	409.78	336.56
Basic & Diluted earnings per equity share (Rs. In Lacs)	2.70	4.98
Face value per share Rs.	10.00	10.00

29. In the opinion of the Board, the Current Assets, Loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet and provision for all the known liabilities have been made, subject to and read together with the notes thereon at the reasonable amounts.
30. M/s geneOmbio Technologies Pvt. Ltd is following the WDV method of Depreciation as per Accounting Standard 6 in its standalone financial statements whereas Innoventive Venture Ltd. follows SLM for depreciation. As per Accounting Standard 21 & Accounting Standard 23, the consolidated financial statements are to be prepared using uniform accounting policies. Hence appropriate adjustments are made in the financial statements of the associate to bring it in conformity with the accounting policy of the holding company. Profit for the year of the associate has been increased by Rs. 91.93 Lacs for the purpose of consolidation on account of change in accounting policy from WDV to SLM. Accordingly, the proportionate amount of Rs. 34.45 Lacs has been considered in the share of net profits from the associates.
31. Amount of borrowing cost capitalized during the year is Rs. 4.94 Lacs (Previous Year NIL).
32. **Appointment of Managing Director in Innoventive Venture Ltd.**  
Mr. O.K Balraj has been appointed as Managing Director w.e.f 12 November 2013. The salary of the Managing Director is in excess of the limit prescribed for companies having inadequate profits. However, the company has complied with the new provision inserted in Schedule XIII, Part II, Section II by notification no. G.S.R. 534 (E) dated 14 July 2011 as per point no. 3 and hence Central Government approval is not required in this case.
33. **Micro, Small & Medium Enterprise Development Act, 2006**  
Suppliers covered under Micro, Small & Medium Enterprise Development Act, 2006, have not furnished required information regarding filing of necessary memorandum with appointed authority. In view of this, information under Section 22 of the said Act is not given.
34. As per Regulatory Framework for Core Investment Companies where not less than 90% of their assets were in investment in shares for the purpose of holding stake in the company is considered to be an investment company as per section 45IA of the RBI Act, 1934. Although an investment company, Innoventive Venture Ltd. is exempted as per following guidelines / Notification since the asset size is less than 100 crore.
- DNBS (PD) CC.NO.206/03.10.001/2010-11 dated January 5, 2011
  - Notification No. DNBS (PD) 219/ CGM(US) – 2011 dated January 5, 2011
  - Notification No. DNBS (PD) 220/ CGM(US) – 2011 dated January 5, 2011
  - Notification No. DNBS (PD) 221/ CGM(US) – 2011 dated January 5, 2011
35. Previous year figures have been regrouped/reclassified wherever necessary

#### As per our Report of even date

For R. Kabra & Co.  
Firm Reg. No. 104502W  
Chartered Accountants

Deepa Rathi  
Partner  
Membership No- 104808  
Firm Reg No : 104502W  
Place: Pune  
Dated: 30<sup>th</sup> May, 2013

For and on behalf of Board of Directors of  
Innoventive Venture Limited

O.K. Balraj                      Ramprasad Joshi  
Managing Director              Director

Attendance Slip

**Innoventive Venture Limited**

Office No. 601 & 602, Nucleus Mall, 1 Church Road, Camp, Pune 411001, Maharashtra, India

Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the 28<sup>TH</sup> ANNUAL GENERAL MEETING of the Company at Office No. 601 & 602, Nucleus Mall, 1 Church Road, Camp, Pune 411001, Maharashtra, India, at Saturday, the 28<sup>th</sup> day of September, 2013.

.....  
Full name of the Shareholder .....  
Signature

Folio No..... /DP ID No.\*..... & Client ID No.\*.....  
\*Applicable for members holding shares in electronic form.

No. of Shares:

.....  
Full name of Proxy .....  
Signature  
(In block capitals)

NOTE: Shareholder/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

.....  
**Tear Here**.....

**Proxy**

I/We..... resident of

.....

..... being a Member/Members of the above named Company, hereby appoint .....

..... resident of..... or failing him .....

.....resident of.....

..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the 28<sup>TH</sup> ANNUAL GENERAL MEETING of the Company, to be held on Saturday, the 28<sup>th</sup> day of September, 2013 and at any adjournment thereof.

Signed this ..... day of ..... 2013.

Folio No..... /DP ID No.\*..... & Client ID No.\*.....  
\*Applicable for members holding shares in electronic form.

No. of shares:

Signature: ..... Affix  
Revenue  
Stamp .....

**NOTES:**

- (i) The proxy must be returned so as to reach the Registered Office of the Company, not less than FORTY-EIGHT HOURS before the time for holding the aforesaid meeting. (ii) Those members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.