INNOVO GROUP INC

Form 4

August 28, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Check this box if no longer subject to Section 16. Form 4 or

obligations

may continue.

Form 5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

See Instruction 1(b).

(Last)

(City)

(Instr. 3)

(Print or Type Responses)

1. Name and Address of Reporting Person * Sandhu Hamish

(Middle)

(Zip)

2. Issuer Name and Ticker or Trading Symbol

INNOVO GROUP INC [INNO]

3. Date of Earliest Transaction

(Month/Day/Year)

C/O INNOVO GROUP INC., 5901 S 08/27/2007 **EASTERN AVE**

(Street)

(State)

(First)

4. If Amendment, Date Original

Filed(Month/Day/Year)

Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting

6. Individual or Joint/Group Filing(Check

5. Relationship of Reporting Person(s) to

(Check all applicable)

Chief Financial Officer

below)

Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

Issuer

below)

Director

X_ Officer (give title

COMMERCE, CA 90040

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code (Instr. 8)

Disposed of (D) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following Reported

Transaction(s) (Instr. 3 and 4)

6. Ownership 7. Nature of Form: Direct (D) or Indirect Beneficial (T) (Instr. 4)

Indirect Ownership (Instr. 4)

10% Owner

Other (specify

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

Estimated average

burden hours per

(A) Code V Amount (D) Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion Security or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amou Underlying Securi (Instr. 3 and 4)

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(Instr. 3) Price of (Month/Day/Year) (Instr. 8) Acquired (A) or Derivative Disposed of (D) Security (Instr. 3, 4, and 5) Code V

(D) Date Exercisable Expiration Title (A)

Date

Amo Nun

Shar

100

Employee

Stock Common 09/27/2007(1) 08/27/2017 Option \$ 1.98 08/27/2007 100,000 A Stock

(right to buy)

Reporting Owners

Relationships Reporting Owner Name / Address

> Director 10% Owner Officer Other

Sandhu Hamish C/O INNOVO GROUP INC. 5901 S EASTERN AVE COMMERCE, CA 90040

Chief Financial Officer

Signatures

/s/ Hamish 08/28/2007 Sandhu

**Signature of Date Reporting Person

Explanation of Responses:

- If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- These options vest ratably over a twenty four (24) month period and are first exercisable beginning on September 27, 2007.
- (2) These options were granted pursuant to the Innovo Group Inc. 2004 Stock Incentive Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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