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Twenty Second Annual Report



Neha International Limited

NEHA INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Chairman & Managing Director

Shri G. Vinod Reddy

Directors

Shri P. Sarath Kumar
Smt. Radhika Kandagatla

Chief Financial Officer

Srinivas Sarika

Company Secretary

Manoj Sali

Auditors

M/s. Mathesh & Ramana,

Chartered Accountants

3-6-145, Himayathnagar, Hyderabad 500 029

Bankers

Bank of Maharashtra, Khairatabad Branch, Hyderabad

IndusInd Bank, Secunderabad Branch, Hyderabad

Union Bank of India, RP Road Branch, Secunderabad

Regd. Office

No. 6-3-1090/A/12 & 13, 501, Manbhum Jade Towers,
Rajbhavan Road, Somajiguda, Hyderabad - 500 082, Telangana. India.

Tel : 040 6636 4543, Fax : 040 6636 3504

CONTENTS

Notice	1-4
Directors' Report	5-19
Management Discussion and Analysis	20-23
Report on Corporate Governance	24-31
Auditors Report	32-35
Balance Sheet	36-36
Profit & Loss Account	37-37
Schedules forming part of the Accounts	38-44
Stand Alone Cash Flow Statement	45-45
Notes Forming Part of Financial Statements	46-54
Auditors' Report on Consolidated Financial Statements	55-57
Consolidated Balance Sheet	58-58
Consolidated Profit & Loss Account	59-59
Schedules forming Part of the Consolidated Financial Statements	60-67
Consolidated Financial Statements	68-68
Notes to Consolidated Financial Statements	69-76
E-voting Information	77-82

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the members of Neha International Limited will be held on Friday 30th September 2016 at 11.00 a.m. at Bhaskara Auditorium B.M. Birla Science Centre, Adarshnagar, Hyderabad 500063 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at March 31st, 2016 and the Statement of Profit and Loss as on that date together with the reports of Directors and Auditor's thereon.
2. To ratify the continuation of Statutory Auditors of the Company, and, if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY RESOLUTION.

The Statutory Auditor M/S Mathesh & Ramana Chartered accountants are eligible for continuing appointment and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 and other applicable provisions of the Act, if any, and their corresponding Rules including any statutory modifications, amendments or re-enactments thereof pursuant to the recommendation of Audit committee and the resolution passed by the company at the Annual General Meeting held on 30th Jun, 2015, the appointment of M/S Mathesh & Ramana, Chartered Accountant, having Registration No. 002020S who have confirmed their eligibility in terms of provision of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014 as Statutory Auditors to hold office upto the conclusion of 26th Annual General Meeting, be and is hereby ratified at such remuneration as may be decided by the Board of Directors of the Company.”

“FURTHER RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the remuneration of the Auditors.”

SPECIAL BUSINESS

3. To consider and if thought fit, to pass with or without modification, the following Resolution as Special Resolution.

“RESOLVED THAT pursuant to the provision of Section 180(1)(a) and other applicable provision (including any modification or re-enactment thereof), if any, of the Companies Act 2013, consent of the members is hereby accorded to the Board of Directors of the company to discard /sell the non operative subsidiary, Neha Agri Services Pte Ltd, Singapore after following the due process and subject to approval of members and applicable statutory and regulatory approvals.

FURTHER RESOLVED THAT, Mr. G. Vinod Reddy, Managing Director of the Company be and is hereby authorized to initiate necessary steps to discard/closedown/to sell the shell firm and to do all such act, deeds and things which are necessary for the aforesaid proposal.

Place : Hyderabad
Date : 01-09-2016

For and on behalf of the Board
For **NEHA INTERNATIONAL LIMITED**
Sd/-
G. Vinod Reddy
Chairman & Managing Director

**NOTES:**

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting is annexed here to
2. A MEMBER ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE.
3. Members are requested to bring their copies of Annual report to the Annual General Meeting.
4. The register of Member's and Share transfer books of the Company will be closed from 27th September, 2016 to 30th September 2016 (both the days inclusive)
5. Members holding shares in physical form are requested to inform any change in address immediately to the Company's Registrar and Transfer Agents, M/s XL Softech Systems Limited, # 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad 500034. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant and not to the Company or the Company's Register and Share Transfer Agents.
6. Members who hold the shares in dematerialized form are requested to write their Client ID and DPID on the attendance slip for easy identification of attendance at the meeting.
7. Important Communication to Members: The Ministry of Corporate affairs has introduced a "Green Initiative in the Corporate Governance" vide its circulars dated 21.04.2011 and 29.04.2011 by allowing the Companies to service the notices / documents including Annual Report by way of e-mail to its members. This initiative is a step towards protection of environment and enabling faster communication with the members.

Accordingly the Company is sending Annual Report in electronic mode to all the shareholders, whose email ID's are available with the Company/TRA. The members are requested to support the green initiative of the Government by registering / updating their e-mail address with their concerned Depository Participants (DP) to get the Annual Report and other documents on such e-mail address. Members holding shares in physical form are also requested to send their e-mail address to the Company either through e-mail at complianceofficer@nehainternational.com or by sending the communication to the registered office of the Company. If any member is interested to receive such documents in physical form, a communication in this regard may be made to the Company or its Registrar.

8. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on 26.09.2016 and ends on 29.09.2016 at 5 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23.09.2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> ◆ Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ◆ In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> ◆ Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

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

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

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

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

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

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

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

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

(xviii) Note for Non – Individual Shareholders and Custodians

- ◆ Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.



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- ◆ A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - ◆ After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - ◆ The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - ◆ A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT

Item No.3

Sale of Subsidiaries:

Neha Agri Services Pte Ltd, Singapore is a wholly owned subsidiary of Neha International Limited and was incorporated with the objective of undertaking general trading in various goods & commodities. However, the said subsidiary has not undertaken any business since inception as we already have another Subsidiary in Singapore, which is already undertaking trading business. To avoid administrative and legal expenses, the Board of Directors of the Company at its meeting held on 01.09.2016 approved to discard/closedown or to sell the inoperative shell company.

Your Directors recommended the resolution for your approval. None of the Directors and Key Managerial Personnel of the Company is interested in the resolution.

Place : Hyderabad

Date : 01-09-2016

For and on behalf of the Board
For **NEHA INTERNATIONAL LIMITED**

Sd/-

G . Vinod Reddy

Chairman & Managing Director

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting before you the Twenty Second Annual Report of the Company together with the Audited Statements of Accounts for the year period ended 31st March, 2016.

Financial Results: Stand Alone		(₹ in lakhs)	
SI.No	Particulars	(2015-16) 01.04.2015 to 31.03.2016	(2013-15) 01.07.2013 to 31.03.2015
1	Gross Income	25232.84	30008.08
2	Profit Before Interest and Depreciation	716.93	1019.79
3	Finance Charges	338.41	642.72
4	Gross Profit	378.52	377.07
5	Provision for Depreciation	5.82	12.32
6	Net Profit Before Tax	372.70	364.75
7	Provision for Tax	144.27	115.92
8	Net Profit After Tax	228.43	248.83
9	Balance of Profit brought forward	228.43	248.83
10	Balance available for appropriation	228.43	248.83
11	Proposed Dividend on Equity Shares	0	0
12	Tax on proposed Dividend	0	0
13	Transfer from General Reserve	0	0
14	Surplus carried to Balance Sheet	228.43	248.83

Financial Results : Consolidated		(₹ in lakhs)	
SI.No.	Particulars	(2015-16) 01.04.2015 to 31.03.2016	(2013-15) 01.07.2013 to 31.03.2015
1	Gross Income	64076.01	32717.78
2	Profit Before Interest and Depreciation	1519.84	1026.1
3	Finance Charges	637.24	682.71
4	Gross Profit	882.60	343.39
5	Provision for Depreciation	147.86	238.28
6	Net Profit Before Tax	734.74	105.11
7	Provision for Tax	214.15	115.92
8	Net Profit After Tax	520.59	(10.81)
9	Minority Interest	104.16	(70.97)



10	Balance of Profit brought forward	624.75	60.16
11	Balance available for appropriation	624.75	60.16
12	Proposed Dividend on Equity Shares	0	0
13	Tax on proposed Dividend	0	0
14	Transfer from General Reserve	0	0
15	Surplus carried to Balance Sheet	624.75	60.16

OPERATIONS

The standalone revenues stood at ₹ 25232.84 lakhs for the year ended 31.03.2016. The Company achieved a standalone operational profit of ₹ 228.43 Lakhs. The Directors do not recommend any dividend for the period ended 31st March 2016, keeping in mind the fund requirements.

The company recorded revenue of ₹ 64076.01 lakhs in consolidated financials for the period ended 31st March 2016.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is set out in this Annual Report.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION

Your Company has taken adequate steps to adhere to all the stipulations laid down in SEBI (Listing Obligations and Disclosures Requirements), 2015.

A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the company M/s .Mathesh & Ramana, Chartered Accountants confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosures Requirements), 2015 is included as a part of this report.

LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the Annual Listing Fees for the year 2016-17 to BSE where the Company's Shares are listed.

DEMATERIALISATION OF SHARES

99.20% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2016 and balance 0.80% is in physical form. The Company's Registrars are M/s XL Softech Systems Ltd., having their registered office at 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034.

Number of Board Meetings held

This is included in Corporate Governance Report.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- in the preparation of the annual accounts for the period ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are 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 period and of the profit of the company for the same period;

- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

AUDIT OBSERVATIONS

The Management has taken reasonable steps for recovery of sundry debtors.

The management is taking various steps to improve the net worth and is confident of achieving it in the coming years.

AUDITORS

i) Statutory Auditors

The Auditors, M/s Mathesh & Ramana, Chartered Accountants, opted for reappointment. Your Directors recommended their appointment.

ii) Secretarial Audit

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report submitted by Company Secretary in Practice is enclosed as a part of this report Annexure-A.

FIXED DEPOSITS

The Company has not invited / accepted deposits from the public within the meaning of Section 73 to 76 of the Companies Act, 2013.

PERSONNEL

Employee relations continue to be cordial.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014,.

The Company is not into manufacturing activity. Hence Not Applicable to the Company

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The company has not crossed the threshold limit to implement CSR. Hence not Applicable to the Company during the year under report.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established.

CONSOLIDATED FINANCIAL STATEMENTS

In terms of Regulation 33 of SEBI (LODR), 2015 with the Stock Exchange and as prescribed by Accounting Standard 21 notified by the Government of India under section 211(3c) of the Companies Act, 2013, the Audited consolidated financial statements for the period ended 31st March, 2016 are annexed and forms part of the annual Report.

**RELATED PARTY TRANSACTIONS**

Related party transactions that were entered during the financial year were in the ordinary course of business. There were no materially significant related party transactions, which could have had a potential conflict with the interests of the Company. Particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure-B.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed here with as Annexure-C.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Particulars of Employees) Rules, 1975, in respect of employees of the Company and Directors is furnished hereunder:

Sl. No	Name	Designation	Remuneration paid FY 2013-15 ₹ lakhs	Remuneration paid FY 2015-16 ₹ lakhs	Increase in remuneration from previous year ₹ lakhs
1	Mr. G.Vinod Reddy	Managing Director (KMP)	18.00	18.00	-
2	Mr. Srinivas Sarika	CFO (KMP)	NA	18.00	-
3	Mr. Manoj Sali	CS(KMP)	NA	5.50	-

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has been addressing various risks impacting the Company and the policy of the Company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

ACKNOWLEDGEMENT

Directors take this opportunity to express their thanks to various departments of the Central and State Government, Bankers, Material Suppliers, Customers and Shareholders for their continued support and guidance.

The Directors wish to place on record their appreciation for the dedicated efforts put in by the Employees of the Company at all levels.

Place : Hyderabad
Date : 01-09-2016

For and on behalf of the Board of Directors
Sd/-

G. Vinod Reddy
Chairman & Managing Director

ANNEXURE - A
Form MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

To,
The Members,
M/s. Neha International Limited
6-3-1090/A/12 & 13, No 501, Manbhumi Jade Towers,
Rajbhavan Road, Somajiguda
Hyderabad-500082, Telangana.
India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by NEHA INTERNATIONAL LIMITED hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):—
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The erstwhile Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during the Audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; (Not applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client



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- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period).
- (vi) Relying on the representations given by the Company and its officers and limited review done, there are no laws specifically applicable to the industry.
- (vii) I have also examined compliance with the applicable clauses of the following:
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India
 - (ii) The erstwhile Listing Agreement entered into by the Company with Bombay Stock Exchange and the Securities and Exchange board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 notified with effect from 1st of December, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice of at least seven days is given to all directors to schedule the Board Meetings, the agenda and detailed notes on agenda were generally sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period;

- i. The Company has Obtained Members approval in the 21st Annual General Meeting by way of Special resolution for Alteration of Articles of Association of the Company to bring in line with Companies Act, 2013.
- ii. The Company has Obtained Members approval in the 21st Annual General Meeting by way of Special resolution for increasing the borrowing powers upto Rs 500 Crores pursuant to Section 180 (1) (C) of the Companies Act, 2013.
- iii. The Company has Obtained Members approval in the 21st Annual General Meeting by way of Special resolution for sale of non viable subsidiary , Dream Flowers PLC, Ethiopia pursuant to Section 180 (1) (a) of the Companies Act, 2013.
- iv. The Company has Obtained Members approval in the 21st Annual General Meeting by way of Special resolution for creation of charge on the assets of the Company upto Rs 500 Crores pursuant to Section 180 (1) (a) of the Companies Act, 2013.

Date: 1st September, 2016
Place: Hyderabad

For and on behalf of
Mahavir Jain & Associates
Sd/-
Mahavir Jain
Membership No : 29019
CP No : 12978

This report is to be read with our letter of even date, which is annexed as “Annexure –A” and forms an integral part of this report.

“Annexure – A”

To,
The Members,
Neha International Limited
6-3-1090/A/12 & 13, No 501, Manbhumi Jade Towers
Rajbhavan Road, Somajiguda
Hyderabad -500082, Telangana.
India

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of **Neha International Limited** (“the Company”). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
4. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
5. I have relied up on the information provided by the Management with respect to related party transactions for its compliance.

Date: 1st September, 2016
Place: Hyderabad

For and on behalf of
Mahavir Jain & Associates
Sd/-
Mahavir Jain
Membership No : 29019
CP No : 12978

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION,
FOREIGN EXCHANGE EARNING AND OUTGO ETC**

(C) Foreign exchange earnings and Outgo :	(₹ In lakhs)
Earning	NIL
Outgo	385.82

CORPORATE SOCIAL RESPONSIBILITY

At present, this is not applicable to the company.

**ANNEXURE - B
FORM AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)
Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below :

1. Details of contracts or arrangements or transactions not at Arm's length basis :

Sl.No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	G.Vinod Reddy, Managing Director
b)	Nature of contracts/arrangements/transaction	Received un secured Loan and repaid.
c)	Duration of the contracts/arrangements /transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions	NA
f)	Date of approval by the Board	NA
g)	Amount paid as advances, if any	NA
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis:

NOT APPLICABLE

ANNEXURE - C
EXTRACT OF ANNUAL RETURN
FORM MGT 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company
(Management & Administration) Rules, 2014) Financial Period ended on 31.03.2015

I. REGISTRATION & OTHER DETAILS :

i	CIN	:	LOI122TG1993PLC015987
ii	Registration Date	:	12th July, 1993
iii	Name of the Company	:	NEHA INTERNATIONAL LTD
iv	Category/Sub-category of the Company	:	Company having Share Capital
v	Address of the Registered office & contact details	:	501, Manbhumi Jade Towers, Rajbhavan Road, Somajiguda Hyderabad - 500 082, Telangana.
vi	Whether listed company	:	Yes (Listed in BSE)
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	:	XL Softech Systems Limited, 3 Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034, Phone: 040 - 2354 5913 Email: xlfield@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
I.	Trading - Agricultural Products and growing of cut roses	631000	100%

**III. PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES :**

Sl. No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held
1.	M/s. Globeagro Holdings	C207010986	A subsidiary of Neha International Ltd. Incorporated under the laws of Mauritius	100%
2.	M/s.Holetta Roses Plc.	SDS	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%
3.	M/s.Alliance Flower Plc.	SDS	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%
4.	M/s. Oromia Wonders Plc.	SDS	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%
5.	M/s. Neha Agri Corp Pte. Ltd.	201003519R	A subsidiary of Neha International Ltd. Incorporated under the laws of Singapore	100%
6.	M/s.NINT Agri Plc.	SDS	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Ethiopia	99.99%
7.	M/s.Neha Agri Tanzania Ltd.	SDS	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Tanzania	99.00%
8.	M/s. Neha Agri Ventures (U) Ltd.	SDS	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Uganda	99.00%
9.	M/s. Neha Agri Zambia Ltd.	SDS	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Zambia	99.00%
10.	M/s. Neha Agri Senegal, SURAL	SDS	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Senegal	100%
11.	M/s. Neha Agriservices Pte. Ltd.	201003520K	A subsidiary of Neha International Ltd. Incorporated under the laws of Singapore	100%
12.	M/s.Neha Agriservices FZE	SDS	A subsidiary of Neha Agri Services Pte. Ltd. Incorporated under the laws of UAE	100%
13.	M/s.Dream Flowers Plc.	TC01/3230/10	A subsidiary of Neha International Ltd. Incorporated under the laws of Ethiopia	50%

ANNEXURE – E**IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	21334	0	21334	0.08	98445	0	98445	0.35	
b) Central Govt. or State Govt.	-				-				
c) Bodies Corporates	4000000	0	4000000	14.09	4000000	0	4000000	14.09	0
d) Bank/Fl	-				-				
e) Any other	-				-				
SUB TOTAL:(A) (1)	4021334	0	4021334	14.17	4098445	0	4098445	14.44	1.92
(2) Foreign									
a) NRI- Individuals	-								
b) Other Individuals	-								
c) Bodies Corp.	-								
d) Banks/Fl	-								
e) Any other...	-								
SUB TOTAL (A) (2)	-								
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	4021334	0	4021334	14.17	4098445	0	4098445	14.44	1.92
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Venture Capital Fund									
c) Central govt									
d) State Govt.									
e) Insurance Companies									
f) Flls/ Foreign Portfolio Investors	8476	0	8476	0.03	710217	0	710217	2.5	8279.2
g) Others (specify)									
SUB TOTAL (B)(1):	8476	0	8476	0.03	710217	0	710217	2.5	8279.2



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Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies corporates	3072811	0	3072811	10.83	3014637	0	3014637	10.62	(1.89)
b) Individuals									
i) Individual shareholders holding nominal share capital upto 1 lakh	3230624	197143	3427767	12.08	3747456	191543	3938999	13.88	14.91
ii) Individuals shareholders holding nominal share capital in excess of 1 lakh	16548855	34720	16583575	58.43	15827777	34720	15862497	55.89	(4.35)
c) Any Other (specify) NRIs	1265605	0	1265605	4.46	754773	0	754773	2.66	(40.36)
SUB TOTAL (B)(2):	24117895	231863	24349758	85.8	23344643	226263	23570906	83.06	(50.34)
Total Public Shareholding (B)= (B)(1)+(B)(2)	24126371	231863	24358234	85.83	24054860	226263	24281123	85.56	(0.32)
C. Shares held by Custodian Grand Total (A+B+C)	28147705	231863	28379568	100	28153305	226263	28379568	100	0

ANNEXURE – E

(ii) SHARE HOLDING OF PROMOTERS :

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1 MVR Projects P.Ltd	4000000	14.09	14.09	4000000	14.09	14.09	0.00
2 Mr.G.Vinod Reddy	10647	0.04	-	87758	0.31	-	0.27
3 Mrs.G.Prameela	6080	0.02	-	6080	0.02	-	0.00
4 Mr. G.Pramod	2604	0.01	-	2604	0.01	-	0.00
5 Mrs. G.Deepti	1600	0.01	-	1600	0.01	-	0.00
6 G.Lavanya Reddy	403	0.00	-	403	0.00	-	0.00
Total	4021334	14.17	14.09	4098445	14.44	14.09	1.92

ANNEXURE - E**(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE) :**

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	4021334	14.17	4098445	14.44
	Total	4021334	14.17	4098445	14.44

(iv) Shareholding Pattern of top ten Shareholders : 01.04.2015 to 31.03.2016 (other than Directors, Promoters & Holders of GDRs & ADRs) :

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	B Vikram Kumar Bagmar	0	0.00	1750985	6.17
2	Purnasai Vemulapalli	1095287	3.86	1095287	3.86
3	Parimal Jaswantraï Mehta	684700	2.41	1030465	3.63
4	Pinku Bagmar Jain	1000000	3.52	1000000	3.52
5	Avatar India Opportunities Fund	0	0.00	701741	2.47
6	Sangeeta Chawalla	660634	2.33	628683	2.22
7	Goodtiger Holdings	359853	1.27	359853	1.27
8	Dst Value Realty Private Limited	337000	1.19	335890	1.18
9	Anoop Kumar Bagmar	330000	1.16	330000	1.16
10	Allande International Investments Limited	850000	3.00	299045	1.05

ANNEXURE - E**(v) Shareholding of Directors and Key Managerial Personnel**

Sl. No.	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	Shareholding of Key Managerial Personnel Mr. G. Vinod Reddy	10647	0.04	87758	0.31
2	Shareholding of Directors : Mr. P. Sarath Kumar	Nil	Nil	Nil	Nil
3	Smt. Radhika K	Nil	Nil	Nil	Nil



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V. INDEBTEDNESS :

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
Principal Amount	876.08	1640.51	-	2516.59
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	876.08	1640.51	-	2516.59
Change in Indebtedness during the financial year				
● Addition	8.76	-	-	8.76
● Reduction	187.52	228.45	-	415.97
Net Change	178.76	228.45	-	407.21
Indebtedness at the end of the financial year				
Principal Amount	697.32	1412.06	-	2109.38
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	697.32	1412.06	-	2109.38

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		G.Vinod Reddy	Srinivas Sarika	Manoj Sali	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.00	18.00	5.50	41.50
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil	Nil	Nil	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL	NIL
	- others, specify				
5	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	18.00	18.00	5.50	41.50

Sl. No.	Particulars of fitting fee	Name of Directors		Total Amount
		Mr. P. Sarth Kumar	Smt. Radhika K	
1	Independent Directors			
	<ul style="list-style-type: none"> ● Fee for attending board committee meetings ● Commission ● Others, please specify 	0.20	0.20	0.40
	Total (1)	0.20	0.20	0.40
2	Other Non-Executive Directors			-
	<ul style="list-style-type: none"> ● Fee for attending board committee meetings ● Commission ● Others, please specify 	-	-	-
	Total (2)	-	-	-
	Total = (1 + 2)	0.20	0.20	0.40

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		

ANNEXURE - II MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Forming Part of Directors' Report)

COMPANY OVERVIEW

FLORICULTURE: Neha is a premium grower of cut roses with over 20 years of experience in the field of floriculture with floriculture operations in Ethiopia. It is recognized as one of the top growers in the highlands of Africa where roses are cultivated at 8500 feet above sea level in Ethiopia. A world class propagation unit has been established along with a growing facility. Different varieties of roses that conform to international standards are grown in these farms. These African subsidiaries grow long stem red roses in high altitude for supply to the auctions in Aalsmeer, Netherlands, Japan, Italy, Switzerland, Australia and Middle East. Neha sells its cut roses not only to the Flora Holland, Netherlands but also to the direct markets in Italy, Middle East, Australia, Germany, etc.

Although the potentially lucrative nature of the floriculture industry has long been beyond dispute, its vulnerability to circumstance is notorious. Based around the sale of a non-staple, perishable agricultural good, bad weather, delays in transportation or dissipating demand for luxury items in market destinations can quickly throw the industry into turmoil. The profitability of the sector for established exporters nose-dived following the financial downturn in Europe, thus, consumer demand for African flowers in Europe, Africa's biggest export market, quickly dissipated. Rising production costs and competition also add to the pressure on the margins. Neha is planning to exit loss making floriculture units in a phased manner and concentrate on profit making business like agriculture, trading, processing, etc.

AGRICULTURE: Neha made a foray into agriculture through its subsidiary namely, NINT Agri Plc., Ethiopia. Global food shortages and the spike in food prices, presents an opportunity to produce food crops on a large scale. Africa, with its virgin soils, congenial climate, and abundant resources has the potential to be the bread basket of the world. Since, Neha already has operations in Ethiopia; the Company acquired 4,000 hectares of arable land on long term lease of 45 years in Bako region of Ethiopia for the production of food grains, lentils, oil seeds, spices, etc. The farm site is located in a high rainfall region receiving about 1400 mm per annum which is the most ideal situation for growing various crops. In addition, other hydro assets like Chakosa, Gibbe and Lagaati rivers can be utilized for assured availability of water during the dry seasons.

The company built the required infrastructure in Ethiopia: a 13 km approach road has been constructed from the highway to the agricultural site; land has been cleared of trees and bushes; internal roads and irrigation facilities are being developed. Neha sourced equipment from world class manufacturers - Tractors and Implements from CLAAS and Amazone in Germany, and Excavators from Doosan of South Korea. The company finished the trial runs and is now harvesting the first commercially cultivated crop. Sowing for the second crop is due in December. During FY 2016-17, about 1000 acres will be under cultivation. The farm will be using funds generated from sale of the crop for its operations.

TRADING: Neha started trading operations since 2008. India is one of the world's largest food grains producers, the second largest vegetable producer and rice producer, making it one of the world's agricultural powerhouses. With global agricultural trade on a sustained rise coupled with robust economic growth across the world, the Agro sector has number of trade opportunities in its offing, which is an important contributor to India's growth story.

Neha International Limited (Neha) has achieved substantial growth in its trading operations over the last few years, resulting in increasing revenues and profits. Our team is committed to keep this growth on track and is constantly on the look-out for opportunities that can add to its revenues with a better contribution to the bottom line. We were able to achieve the above results and are confident of the growth only due to the support received from our stakeholders.

A major portion of our current trading activity is domestic. Going forward, the company wishes to also focus on international trade as it sees a significant business potential in international trade – both in imports and in exports, especially between Asia and Africa. Neha's presence in Africa, Singapore and India places it in a unique position to realise the potential. We wish to export rice and import edible oils, MDF and Cashew.

IMPORTS

a. Edible Oils

India has been self sufficient in vegetable oils right up to early 90s when most of the consumption was groundnut, rapeseed, and cottonseed oils. Palm, soya bean and sunflower oils together accounted for less than 4% of the consumption. Growing population and income levels led to an increasing demand for vegetable oils. But the domestic oilseed production remained static, resulting in increase in imports. Today, India's consumption is over 20 Mn MTs and more than half of it is met through imports – mostly palm oil which represents about 40% of India's consumption and about 75% of it imports, making India world's largest importer of palm oil.

Considering that India's per capita consumption of vegetable oils today is about 16kgs (world average is 27kgs), it is expected the demand will increase substantially as the per capita consumption increases. According to one estimate, India will consume about 26 Mn MTs by the year 2020-21. With the domestic supply expected to remain stagnant at 10 Mn MTs, imports will be over 16 Mn MTs. This situation can change only if the domestic supply of oil seeds increases substantially, which appears unlikely in the near future.

From the turn of the century, Indian government, in order to encourage domestic edible oil refining industry, adopted the policy of differential duty structure for crude and refined imported oils, with lower duties for crude. Huge port based refining capacities (over 20 Mn MT) came up in the country. Unfortunately, the capacity utilisations are less than 50%. The primary cause for this is the inverted duty structure adopted by crude producing countries like Indonesia and Malaysia. This resulted in most of refining units running into financial

hardships. They are suffering with inadequate working capital reducing their refining capacities further.

Opportunity for Neha: This provides an opportunity for traders with sufficient working capital limits to import vegetable crude oils for supply to the refining industry. Neha has chosen the sector as the volumes are significant, and increasing, and as it will remain so for the foreseeable future. The company's presence and contacts in SE Asia and Africa makes the identifying and sourcing of supplies easier. It should be noted here that Neha was exporting fairly large volumes of maize to SE Asia until a couple of years back.

EXPORTS: In exports, Neha aims to achieve the status of an Export House this year, a Trading House in 2 years and a Star Trading House in 3 years. In this direction the company is focusing on products that can be exported out of India. We have identified rice as a potential product for export.

Rice is the staple diet of most urban Sub-Saharan Africa. The region is witnessing a growth in population, growth in GDP, and increasing urbanisation resulting in increasing consumption of rice. However, in spite of efforts by African governments to increase local production, these countries are not able to produce sufficient rice to meet their requirement resulting in their importing about 12mn MTs of rice every year - India supplies about 5 mn MTs. Ever since India lifted the ban on export of non-basmati rice a few years back, it became one of the leading exporters of non-basmati rice in the world – next only to Thailand.

The company has had a series of discussions with companies for exporting rice to Sub-Sahara Africa. These companies are world leaders in rice merchandising as well as leading distributors in Africa. The transactions with these companies will be done only after receipt of confirmed orders from them.

PROCESSING: Neha is planning to set up a pulse and grain processing unit in near future. The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry. The industry accounts for 32 per cent of the country's total food market, 14 per cent of manufacturing GDP and 13 per cent of India's exports.

The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licences and 100 per cent export oriented units.

Neha aims to be a trusted partner locally & globally in providing quality and value to our partners through efficient procurement of agri commodities, processing and management of supply chain.

CORPORATE SOCIAL RESPONSIBILITY

Unrestrained production and indiscriminate growth without concern for the environment would put the lives of our future generations in jeopardy. At Neha, agriculture is practiced while nurturing the environment. Various methods like integrated nutrition management, pest and disease management, usage of bi-fertilizers and bio-pesticides, composting methods would be integrated to not only maintain but also improve soil texture. Water, being the foremost elements in agriculture, would be conserved through effective water management techniques like reduction of outflow, rainwater harvesting and judicious usage. Neha International believes in sustained growth by involving the local communities in farming operations and also allocates revenues towards their development.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Internal Control System comprises of exercising controls at various stages and is established in order to provide reasonable assurance for:

- Safeguarding Assets and their Usage,
- Maintenance of Proper Accounting Records and
- Adequacy and Reliability of the Information used for carrying on Business Operations.

The key elements of the system are as follows:

- a) Existence of clearly defined Organizational Structure and Authority.
- b) Existence of Corporate Policies for Financial Reporting and Accounting
- c) Existence of Management Information System updated from time to time as may be required.
- d) Existence of Annual Budgets and Long Term Business Plans.
- e) Periodical Review of Opportunities and Risk Factors depending on the Global/Domestic Scenario and to undertake measures as may be necessary.

HUMAN RESOURCES DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company continued with its policy of Human Resources Development and retention in all its units located at various destinations of the world. To enrich the skills of employees and enrich their experience, the Company invites experts in the field of Production, pest control, post harvest management, packing etc., and provide in-house training to the employees in their respective & allied operational areas. The Company is maintaining good employee relations and no man-days are lost during the period due to employee's unrest. The Company continues to provide with welfare activities such as canteen Facility, Medical Aids, Transport Facility, uniforms etc.



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RESULTS OF OPERATIONS

During the period ended 31st March, 2016 the company recorded a turnover of ₹ 64076.01 lakhs on consolidated level. The operations generated a profit of ₹ 624.75 lakhs during this period.

Financial Results: Consolidated

(₹ in lakhs)

Particulars		Current Period from 01-04-2015 to 31-03-2016	Previous Period from 01-07-2013 to 31-03-2015
1	Net Sales & Income	64076.01	32717.78
2	Increase/(Decrease) in stock	(150.36)	188.28
3	Total Expenditure	62405.8	31879.97
4	Interest	637.24	682.71
5	Profit before depreciation & Exceptional Items	882.61	343.38
6	Depreciation	147.86	238.28
7	Less: Write off / prior period items	0	0
8	Less: Minority interest	(104.17)	(70.97)
9	Less: Provision for tax (Net)	214.17	115.91
10	Profit/Loss carried to Balance Sheet	624.75	60.16

Financial Results: Standalone

(₹ in lakhs)

Particulars		Current Period from 01-04-2015 to 31-03-2016	Previous Period from 01-07-2013 to 31-03-2015
1	Net Sales & Income	25232.84	30008.07
2	Increase/(Decrease) in stock	(150.36)	188.27
3	Total Expenditure	24365.55	29176.56
4	Interest	338.41	642.72
5	Profit before depreciation & Exceptional Items	378.52	377.06
6	Depreciation	5.82	12.32
7	Less: Write off / prior period items	0	0
8	Add: Extra Ordinary Income:	0	0
9	Less: Provision for tax (Net)	144.27	115.91
10	Profit/Loss carried to Balance Sheet	228.43	248.83

REVENUE BASED ON GEOGRAPHY

(in ₹)

Geographical Revenues: Consolidated

Geographical Segment	Revenue	
	Current Period	Previous Period
Netherlands	537216026	277775046
India	1826259057	2982974852
Singapore	6783000639	-
Ethiopia	78993	2772067
Indonesia	1808298762	-
Malaysia	1307266634	-
Hongkong	169963919	-
Dubai	74139819	-
Total:	6401523849	3263521965

Segment wise Revenues- Stand Alone

Segment wise Revenues – Operation wise

Revenue	Farm	Merchandising	Trading Sales	(In ₹)
				Total
Current Period (12 Months)	-	687,518,990	1,826,259,057	2,513,778,047
Previous period (21Months)	-	-	2,985,746,919	2,985,746,919

Geographical Revenues: Stand alone

(in ₹)

Geographical Segment	Revenue	
	Current Period	Previous Year
India	1,826,259,057	2,982,974,852
Ethiopia	78,993	2,772,067
Hongkong	169,963,919	-
Dubai	74,139,819	-
Malaysia	443,336,259	-
Total	251,37,78,047	2,985,746,919

REPORT ON CORPORATE GOVERNANCE

In terms of Compliance to clause 49 of the Erstwhile Listing Agreement upto 30th November 2015 and SEBI(LODR), 2015 on Corporate Governance, your Company is complying with the guidelines. The report is as follows:

1. BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Neha International Limited does believe and Practice Good Corporate Governance. The Company's essential character is shaped by the very value of transparency, customer satisfaction, integrity, professionalism and accountability. The Company Continuously endeavors to improve on these aspects. The management follows the principle of fair representation and full disclosure in all its dealings and communications. The Board view Corporate Governance in its widest sense. The main objective is to create and adhere to a corporate culture of conscience and consciousness, transparency and openness and to develop capabilities to attain the goal of sustainable value creation.

2. BOARD OF DIRECTORS

The Board of Directors of the company have an optimum combination of Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization. The Board of the company comprises Three Directors that includes one Women Director.

(a) Composition and category of Directors as on 31st March 2016 is as follows:

Sl.No	Category	No. of Directors	%
1	Executive directors	1	33
2	Independent Directors	2	67
	Total	3	100

(b) Number of board Meetings held during the financial year and the dates of the Board meetings.

8 (Eight) Board Meetings were held during the period 2015-2016. The time gap between any two Board Meetings did not exceeded by more than four months. The dates on which the said Board Meetings were held are as follows:

1st Board Meeting : 30.05.2015	2nd Board Meeting : 08.06.2015	3rd Board Meeting : 14.08.2015
4th Board Meeting : 05.10.2015	5th Board Meeting : 13.11.2015	6th Board Meeting : 06.01.2016
7th Board Meeting : 14.02.2016	8th Board Meeting : 30.03.2016	

(c) Attendance of each Director at the Board Meetings and the last AGM :

Sl. No	Name of the Director	No. of Board Meeting attended	Last AGM attendance (Yes / No)
1.	G. Vinod Reddy	8	Yes
2.	P. Sarath Kumar	8	Yes
3.	Radhika Kandagatla	6	No

d) Particulars of Directorships of other Companies:

OTHER DIRECTORSHIPS

Name of the Director and Designation	Name of the company	Position
1. G. Vinod Reddy	MVR PROJECTS PRIVATE LIMITED	Director
2. P. Sarath Kumar	◆ SHREYAS MANAGEMENT AND SERVICES PRIVATE LIMITED	Director
	◆ SMS PHARMACEUTICALS LIMITED	Director
3. Radhika Kandagatla	Nil	Nil

3. AUDIT COMMITTEE

i) Terms of reference:

In compliance with Section 177 of the Companies Act, 2013, your Directors has constituted the Audit Committee comprising of majority of the Independent Directors as its members. The Audit Committee reviews the audit reports submitted by the Internal auditors and Statutory Auditors, financial results, effectiveness of internal audit processes and the Company's risk management strategy. It reviews the Company's established systems and the Committee is governed by a Charter which is in the line with the regulatory requirements mandated by the Companies Act, 2013 and Regulation 18 of SEBI (LODR), 2015.

ii) Composition :

The following are the members of the Committee.

The following are the members of the Committee.

1. **Sri P. Sarath Kumar** – Chairman
2. **Sri G. Vinod Reddy** – Member
3. **Smt Radhika K** - Member

iii) No. of Meetings held during the year:

During the year the committee had Four meetings i.e, on 30.05.2015, 14.08.2015, 13.11.2015, 13.02.2016,

iv) Composition, name of members and attendance during the year:

Name of the Director	Position	No. of Meetings Held	No. of Meetings Attended
Sri P. Sarath Kumar	Chairman	4	4
Sri G. Vinod Reddy	Member	4	4
Smt. Radhika Kandagatla	Member	4	4

4. NOMINATION AND REMUNERATION COMMITTEE:

i) Terms of reference:

The Company shall identify the persons, who are qualified to become Directors of the Company/ who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

ii) Composition:

1. **Sri P. Sarath Kumar**, Chairman
2. **Sri G. Vinod Reddy**, Member
3. **Smt. Radhika Kandagatla**, Member

iii) No. of Meetings during the year:

The Nomination and Remuneration Committee met once on 14.08.2015

iv) Composition, name of Members and attendance during the year:

Name of the Director	Position	No. of Meetings Held	No. of Meetings Attended
Sri P Sarath Kumar	Chairman		
Sri G. Vinod Reddy	Member		
Smt. Radhika K	Member		

5. STAKE HOLDERS RELATIONSHIP COMMITTEE:

i) Terms of reference:

The committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also function in an efficient manner that all issues/ concerns stakeholders are addressed/resolved promptly



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ii) Composition:

The Committee consists of the following directors as members of committee, majority of them being Independent Directors:

1. **Smt. Radhika Kandagatla**, Member
2. **Sri G. Vinod Reddy**, Member
3. **Sri P. Sarath Kumar**, Member

iii) No. of Meetings held and attended during the year:

Name of the Director	Position	No. of Meetings Held	No. of Meetings Attended
Smt. Radhika Kandagatla	Chairman	1	1
Sri G. Vinod Reddy	Member	1	1
Sri. P. Sarath Kumar	Member	1	1

iv) Name and Designation of Compliance Officer:

- (a) Mr. Manoj Sali, Company Secretary is the Compliance Officer of the Company.
- (b) Status of Investor Complaints are being handled by our Registrar & Share Transfer agent. M/s XL Softech Systems Ltd in consultation with the Company.

DETAILS OF COMPLAINTS

Nature of Complaint	Received	Resolved
Non receipt of share certificates	-	-
Non-receipt of duplicate share certificates	-	-
Non-receipt of Annual Report	-	-
De-mat request pending	-	-
Other complaints	1	1
Total	1	1

Note: The Company attends the shareholders/Investor grievances / correspondence generally within a period of 15 days except in cases where constraints by disputes or legal impediments

6. GENERAL BODY MEETINGS

- (a) Details of the location and time of the last three Annual General Meetings of the Company are as follows:

Year	Date	Venue	Time	Special Resolution
2011-12	31.12.2012	Bhaskara auditorium, BM birla science Centre, Adarshnagar, Hyderabad-500 063	11.00 A.M	Yes
2012-13	31.12.2013	Bhaskara auditorium, BM birla science Centre, Adarshnagar, Hyderabad-500 063	11.00 A.M	No
2013-15	30.06.2015	Bhaskara auditorium, BM birla science Centre, Adarshnagar, Hyderabad-500 063	11.00 A.M	Yes

7. DISCLOSURES

There were no significant related party transactions, i.e., transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries of relatives etc that may have potential conflict with the interest of the company at large. The related party transactions are duly disclosed in the Notes to Accounts to the Balance Sheet.

There were no cases of non-compliance by the Company, penalties, strictures imposed on Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

8. MEANS OF COMMUNICATION

Quarterly and Half yearly Report/Result

Published in English and Regional News papers apart from furnishing to the Stock Exchanges for displaying on their websites for the benefit of the investors at large

Website where quarterly results are displayed

The Results are displayed in Company's website: www.nehainternational.com

Management Discussion and Analysis Report

Form part of the Director's Report

9. SEBI Complaints Redressal System (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

10. CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board members and Senior Management Personnel of the Company CEO declaration to this effect forms part of this annual report.

11. CEO/CFO CERTIFICATION

As required by Regulation 17(8) read with Part B of Schedule II of SEBI (LODR) Regulation, 2015, the CEO/CFO certification is provided in the Annual Report.

12. GENERAL SHAREHOLDER INFORMATION

AGM date, Time and venue	:	Friday, 30th September At 11 A.M., Bhasaka Auditorium, B.M. Birla Science Centre, Adarsh Nagar, Hyderabad – 500 063.
Financial period	:	01.04.2015 to 31.03.2016
Book closure Dates	:	27.09.2016 to 30.09.2016
ISIN	:	INE874D01022
Stock Code	:	BSE: 519560

13. STOCK DATA:

Average monthly high and low stock prices of Neha International Limited at the Bombay Stock Exchange Limited (BSE) for the period 01.04.2015 to 31.03.2016.

Month & Year	BSE		
	High	Low	Volume
Apr 15	8.44	6.53	186590
May 15	8.15	6.52	110771
Jun 15	7.22	5.02	516979
Jul 15	12.20	5.75	1268651
Aug 15	8.70	5.60	471324
Sep 15	8.20	5.16	433075
Oct 15	7.30	6.40	211188
Nov 15	8.24	5.62	225575
Dec 15	7.99	6.65	357207
Jan 16	7.29	5.01	2384215
Feb 16	6.49	4.50	3712367
Mar 16	6.00	5.00	675086

* Source:
www.bseindia.com



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14. SHARETRANSFER SYSTEM

The Company attends to the Shareholders / investors grievances / correspondence generally within a period of 15 days except in cases where constraints by disputes or legal impediments.

15. REGISTRAR & SHARETRANSFERAGENTS

**M/s.XL Softech Systems Limited,# 3,Sagar Society,Road No.2,
Banjara Hills,Hyderabad,Tel.No.23545913/14.Fax No.2355321**

16. Shareholding pattern as on 31st March 2016.

Particulars	No. of Shareholders	No. of shares held	Face value of share holding (Rs.in lacs)	% Share holding
Promoters	8	4098445	40984450	14.44
Public	7618	24281123	242811230	85.56
Financial Institutions	NIL	NIL	NIL	NIL
Others	NIL	NIL	NIL	NIL
Total	7626	28379568	283795680	100

17. Distribution of Share Holdings:

No. for Equity Shares Held	As on 31.03.2015				As on 31.03.2016			
	No of shares holders	% of Share holders	No of shares holders	% of Share holders	No of shares holders	% of Share holders	No of shares holders	% of Share holders
Upto 5000	5790	78.24	625676	2.20	5772	75.69	633037	2.23
5000-10000	557	7.53	465156	1.64	609	7.99	514914	1.81
10001-20000	385	5.2	628363	2.21	437	5.73	705207	2.48
20001-30000	151	2.04	393495	1.39	190	2.49	495133	1.74
30001-40000	67	0.91	238383	0.84	97	1.27	347902	1.23
40001-50000	78	1.05	368867	1.30	78	1.02	375577	1.32
50001-100000	156	2.11	1141687	4.02	173	2.27	1256724	4.43
100001 and above	216	2.92	24517941	86.39	270	3.54	24051074	84.75
Total	7400	100	28379568	100	7626	100	28379568	100

18. SHAREHOLDING PROFILE:

Mode of holding	As on 31st March 2015			As on 31st March 2016		
	No. of holders	No of shares	% of equity	No. of holders	No of shares	% of equity
DMAT	5082	28147705	99.18	5385	28153305	99.20
Physical	2318	231863	0.82	2241	226263	0.80
Total	7400	28379568	100	7626	28379568	100

19. Outstanding GDRs/ADRs/Warrants or any other convertible instruments, conversion date and likely impact on equity

There are no outstanding warrants or other convertible instruments.

20. Address of Registrars for Dematerialization & Physical Transfer of Shares:

**M/s. XL Softech Systems limited,
3, Sagar Society, Road No.2, Banjara Hills, Hyderabad, Tel. No. 23545913/14, Fax No.23553214**

21. ADDRESS FOR CORRESPONDENCE

Neha International limited, Building No.6-3-1090/A/12 & 13,501, Manbhumi Jade Towers
Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana, Tel No:040-66364543, Fax No:040-66363504

22. CODE OF CONDUCT**Declaration**

A code of conduct for the directors and senior management personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of sub clause (II) E of Clause 49 of the Erstwhile Listing agreement and SEBI (LODR), 2015 with the stock exchanges, all the directors and the designated personnel in the senior Management of the company have affirmed compliance with the said code for the period ended March 31, 2016

Place: Hyderabad
Date : 30-05-2016

Sd/-
G . Vinod Reddy
Chairman & Managing Director

23. RISK MANAGEMENT:

The company has been addressing various risks impacting the company and the policy of the company on risk management is provided elsewhere in this annual report in Management Discussion and Analysis.

24. PREVENTION OF INSIDER TRADING:

In accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, the company has instituted a code of conduct for prohibition of insider trading and Code of practices and procedures for fair disclosure of Unpublished Price Sensitive information in the company.

25. RECONCILIATION OF SHARE CAPITAL AUDIT:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the board of directors of the company. The audit, inter alia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSL and the total number of shares in physical form.

26. CORPORATE IDENTITY NUMBER (CIN):

Corporate Identity Number (CIN) of the company, allotted by the Ministry of Corporate Affairs, Government of India is L01122TG1993PLC015987.

27. CEO/CFO CERTIFICATION:

As specified in Part B of Schedule II of SEBI (LODR) Regulation, 2015, the CEO / CFO Certification is provided in the Annual Report.

28. GREEN INITIATIVE IN THE CORPORATE GOVERNANCE:

As part of the green initiative process, the company has taken an initiative of sending documents like notice calling Annual General Meeting, Corporate Governance Report, Directors Report, Audited Financial Statements, Auditors Report, etc., by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company and for the bounced-mail cases. Shareholders are requested to register their email id with Registrar and Share Transfer Agent/ Concerned depository to enable the company to send the documents in electronic form or inform the company in case they wish to receive the said documents in paper mode.

Place: Hyderabad
Date : 01-09-2016

Sd/-
G . Vinod Reddy
Chairman & Managing Director

CEO / CFO CERTIFICATION

As stipulated under Regulation 17(8) read with Part B of Schedule II of SEBI (LODR) Regulation, 2015, with Stock Exchanges, We hereby certify that:

- (a) **We have reviewed financial statements and the cash flow statement for the period ended 31st March, 2016 and that to the best of our knowledge and belief:**
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee:
- (i) significant changes, if any, in internal control over financial reporting during the period (01.04.2015 to 31.03.2016);
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant frauds of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Neha International Limited
Sd/-

G.Vinod Reddy
Chairman & Managing Director

For Neha International Limited
Sd/-

Srinivas Sarika
Chief Financial Officer

**AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF
CORPORATE GOVERNANCE****AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members of
Neha International Limited

We have examined the compliance of conditions of Corporate Governance of M/s. NEHA INTERNATIONAL LIMITED, for the year ended March 31, 2016, as specified under Schedule V of SEBI (LODR) Regulations, 2015 of the said Company is with stock exchanges.

The compliance with conditions of Corporate Governance is the responsibility of the Company's management. Our examination has been limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreements.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that no grievances of investors are pending for a period exceeding one month against the company as per the records maintained by the company.

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

For **Mathesh & Ramana**
Chartered Accountants
Firm Regn. No.002020S

Sd/-

B V Ramana Reddy
Partner
M.No. 026967

Place: Hyderabad
Date: 30.05.2016

INDEPENDENT AUDITOR'S REPORT

To the Members of

NEHA INTERNATIONAL LIMITED

Report on the Financial Statements:

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

Management's Responsibility for the Financial Statements:

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

Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act 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 audit 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 financial control relevant to the Company's preparation and fair presentation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances and for the purpose of expressing an opinion on whether the company has an adequate Internal Financial Control System over Financial Reporting in place and the operating effectiveness of such Controls. 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 on the financial statements.

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, 2016; and
- b) in the case of the Profit and Loss Account, of the profit for the period ended on that date.
- c) in the case of the cash flow statement, of the Cash Flows, for the period ended on that date.

Report on Other Legal and Regulatory Requirements:

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanation given to us, we give Annexure-A a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable to the company.
2. **As required by section 143(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, and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, and Statement of Profit and Loss comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.
 - e. on the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of Act.
 - f. Based on the Internal Financial Control Report given by the Independent Auditors M.M. Reddy & Co, we are of the opinion that the company has adequate internal financial controls system in place and the operating effectiveness of such controls. (enclosed Independent Auditors Report of M.M.REDDY & Co., on Internal Financial Controls as Annexure B)
 - g. With respect to the other matters to be included in auditor's report in accordance with Rule 11 of Companies (Audit and Auditors), Rules 2014, in our opinion and to the best of our information and according to the explanation given to us;
 - i. The Company has disclosed the impact of pending litigation of its financial position in its financial statements.
 - ii. In our opinion and as per the information and explanations provided to us, the company not entered into any long term contracts including derivate contracts, requiring under applicable laws or accounting standards for material foreseeable losses, and
 - iii. There has been no delay in transferring to the Investor Education and Protection Fund by the Company.

For **Mathesh & Ramana**
Chartered Accountants
Firm Regn. No.002020S

Place: Hyderabad
Date: 30.05.2016

Sd/-
B V Ramana Reddy
Partner
M.No. 026967

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

Re: NEHA INTERNATIONAL LIMITED

Referred to in Paragraph I under section (Report on other Legal and Regulatory Requirements of our Report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) (a) The Management has conducted physical verification of inventory (excluding stocks lying with third parties) at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The Company is generally maintaining proper records of inventory. The discrepancies noticed on verification between physical stock and book records were not material in relation to the operations of the Company and the same have been properly dealt with in the books of account.
- (iii) (a) The company has not granted loans to the parties covered in the register maintained under section 189 of the Companies Act, 2013,
- (b) The company is regular in recovering the principal amounts as stipulated and has been regular in the receiving of interest.
- (c) There were no overdue amounts of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Companies Act, 2013.
- (iv) According to the information and explanations given to us, in respect of loans, investments, guarantees and security the company has complied with provisions of section 185 and 186 of the Companies Act, 2013.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits in terms of directives issued by Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) In our opinion and according to the information and explanations given to us, the company is maintaining proper cost records, as been prescribed by the Central Government under sub section (1) of section 148 of the Companies Act, 2013 for the activities of the Company.
- (vii) (a) The company is regular in depositing with appropriate authorities the undisputed statutory dues including Income Tax, Sales Tax, Duty of Excise, Value Added Tax (VAT) and other material statutory dues applicable

- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of service tax and sales tax which were in arrears, as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of sales tax, income tax and excise duty which have not been deposited on account of any dispute.
- (viii) The Company has not defaulted in repayment of loans or borrowings availed from any financial institution, banks, government or debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, money raised by way of Initial Public offer or Further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised.
- (x) In our opinion and according to the information and explanations given to us, No fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a Nidhi company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Mathesh & Ramana**
Chartered Accountants
Firm Regn. No.002020S

Place: Hyderabad
Date: 30.05.2016

Sd/-
B V Ramana Reddy
Partner
M.No. 026967



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BALANCE SHEET AS AT 31st MARCH, 2016

Amount in ₹

PARTICULARS	Note No	As at 31.03.2016	As at 31.03.2015
I EQUITY AND LIABILITIES			
I Shareholder's Funds			
Share Capital	3	283,795,680	283,795,680
Reserves and Surplus	4	1,546,258,090	1,523,415,552
Money received against share warrants		-	-
		1,830,053,770	1,807,211,232
2 Share application money pending allotment		-	-
3 Non-Current Liabilities			
Long-term borrowings	5	87,504,919	112,594,975
Deferred tax liabilities (Net)	6	-	-
Other Long term liabilities		-	-
Long term provisions	7	3,255,670	2,310,962
		90,760,589	114,905,937
4 Current Liabilities			
Short-term borrowings	8	123,433,453	139,064,240
Trade payables	9	579,338,096	576,218,588
Other current liabilities	10	137,417,449	137,778,788
Short-term provisions	11	34,829,468	28,365,434
		875,018,466	881,427,050
Total		2,795,832,825	2,803,544,219
II Assets			
I Non-current assets			
Fixed assets	12		
Tangible assets		74,828,932	74,093,460
Intangible assets		-	-
Capital work-in-progress			
Intangible assets under development			
Non-current investments	13	1,641,645,389	1,641,645,389
Deferred tax assets (net)	14	309,225	138,761
Long term loans and advances		-	-
Other non-current assets	15	1,585,144	1,100,704
		1,718,368,690	1,716,978,314
2 Current assets			
Current investments		-	-
Inventories	16	5,508,664	20,545,058
Trade receivables	17	799,645,802	747,971,949
Cash and cash equivalents	18	49,342,762	37,144,988
Short-term loans and advances	19	141,729,613	172,479,657
Other current assets	20	81,237,294	108,424,253
		1,077,464,135	1,086,565,905
Total		2,795,832,825	2,803,544,219

As per our Report of even Date

For **Mathesh & Ramana**

Chartered Accountants , Firm Reg. No. 002020S

For **Neha International Limited****G.Vinod Reddy**

Chairman & Managing Director

B.V. Ramana Reddy

Partner , M.No.026967

Place : Hyderabad, Date: 30.05.2016

Srinivas Sarika

Chief Financial Officer

Manoj Sali

Company Secretary

PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

Amount in ₹

PARTICULARS	Note No	For the Year ended 31.03.2016	For the Period ended 31.03.2015 (21 Months)
INCOME			
Revenue from operations	21	2,513,778,047	2,985,746,919
Other Income	22	9,506,187	15,060,844
TOTAL REVENUE (I)		2,523,284,234	3,000,807,763
EXPENSES			
Cost of materials consumed		-	-
Purchases	23	2,413,772,085	2,885,045,327
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	15,036,394	(18,827,644)
Employee benefit expense	25	7,503,482	9,805,682
Financial costs	26	33,840,527	64,272,022
Depreciation and amortization expense	12	581,754	1,231,679
Other expenses	27	15,279,536	22,805,528
TOTAL EXPENSES (II)		2,486,013,778	2,964,332,594
Profit before exceptional and extraordinary items and tax (I-II)		37,270,456	36,475,169
Exceptional Items		-	-
Profit before extraordinary items and tax		37,270,456	36,475,169
Extraordinary Items		-	-
Profit before tax		37,270,456	36,475,169
Tax expense:			
Current tax		14,598,382	12,186,429
Deferred tax		170,464	594,533
MAT Tax Credit		-	-
Profit(Loss) from the period from continuing operations		22,842,538	24,883,273
Profit/(Loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
Profit/(Loss) from Discontinued operations		-	-
Profit/(Loss) for the period		22,842,538	24,883,273
Earning per equity share:			
(1) Basic		0.80	0.88
(2) Diluted		0.80	0.88

As per our Report of even Date

For **Mathesh & Ramana**

Chartered Accountants, Firm Reg. No. 002020S

B.V. Ramana Reddy

Partner, M.No.026967

Place : Hyderabad, Date: 30.05.2016

For **Neha International Limited****G.Vinod Reddy**

Chairman & Managing Director

Srinivas Sarika

Chief Financial Officer

Manoj Sali

Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

3. SHARE CAPITAL

Amount in ₹

PARTICULARS	Number of Shares	For the year ended 31.03.2016	Number of Shares	For the period Ended 31-03-2015
Authorised Equity shares of ₹ 10 each with voting rights	40,000,000	400,000,000	40,000,000	400,000,000
Issued Equity shares of ₹ 10 each with voting rights	28,379,568	283,795,680	28,379,568	283,795,680
Subscribed & Fully Paid Up Equity shares of ₹ 10 each with voting rights	28,379,568	283,795,680	28,379,568	283,795,680

a) A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

PARTICULARS	No. of Shares	For the year 31.03.2016	No. of Shares	For the period 31.03.2015
Equity Shares of ₹ 10 each, Fully paid up :				
At the beginning of the reporting period	28,379,568	283,795,680	28,379,568	283,795,680
Issued during the period - Bonus Issue	-	-	-	-
Issued during the period- Cash Issue	-	-	-	-
Issued during the period- ESOP	-	-	-	-
Forfeited / Bought Back during the year	-	-	-	-
Outstanding at the end of the reporting period	28,379,568	283,795,680	28,379,568	283,795,680

b) Details of Shareholder holding more than 5% shares of the company

PARTICULARS	As at 31.03.2016		As at 31.03.2015	
	Number of Shares	% Share Holding	Number of Shares	% Share Holding
Equity Shares of ₹ 10 each Held By				
MVR Projects Private Limited	4,000,000	14.09%	4,000,000	14.09%
The Bank of Newyork Melon	-	-	4,620,000	16.28%
B Vikram Kumar Bagmar	1,750,985	6.17%	NIL	NIL

4 RESERVES AND SURPLUS

Amount in ₹

PARTICULARS	For the year ended 31.03.2016	For the period ended 31.03.2015
RESERVES AND SURPLUS		
a) Capital reserve		
As at the commencement of the year	43,170,000	43,170,000
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
	<u>43,170,000</u>	<u>43,170,000</u>
b) Securities Premium Reserve		
As at the commencement of the year	1,425,867,858	1,425,867,858
Add: Shares premium on shares allotment	-	-
Less: Utilised for Capital raising expenses during the year	-	-
	<u>1,425,867,858</u>	<u>1,425,867,858</u>
c) Surplus :		
i) Opening Balance - Profit and Loss Account	54,377,694	31,996,492
Add: Transfer from Profit & Loss Account	22,842,538	24,883,273
Less: Adjustment of Mat Credit	-	1,262,867
Less: Adjustment on account of change in depreciation as per the provisions of Companies Act 2013	-	-
	<u>77,220,232</u>	<u>54,377,694</u>
Total Reserves and Surplus	<u>1,546,258,090</u>	<u>1,523,415,552</u>

5 LONG TERM BORROWINGS

Vehicle Loans:

From banks:

Secured 875,944 -

Corporate Loan

From Banks: Secured

Secured 19,000,000 38,000,000

(Corporate Loan from State Bank of Mauritius is secured by the collateral property and personal guarantee of the Promoter Director)

From other parties

Unsecured 67,628,975 74,594,975

TOTAL LONG TERM BORROWINGS **87,504,919** **112,594,975**



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

Note No.	PARTICULARS	For the year ended 31.03.2016	For the period ended 31.03.2015
6	DEFERRED TAX LIABILITIES (NET)		
	Opening Deferred tax Liability	-	-
	Add: Deferred Tax for the year	-	-
	Deferred Tax Liability/ (Asset) - Net	-	-
7	LONG TERM PROVISIONS		
	Provisions for employee benefits		
	Provision for Gratuity	3,255,670	2,310,962
	Total Long Term Provisions	3,255,670	2,310,962
8	SHORT TERM BORROWINGS		
	Loans repayable on demand:		
	From banks		
	Secured	49,839,676	49,592,074
	(Cash credit from M/s Union Bank of India and Bank of Maharashtra is secured by the collateral property and personal guarantee of the Promoter Directors)		
	Inter-Corporate Deposits		
	Unsecured	67,214,355	70,214,355
	Loans and advances from Related parties		
	Unsecured-Director	6,379,422	19,257,811
	Total short term borrowings	123,433,453	139,064,240
9	TRADE PAYABLES		
	Trade Payables	579,338,096	576,218,588
	Total Trade Payables	579,338,096	576,218,588
10	OTHER CURRENT LIABILITIES		
	Current maturities of long term debt	19,200,973	12,000,000
	Other Payables	118,216,476	125,778,788
	Total other current liabilities	137,417,449	137,778,788
11	SHORT TERM PROVISIONS		
	Provision for Income Tax	13,145,774	12,186,429
	Add: Interest on income tax	1,452,608	368,205
	less: MAT Credit Entitled	-	1,726,459
	less: TDS	-	459,355
	less: Tax Paid	-	2,911,420
	Net Income tax Payable	14,598,382	7,457,400
	Outstanding Payables	20,231,086	20,908,034
	Total short term provisions	34,829,468	28,365,434

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
NOTE NO. 12 - TANGIBLE ASSETS & INTANGIBLE ASSETS

Particulars	Gross Block			Useful Life of Asset (in Years)	Depreciation / Amortisation		Total Depreciation	Net Block as on 31.03.2016	Net Block as on 31.03.2015
	01.04.2015	Additions during the year	As on 31.03.2016		Dep. As on 01.04.2015	Dep. For the year 2015-2016			
	Amount in ₹								
Tangible Assets:									
1 LAND	72,146,985	-	72,146,985	-	-	-	72,146,985	72,146,985	
2 OFFICE EQUIPMENT	2,243,191	-	2,243,191	5	2,222,887	20,080	224	20,304	
3 COMPUTERS	1,125,915	-	1,125,915	3	1,095,346	13,895	16,674	30,569	
4 FURNITURE	2,687,542	-	2,687,542	10	1,894,322	169,212	624,008	793,220	
5 VEHICLES	2,640,468	1,317,226	3,957,694	8	1,538,087	378,567	2,041,040	1,102,381	
6 WEB DESIGNING	225,000	-	225,000	3	224,999	-	1	1	
Total	81,069,101	1,317,226	82,386,327		6,975,641	581,754	7,557,395	74,828,932	74,093,460
Previous Year Figures	76,257,316	4,811,785	81,069,101		4,504,758	561,203	670,476	74,093,460	71,752,558



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

Note No.	PARTICULARS	For the year ended 31.03.2016	For the period ended 31.03.2015
13	NON- CURRENT INVESTMENTS		
	Investment in Subsidiaries		
	Equity Shares		
	in M/s Globeagro Holdings with 100% of holding	519,363,704	519,363,704
	in M/s Neha Agricorp Pte Ltd with 100% of holding	1,099,386,355	1,099,386,355
	in M/s Neha Agriservices Pte Ltd with 100% of holding	330	330
	in M/s Dream Flowers PLC with 50% of holding	22,895,000	22,895,000
	Total Non Current Investments	1,641,645,389	1,641,645,389
	Less: Provision for Diminution in Investments	-	-
	Total Non - Current Assets (Net)	1,641,645,389	1,641,645,389
14	DEFERRED TAX ASSETS (NET)		
	Opening Deferred tax Asset	138,761	(455,772)
	Add: Deferred Tax Income for the year	170,464	594,533
	Deferred Tax Liability/ (Asset) - Net	309,225	138,761
15	OTHER NON - CURRENT ASSETS		
	Deposits	1,585,144	1,100,704
	Miscellaneous Expenditure (to the extent not written off)	-	-
	Total other non current assets	1,585,144	1,100,704
	Less : Provision for Bad and Doubtful debts	-	-
	Total non - current assets(net)	1,585,144	1,100,704
16	INVENTORIES		
	Stock - in - trade (in respect of goods acquired for trading)	5,508,664	20,545,058
	Total Inventories	5,508,664	20,545,058
17	TRADE RECEIVABLES		
	Outstanding for a period exceeding six months from the date they are due for payment		
	Unsecured, Considered Good	9,277,871	13,387,782
		9,277,871	13,387,782
	Other Receivables:		
	Unsecured, Considered Good	790,367,930	734,584,167
		790,367,930	734,584,167
	Total trade receivable	799,645,802	747,971,949
	Less : Allowance for bad & doubtful debts	-	-
	Total Trade Receivables(net)	799,645,802	747,971,949

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

Note No.	PARTICULARS	For the year ended 31.03.2016	For the period ended 31.03.2015
18	CASH AND BANK BALANCES		
	Cash and cash equivalents :		
	Balances with banks :		
	On Current Accounts	38,700	36,058
	Margin Money	48,349,402	36,734,365
	Cash on hand	954,660	374,565
	Total Cash and Cash Equivalents	49,342,762	37,144,988
19	SHORT TERM LOANS AND ADVANCES		
	Loans and advances to related parties (giving details thereof)		
	Unsecured - Loan & Advances to Subsidiaries	37,542,539	107,057,177
	Other Loans and Advances (Specify the nature)		
	Advance for Expenses	500,000	500,000
	Advance to staff	1,884,690	-
	Advance to Suppliers	70,413,299	35,226,014
	Advance to Capital works	28,719,850	28,719,850
	Prepaid Expenses	6,479	38,308
	TDS Receivable	312,598	321,888
	MAT Credit	-	-
	Interest Accrued on Deposits	2,350,158	616,420
	Total short term loans & advances	141,729,613	172,479,657
	Less : Provision for Doubtfull Debts	-	-
	Total short term loans & advances(net)	141,729,613	172,479,657
20	OTHER CURRENT ASSETS		
	Other Current Assets	81,237,294	108,424,253
		81,237,294	108,424,253
21	REVENUE FROM OPERATIONS		
	Sales Other than Exports	1,826,259,057	2,982,974,852
	Export Sales	687,518,990	2,772,067
	Total Revenue from Operations	2,513,778,047	2,985,746,919
22	OTHER INCOME		
	Interest income (Other than a finance company)	3,516,469	7,139,435
	Other Income	5,989,718	7,921,409
	Total Other Income	9,506,187	15,060,844
23	PURCHASES - TRADING		
	Purchases Other than Import	2,375,189,997	2,789,222,180
	Purchases - Import	38,582,088	95,823,147
	Total Trade Purchases	2,413,772,085	2,885,045,327



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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Amount in ₹

Note No.	PARTICULARS	For the year ended 31.03.2016	For the period ended 31.03.2015
24	CHANGE IN INVENTORIES & WIP.		
	Stock in trade at the beginning of the year	20,545,058	1,717,414
	Less : Stock in trade at the end of the year	5,508,664	20,545,058
		<u>15,036,394</u>	<u>(18,827,644)</u>
	(Increase) / Decrease in Inventories	<u>15,036,394</u>	<u>(18,827,644)</u>
25	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Wages	4,677,513	7,840,200
	Staff Welfare Expenses	31,261	65,482
	MD's Remuneration	1,800,000	1,800,000
	Gratuity	994,708	100,000
	Total Employee Benefit Expenses	<u>7,503,482</u>	<u>9,805,682</u>
26	FINANCE COST		
	Bank Charges	14,971,843	22,937,962
	Interest on Income Tax	-	368,205
	Interest on Hire Purchase	51,677	908,752
	Interest - Others	18,817,007	40,057,103
	Total Finance Cost	<u>33,840,527</u>	<u>64,272,022</u>
27	OTHER EXPENSES		
	Insurance	120,972	315,510
	Listing Fee and Annual Registration Fee	573,086	1,067,648
	Share Transfer Expenses	80,637	121,989
	Repairs and Maintenance	16,425	137,395
	Office Maintenance	127,131	294,448
	Rent	1,422,024	3,384,430
	Rates & Taxes (excluding Income Tax)	-	19,400
	Advertisement Expenses	88,385	203,538
	Payment to Auditors:		
	As Auditor	399,680	449,440
	Audit Expenses	50,000	300,000
	Miscellaneous Expenditure	1,775,681	944,301
	Telephone, Postage and Others	109,242	700,169
	Conveyance	1,787,046	1,686,166
	Printing & Stationery Expenses	75,545	117,932
	Professional Consultancy fee	442,880	1,003,338
	Director Sitting Fee	45,600	39,326
	Exchange fluctuation Loss	4,547,968	9,959,788
	Selling Expenses		
	Carriage Outwards - Local	3,617,234	2,060,710
	Total Other expenses	<u>15,279,536</u>	<u>22,805,528</u>

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2016

Amount ₹ in lakhs

PARTICULARS	Year ended 31.03.2015	Period Ended 31.03.2016
Cash Flow from Operating Activities:		
Net Profit before Exceptional Item	372.57	248.83
Adjustment for:		
Interest Expenses	338.41	642.72
Depreciation	5.82	12.32
Miscellaneous Expenditure Written off		
Provision for MAT (Net) & Depreciation adj.	(144.23)	(25.02)
Operating Profit before working Capital Changes	572.56	878.85
Adjustment for:		
Debtors and other receivables	(246.57)	(5,002.38)
Increase/Decrease in Loans & Advance	307.50	(1,158.49)
Increase /Decrease in Inventories	150.36	(188.28)
Increase/Decrease in Creditors and other payables	101.75	4,725.70
Net Cash from operating Activities(A)	885.61	(744.59)
Cash Flow from Investing Activities:		
Purchase of Fixed Assets (Net)	(13.17)	(35.73)
Additions/ Written off of in Intangible asset (Net)		
Investments in subsidiary	(4.84)	(4.91)
Expenditure for Enhancement of Authorised share capital		
Net Cash used in investing activities:(B)	(18.02)	(40.64)
Cash Flow from Financing Activities:		
Increase in long term borrowings	(250.90)	1,124.76
Proceeds from secured loan	2.48	56.08
Proceeds from unsecured loan	(158.78)	(10.46)
Issue of Equity Shares/Share application money		
Interest paid	(338.41)	(642.72)
Net Cash used in Financing Activities	(745.61)	527.66
Net Decrease/Increase in Cash and cash Equivalents:(A+B+C)	121.98	(257.57)
Cash and Cash equivalent at the beginning of the year	371.45	629.02
Cash and Cash equivalent at the end of the year	493.43	371.45

As per our Report of even Date
For **Mathesh & Ramana**
Chartered Accountants , Firm Reg. No. 002020S

B.V. Ramana Reddy
Partner , M.No.026967
Place : Hyderabad, Date: 30.05.2016

For **Neha International Limited**
G.Vinod Reddy
Chairman & Managing Director

Srinivas Sarika **Manoj Sali**
Chief Financial Officer Company Secretary

NEHA INTERNATIONAL LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE No. 1: CORPORATE INFORMATION:

Neha International Limited (“The Company”) was incorporated on 12th July, 1993 and the CIN being L01122TG1993PLC015987. The company is engaged in the business of Floriculture, Agri-Farming and Agri goods trading.

NOTE No. 2: SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Preparation of Financial Statements:

The financial statements are prepared on going concern assumption and under the historic cost convention, except for certain fixed assets which are revalued in accordance with Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

b) Fixed Assets:

Fixed assets are stated at cost less depreciation. All costs (excluding CENVAT, VAT and Subsidy), including financing costs till commencement of commercial production and adjustments arising from exchange rate variations relating to borrowings attributable to the fixed assets are capitalized.

c) Depreciation:

Depreciation on Fixed assets for the period has been charged on straight-line method in the manner prescribed in Schedule II of the Companies Act, 2013.

d) Inventories:

Inventories have been taken as valued and certified by the Management. The basis of valuation is as under:

Raw materials, Stores & Spares - at cost or net realizable value whichever is lower.

Finished goods – at cost or net realizable value on FIFO basis whichever is lower.

e) Retirement benefits:

(i) Company's contribution to provident fund if any is charged to Profit & Loss Account.

(ii) Provision has been made in accounts for the future payment of gratuity to the employees of the Company.

f) Revenue recognition:

The company follows mercantile system of accounting and recognizes significant items of income and expenditure as and when they are incurred and accrued.

g) Investments:

Current Investments are valued at cost or market price whichever is lower and in the absence of market quotation, cost price is adopted. Long Term Investments are valued at cost.

h) R&D Expenditure:

Capital expenditure is included in the fixed assets and depreciation as per Company's policy.

Revenue expenditure is charged to profit & loss account of the year in which they are incurred is included in the respective heads of expenditure.

i) Borrowing Costs:

Borrowings costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. 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.

j) Cash Flow Statement:

The Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March, 2016 and the related Profit and Loss Account for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow statement issued by ICAI.

k) Accounting for Taxes on Income:

Current Tax: Provision for Current Income Tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred Tax: Deferred income tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws. Enacted or substantially enacted as of the Balance Sheet date.

l) Employee Stock Option Scheme:

The company accounts for equity settled stock options as per the accounting treatment prescribed by Securities and Exchange Board of India (share based employee benefits) Regulations, 2014 and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

m) Impairment of Assets:

The management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

n) Government Grants & Other Claims:

Revenue grants including subsidy/rebates, refunds, claims etc., are credited to profit & loss account under other income or deducted from the related expenses. Grants related to fixed assets are credited to capital reserves account or adjusted in the cost of such assets as the case may be, as and when the ultimate realisability of such grants etc., are established/realized.

o) Provisions and Contingent Liabilities and Contingent Assets:

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

p) Cash and Cash Equivalents:

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

q) Leases:

Lease rentals in respect of assets acquired under operating lease are charged to Statement of Profit and Loss.

r) Intangible Assets:

Intangible assets are stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised as per rates mentioned in the Act.

s) Segment reporting:

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the company. Further,

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market based.



- (ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under “Un-allocated corporate expenses net of un-allocated income”.

t) Earnings per share:

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basis earning per share and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti dilutive.

u) Foreign Currency Transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange translations settled during period is recognized in the profit & loss account except for the net exchange gain or loss on account of imported fixed assets, which is adjusted in the carrying amount of the related fixed assets. Foreign currency denominated current assets and current liabilities at the period end are translated at the period end exchange rates and the resulting net gain or loss is recognized in the profit & loss account, except for exchange difference related to fixed assets purchased from foreign countries is adjusted in the carrying amount of related fixed assets.

28. In the view of Management, no event has taken place to trigger the need for testing its assets for impairment. Accordingly, as per the management’s assessment, the carrying values of its assets as at the Balance sheet date are not higher than their corresponding recoverable amounts.
29. The financial statements are prepared for the period 01-04-2015 to 31-03-2016. The depreciation provided for the year was ₹ 5,81,754/- as per provisions of Schedule II of Companies Act 2013.
30. Earning per Share (EPS):

Particulars		Year Ended 31.03.2016 (12 Months)	Period Ended 31.03.2015 (21 Months)
Profit attributed to the Equity Shareholders (₹)	(A)	2,28,42,538	2,48,83,273
Weighted average number of Equity Shares Outstanding during the year	(B)	2,83,79,568	2,83,79,568
Face Value of Equity Shares (₹)		10/-	10/-
Basic Earning per share (₹)-	(A/B)	0.80	0.88
Diluted Earning per Share (₹)	(A/B)	0.80	0.88

31. Segment Reporting – AS 17:

Business Segment: Since the company is into merchandising, trading in flowers, Machinery and other Agri products in addition to growing of flowers, the revenues from each operation is also given below.

Geographical Segment: Geographical Segment of the company are in India, Ethiopia as the company is engaged in business with these countries. Revenue from these segments is as follows.

Segment wise Revenues – Product wise:

(In ₹)

Revenue	Cut Flowers	Export Sales	Local Sales	Total
Current Period (12 Months)	-	687,518,990	1,826,259,057	2,513,778,047
Previous period (21 Months)	-	2,772,067	2,982,974,852	2,985,746,919

Segment wise Revenues – Operation wise:

(In ₹)

Revenue	Farm	Merchandising	Trading Sales	Total
Current Period (12 Months)	-	687,518,990	1,826,259,057	2,513,778,047
Previous period (21 Months)	-	-	2,985,746,919	2,985,746,919

Geographical Revenues:

(In ₹)

Geographical Segment	REVENUE	
	Current Period	Previous Year
India	1,826,259,057	2,982,974,852
Ethiopia	78,993	2,772,067
Hongkong	169,963,919	Nil
Dubai	74,139,819	Nil
Malaysia	443,336,259	Nil
Total	251,37,78,047	2,985,746,919

32. Related Party Disclosure: Information regarding Related Party Transactions as per Accounting Standard 18 issued by the ICAI

A. Related Party and their Relationship**I. (I) Subsidiaries (Direct Holding)**

- M/s Globe agro Holdings, Mauritius
- M/s Dream Flowers PLC, Ethiopia
- M/s NehaAgricorp PTE Ltd, Singapore
- M/s Neha Agriservices PTE Ltd, Singapore

(II) Step Subsidiaries (Indirect Holding)

- a. M/s Alliance Flowers PLC, Ethiopia
- b. M/s Holettà Roses PLC, Ethiopia
- c. M/s Oromia Wonders PLC, Ethiopia.
- d. M//s NINT Agri PLC, Ethiopia.
- e. M/s Neha Agri Tanzania Ltd, Tanzania
- f. M/s Neha Agri Ventures (U) Ltd, Uganda
- g. M/s. Neha Agri Zambia Ltd., Zambia
- h. M/s. Neha Agri Senegal – SUARL, Senegal
- i. M/s. Neha Agriservices FZE, UAE

(III) Key Managerial Persons

- a. Mr. Vinod Reddy G
- b. Mr. Sarika Srinivas
- c. Mr. Manoj Sali

(IV) Companies in which directors are interested

- a. MVR Projects Pvt. Ltd.



neha

B. Transactions with Related Parties (Amount in Lakhs)

Particulars	Alliance	Dreams	Holetta	Oromia	Neha Agricornp Pte. Ltd.
Purchase of Goods	-	-	-	-	-
Payment against material	-	-	-	-	-
Sale of Goods	-	-	-	-	0.79

Name of the Company or Party	Relationship	Nature of Transaction	Amount ₹ in lacs	Outstanding amounts carried in the Balance Sheet (₹ in lacs)
Mr. Vinod Reddy G.	Managing Director	Obtained/re paid Unsecured Loan	81.22	63.79

33. In compliance with Accounting Standard – AS 19 “Lease”, the following are the Disclosures:

The Company has entered into an operating lease agreement for its office premises for a period of 24 months renewable at the option of the lesser and lessee. Total lease payments for the period charged to P&L account is ₹ 14,22,024/- for a period of 12 months (Previous Year - ₹ 28,88,430/- for 21 months).

34. Contingent Liabilities: The company has taken LC's for an amount of ₹ 18,67,47,500/-

35. Details of Inter Corporate Deposits taken by the company is as follows

Sl.No	Name of the Party	Closing Balance as on 31/03/2016
1	MVR Projects Pvt Ltd	6,76,28,975

36. Details of pending advances given to creditors for purchase of machinery is as follows :

Sl.No	Name of the Party	Closing Balance as on 31/03/2016
1	Namokar Consultants Pvt Ltd	1,50,00,000
2	Praveen Road Lines	1,00,00,000

37. Managerial Remuneration

Particulars	31.03.2016	31.03.2015
Salaries and Allowances	18,00,000	18,00,000
Contribution towards Retirement benefits	Nil	Nil
Perquisites	Nil	Nil
Total	18,00,000	18,00,000

38. Auditors Remuneration:

	2015-16	2013-15
Audit Fees	₹ 3,00,000	₹ 3,30,000
Tax Audit	₹ 50,000	₹ 70,000

Exclusive of service tax & out of pocket expenses

39. In compliance with Accounting Standard (AS – 22) “Accounting for taxes on Income” issued by the Institute of Chartered Accountants of India, the company Provided for deferred taxes on timing differences in the books.

Deferred Tax Liability on Fixed Assets	₹	₹
- Opening Balance	1,38,761	(4,55,772)
- During the year	1,70,464	5,94,533
Deferred Tax Asset	3,09,225	1,38,761

40. CIF Value of Imports (In ₹)
- | | For the year | Previous period |
|--|--------------|-----------------|
| a) Capital Equipment's | NIL | NIL |
| b) Purchase of Flowers for trading /others | 385.82 Lakhs | 958.23 Lakhs |
| Purchase of Machinery for trading | NIL | NIL |
| c) Expenditure in Foreign Currency: | | |
| Handling & Freight | NIL | NIL |
| Foreign Travel | 9.29 Lakhs | 5.94 Lakhs |
| Earning in Foreign Currency: | | |
| (FOB Value of Exports) | NIL | NIL |
| d) Raw Materials | NIL | NIL |
41. The Company has made exports of US \$ 68,160 to Era Farm Best Trading STNBHD on 27/12/2012. But the company has realized only US \$ 40,868 as on 31/03/2016. During the year 2015-16 the balance of US \$ 27,292 (₹18,65,040/-) was being shown under Sundry Debtors.
42. In the opinion of the Board the Current assets, Loans and advances are approximately of the value stated if realized in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.
43. Confirmation of balances has not been received from any of the Creditors, Debtors and for Loans & Advances, which are subject to reconciliation. Provision for doubtful debts, if any, in respect of the above and the consequential adjustment, if any, whether of revenue nature or otherwise, will be dealt accordingly.
44. DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:
As regards to the compliance of provisions relating to the dues to Micro, Small and Medium Enterprises in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, the Company has sent letters to the Creditors to confirm whether they are Micro, Small and Medium Enterprises. The Company is yet to receive the confirmations from them. Hence, the Company could not quantify the dues, if any to the Micro, Small and Medium Enterprises.
45. Additional information pursuant to Part II of Schedule III of the Companies Act, 2013.
Quantitative and other details: Current year the company has not undertaken any manufacturing activity in India. Hence it is not applicable.
46. During the year the following provisions are made:
Current Tax - 1,45,98,382/-
47. The figures mentioned in the current period are not comparable with the previous year figures.
48. Previous year's figures have been regrouped, rearranged and reclassified, wherever necessary to match with the current year's figures.
49. Figures have been rounded off to the nearest rupee.

As per our Report of even Date
For **Mathesh & Ramana**
Chartered Accountants , Firm Reg. No. 002020S

B.V. Ramana Reddy
Partner , M.No.026967
Place : Hyderabad, Date: 30.05.2016

For **Neha International Limited**
G.Vinod Reddy
Chairman & Managing Director

Srinivas Sarika **Manoj Sali**
Chief Financial Officer Company Secretary

AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow statement of NEHA INTERNATIONAL LIMITED, Hyderabad for the period ended 31st March, 2016. The statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by report of 30th May, 2016 to the members of the Company.

Place: Hyderabad

Date: 30.05.2016

For **Mathesh & Ramana**

Chartered Accountants

Firm Regn. No.002020S

Sd/-

B V Ramana Reddy

Partner

M.No. 026967

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956,
RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES DRAFT SUBJECT TO AUDIT
FOR THE YEAR FROM 01.04.2015 TO 31.03.2016**

Particulars	Globeagro Holdings	Alliance Flowers	Oromia Wonders	Holetta Roses	Dream Flowers	Neha Agri corp Pte Ltd	NINT Agri Ethiopia	Nehaagri Tanzania	Nehaagri Zambia	Nehaagri Senegal	Nehaagri Uganda	Neha Agri Services	Neha Agri-services FZE - UAE
1 The Financial year of the Subsidiary companies ended on	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016	31.03.2016
2 Date from which they became Subsidiary companies	07.02.2008	07.02.2008	07.02.2008	07.02.2008	07.09.2009	17.02.2010	03.06.2010	14.05.2010	07.03.2011	19.04.2011	27.09.2010	17.02.2010	27.02.2011
3 Country of incorporation	Mauritius	Ethiopia	Ethiopia	Ethiopia	Ethiopia	Singapore	Ethiopia	Tanzania	Zambia	Senegal	Uganda	Singapore	UAE
4. Number of shares held by Neha International Ltd and/or its nominees													
a In the subsidiaries as on 31.03.2016	11,815,735	12999	130000	34999	6500	10	49999	99	99000000	250	99	10	1
b Extent of interest of Neha International Ltd. (holding company) in the Subsidiaries as on 31.03.2016	100%	99.99%	99.99%	99.99%	50%	100%	99.99%	99.99%	99.00%	100.00%	99.00%	100%	100%
5 The net aggregate amount of the Profits/(losses) of the subsidiaries So far as it concerns the members of Neha International Ltd and is not Dealt with in the accounts of Neha International Ltd.													
a For the period ended 31.03.2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b For the previous financial years of the Subsidiary since it became a subsidiary	Nil	1,642,975	5,946,733	9,723,846	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
6 The net aggregate amount of the Profits/(losses) of the subsidiaries So far as it concerns the members of Neha International Ltd Dealt With or provided for in the accounts of Neha International Ltd.													
a For the period ended 31.03.2016	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
For the previous financial years of the Subsidiary since it became a subsidiary	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

3.14 FINANCIAL INFORMATION OF THE SUBSIDIARIES FOR THE PERIOD ENDED 31.03.2016

Particulars	Globeagro Holdings	Alliance Flowers	Oromia Wonders	Holetta Roses	Dream Flowers	Neha Agri corp Pte Ltd	NINT Agri Ethiopia	Nehaagri Tanzania	Nehaagri Zambia	Nehaagri Senegal	Nehaagri Uganda	Neha Agri Services	Neha Agri-services FZE - UAE
Paid-up Share Capital	781,007,086	30,927,520	54,831,093	61,477,787	39,675,799	1,582,634,385	152,599,225	397	1,400,173	367,179	2,617,516	463	629,724
Reserves and Surplus	(279,467,075)	213,741,491	104,456,876	(56,423,470)	(102,810,980)	24,718,609	-	(314,761)	(4,568,618)	(21,872,522)	(1,676,333)	(4,665,783)	78,822,528
Total Assets	813,154,418	274,436,869	325,795,654	140,278,212	57,939,932	1,827,946,109	540,059,094	397	190	2,988,722	1,947,274	630,606	92,597,676
Total Liabilities (Excluding Capital and Reserves)	311,770,400	29,767,858	166,507,685	137,376,494	121,075,113	220,593,115	387,459,868	314,761	3,168,634	24,494,065	1,006,090	5,295,926	13,145,423
Investments (Excluding Investment in subsidiaries)	155,993	0	0	152,599	0	0	0	0	0	0	0	0	0
Total Income	514,492,876	35,347,229	480,372,386	73,027,254	30,381,124	3,350,529,794	0	0	0	0	0	0	0
Profit before tax	(6,112,939)	(13,632,755)	23,294,195	(10,631,549)	(20,885,183)	63,547,050	0	(6,610)	(52,445)	(260,518)	(1,322)	(848,450)	(80,965)
Provision for taxation	6,988,244	0	(6,988,259)	0	0	6,516,713	0	0	0	0	0	0	6
Profit after tax	(13,101,183)	(13,632,755)	16,305,937	(10,631,549)	(20,885,183)	57,030,337	0	(6,610)	(52,445)	(260,518)	(1,322)	(848,450)	(80,965)
Proposed Dividend (including tax thereon)	0	0	0	0	0	0	0	0	0	0	0	0	0

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

NEHA INTERNATIONAL LIMITED

Report on the Consolidated Financial Statements:

We have audited the accompanying consolidated financial statements of Neha International Limited and its subsidiaries, which comprise the Consolidated Balance Sheet as at March 31, 2016, and the consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the period ended March 31, 2016, 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 in terms of the requirements of the Companies Act 2013 that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error; which have been used for the purpose of preparation of the Financial Statements by the Directors of the company, as afore said

Auditor's Responsibility:

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and fair presentation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has an adequate Internal Financial Control System over Financial Reporting in place and the operating effectiveness of such Controls. 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 obtained by us and the Audit Evidence obtained by other Auditors in terms of their reports referred to in Emphasis of Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

**Emphasis of Matter:**

We have not audited the financial statements of foreign subsidiaries, whose financial statements reflect total assets of INR 114.12 Crores as at March 2016, total revenue of INR 388.775 Crores and net cash inflows amounting to INR (276.79) Lakhs for the period ended was considered for the purpose of the financial statements. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us for the purpose of consolidation and our opinion in so far as it related to the amounts included in respect of the subsidiaries are based solely on the report of other auditors. In respect of audit reports of subsidiaries, the auditors have commented on the following issues:

- (a) In case of all Subsidiaries there is a comment on Sundry Debtors and Sundry Creditors which include long outstanding balances with no movement for more than a year.
- (b) With regards to M/s. Holetta Roses plc., the subsidiary company auditor without qualifying his opinion has drawn attention to the following issue. The statement of profit and loss shows that the company has incurred loss of Birr 28,46,106 (₹ 86.86 Lacs) for the year under audit and Birr 1,85,43,573 (₹ 565.95Lacs) accumulated to date (which is 92% of the paid up capital) whereas the paid up capital stands at Birr 20,143,545 (₹ 614.781 Lacs). This circumstances raise doubt about the company's ability to continue as a going concern.
- (c) With regards to M/s. Dream Flowers Plc., the subsidiary company auditor without qualifying his opinion has drawn attention to the following issue. The statement of profit and loss shows that the company has incurred loss of Birr 71,28,250 (₹ 217.55 Lacs) for the year under audit and Birr 3,36,86,599 (₹ 1028.11 Lacs) cumulated to date (which is more than 100% of the paid up capital) whereas the paid up capital stands at Birr 13,000,000 (₹ 396.76 Lacs). This circumstances raise doubt about the company's ability to continue as a going concern.
- (d) With regards to Globeagro Holdings., the subsidiary company auditor has given Disclaimer opinion on the financial statements as the auditors were unable to assess whether audit procedures carried out by the other Step Subsidiary auditors complied with International Standards on Auditing so as to give a true & fair view of the Financial position of the Group as at 31st March 2016 and the performance, changes in Equity and Cash flows of the Group ended on that date.
- (e) With regards to Neha Agricornp PTE .LTD. the subsidiary company auditor given Disclaimer opinion on the financial statements as the auditors were unable to assess whether the audit procedures carried out by the other Step Subsidiary auditors were complied with Singapore Financial Reporting Standards on Auditing.
- (f) With regards to Neha Agriservices PTE .LTD. the subsidiary company Auditor has given Qualified opinion stating that the company has an Investment in Neha Agriservices FZE. Amounting to INR 6.30 lacs as of 31/03/2016. The Company holds 100% interest in Neha Agriservices FZE .The ability of the company to realize the Investment in Neha Agriservices FZE. is highly depended on subsequent collection of the trade receivables and advances to suppliers which has no movement for more than a year totaling to more than 95% of the subsidiary. The subsidiary auditors were unable to carry out the Audit procedures necessary to satisfy themselves as to recoverability of investment in Neha Agriservices FZE. and any adjustment to this amount may have a significant consequential effect on the financial position of the company as at 31st March 2016.

We report that the consolidated financial statements have been prepared by the company's management in accordance with requirements of the Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

Opinion:

In our opinion, except for the effects of the matters stated in the above paragraph and to the best of our information and according to the explanations given to us, the consolidated 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 Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2016; and
- (b) in the case of the Consolidated Statement of Profit and Loss Account, of the profit for the period (12 Months) ended on that date.
- (c) in the case of the Consolidated Cash Flow Statement, of the Cash Flows, for the period (12 Months) ended on that date.

Report on Other Legal and Regulatory Requirements:**I. As required by section 143(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 and the reports of the other Auditors.
- c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules 2014.
- e. On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164(2) of Act.
- f. With respect to the other matters to be included in auditor's report in accordance with Rule 11 of Companies (Audit and Auditors), Rules 2014, in our opinion and to the best of our information and according to the explanation given to us;
- i. The Company has disclosed the impact of pending litigation of its financial position in its financial statements.
- ii. In our opinion and as per the information and explanations provided to us, the company not entered into any long term contracts including derivate contracts, requiring under applicable laws or accounting standards for material foreseeable losses, and
- iii. There has been no delay in transferring to the Investor Education and Protection Fund by the Company.

For **Mathesh & Ramana**
Chartered Accountants,
Firm Reg. No. 002020S

Place : Hyderabad
Date: 22.07.2016

B.V. Ramana Reddy
Partner , M.No. 026967



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CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH , 2016

Amount in ₹

PARTICULARS	Note No.	As on 31.03.2016	As on 31.03.2015
I EQUITY AND LIABILITIES			
I Shareholder's Funds			
Share Capital	2	283,795,680	283,795,680
Reserves and Surplus	3	2,225,993,325	2,056,172,515
2 Share application money pending allotment		-	-
3 Non-Current Liabilities			
Long-term borrowings	4	122,603,187	156,504,371
Long term provisions	5	3,992,829	2,310,962
4 Current Liabilities			
Short-term borrowings	6	187,582,949	213,921,939
Trade payables	7	701,701,247	590,435,289
Other current liabilities	8	336,377,377	194,250,182
Short-term provisions	9	74,984,802	62,974,698
Total		3,937,031,398	3,560,365,636
II Assets			
I Non-current assets			
Fixed assets	10		
Tangible assets		356,552,656	364,554,995
Intangible assets		380,793,958	380,793,958
Capital work-in-progress		389,753,144	324,347,352
Intangible assets under development			
Non-current investments	11	152,600	151,635
Deferred tax assets (net)	12	309,225	138,761
Other non-current assets	13	3,935,302	1,717,124
2 Current assets			
Current investments		-	-
Inventories	14	28,141,653	39,519,368
Trade receivables	15	2,255,229,501	974,299,835
Cash and cash equivalents	16	64,574,018	80,055,968
Short-term loans and advances	17	371,493,147	1,370,906,634
Other current assets	18	86,096,193	23,880,006
Total		3,937,031,398	3,560,365,636

As per our Report of even Date

For **Mathesh & Ramana**

Chartered Accountants , Firm Reg. No. 002020S

For **Neha International Limited****G.Vinod Reddy**

Chairman & Managing Director

B.V. Ramana Reddy

Partner , M.No.026967

Place : Hyderabad, Date: 22.07.2016

Srinivas Sarika
Chief Financial Officer**Manoj Sali**
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2016

Amount in ₹

PARTICULARS	Note No	For the year ended 31.03.2016	For the period ended 31.03.2015
INCOME			
Revenue from operations	19	6,401,523,849	3,263,521,965
Other Income	20	6,076,652	8,256,317
TOTAL REVENUE (I)		6,407,600,501	3,271,778,282
EXPENSES			
Cost of materials consumed	21	169,505,679	104,736,939
Purchase of Stock-in-Trade	22	5,791,801,470	2,919,255,283
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	15,036,393	(18,827,644)
Employee benefit expense	24	20,130,763	18,415,355
Financial costs	25	63,723,524	68,271,377
Other expenses	26	259,142,286	145,588,763
Depreciation and amortization expense	10	14,785,572	23,827,564
TOTAL EXPENSES (II)		6,334,125,688	3,261,267,636
Profit before exceptional and extraordinary items and tax (I-II)		73,474,813	10,510,646
Exceptional Items		-	-
Profit before extraordinary items and tax		73,474,813	10,510,646
Extraordinary Items		-	-
Profit before tax		73,474,813	10,510,646
Tax expense:			
Current tax		21,586,626	12,186,429
Deferred tax		(170,464)	(594,533)
MAT Tax Credit		-	-
Profit(Loss) from the period from continuing operations		52,058,652	(1,081,250)
Profit/(Loss) from discontinuing operations		-	-
Minority Interest		(10,416,733)	(7,096,985)
Profit/(Loss) from Discontinuing operations		-	-
Profit/(Loss) for the period		62,475,384	6,015,735
Earning per equity share:			
Basic		2.20	0.21
Diluted		2.20	0.21
Summary of Significant Accounting Policies	I		

As per our Report of even Date
For **Mathesh & Ramana**
Chartered Accountants , Firm Reg. No. 002020S

B.V. Ramana Reddy
Partner , M.No.026967
Place : Hyderabad, Date: 22.07.2016

For **Neha International Limited**
G.Vinod Reddy
Chairman & Managing Director

Srinivas Sarika **Manoj Sali**
Chief Financial Officer Company Secretary

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****2. SHARE CAPITAL**

Amount in ₹

PARTICULARS	Number of Shares	As at	Number of Shares	As at
		31.03.2016		31.03.2015
		₹		₹
Authorised				
Equity shares of ₹ 10 each with voting rights	40,000,000	400,000,000	40,000,000	400,000,000
Issued				
Equity shares of ₹ 10 each with voting rights	28,379,568	283,795,680	28,379,568	283,795,680
Subscribed & Fully Paid Up				
Equity shares of ₹ 10 each with voting rights	28,379,568	283,795,680	28,379,568	283,795,680

a) A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	No. of	As at	No. of	As at
	Shares	31.03.2016 ₹	Shares	31.03,2015 ₹
Equity Shares of ₹ 10 each, Fully paid up :				
At the beginning of the reporting period	28,379,568	283,795,680	28,379,568	283,795,680
Issued during the period - Bonus Issue	-	-	-	-
Issued during the period- Cash Issue	-	-	-	-
Issued during the period- ESOP	-	-	-	-
Forfeited / Bought Back during the year	-	-	-	-
Outstanding at the end of the reporting period	28,379,568	283,795,680	28,379,568	283,795,680

b) Details of Shareholder holding more than 5% shares of the company

Name of the Share Holder	Period Ended 31.03.2016		As at 31.03.2015	
	Number of Shares	% Share Holding	Number of Shares	% Share Holding
Equity Shares of ₹ 10 each Held By				
MVR Projects Private Limited	4,000,000	14.09%	4,000,000	13.97%
B Vikram Kumar Bagmar	1,750,985	6.17%	-	-
The Bank of Newyork melon	-	-	4,620,000	16.28%

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

3 RESERVES AND SURPLUS

Amount in ₹

PARTICULARS	As at 31.03.2016	As at 31.03.2015
RESERVES AND SURPLUS		
a) Capital reserve		
As at the commencement of the year	43,170,000	43,170,000
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
	43,170,000	43,170,000
b) Securities Premium Reserve		
As at the commencement of the year	1,425,867,858	1,425,867,858
Add: Shares premium on shares allotment	-	-
Less: Utilised for Capital raising expenses during the year	-	-
	1,425,867,858	1,425,867,858
c) Foreign Currency exchange reserve	379,726,483	272,381,056
d) Surplus :		
i) Opening Balance - Profit and Loss Account	314,753,601	311,239,937
Add: Transfer from Profit & Loss Account	62,475,384	6,015,735
Less: Transfer To General Reserve	-	-
Less: Dividend	-	-
Less: Bonus shares	-	-
Less: Transfer to/from reserve.	-	2,502,071.00
	377,228,985	314,753,601
Total Reserves and Surplus	2,225,993,325	2,056,172,515

4 LONG TERM BORROWINGS

Vehicle Loans:

From banks:

Secured

875,944

-

(Secured by Hypothecation of Vehicles)

Term loans:

From banks:

Secured

54,098,268

81,909,396

Notes :

(a) Corporate Loan from State Bank of Mauritius is secured by the collateral property and personal guarantee of the Promoter Director of the respective subsidiary.

19,000,000

38,000,000

(b) The term loans have been taken in overseas subsidiaries and step down subsidiaries and the have been secured by the assets of the respective subsidiary.

35,098,268

43,909,396

From other parties:

Unsecured

67,628,975

74,594,975

Total long term borrowings**122,603,187****156,504,371**



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amount in ₹

Note No.	PARTICULARS	As at 31.03.2016	As at 31.03.2015
5	LONG TERM PROVISIONS		
	Provisions for employee benefits	737,159	
	Provision for Gratuity	3,255,670	2,310,962
	Total Long Term Provisions	3,992,829	2,310,962
6	SHORT TERM BORROWINGS.		
I	Short term borrowings		
a)	Loans repayable on demand:		
	From banks		
	Secured	113,989,172	124,449,773
	From other parties		
	Unsecured	67,214,355	70,214,355
b)	Loans and advances from Related parties		
	Unsecured	6,379,422	19,257,811
Notes :			
a	Cash credit from M/s Union Bank of India and Bank of Maharashtra is secured by collateral property and Personal Guarantee of Promoter Director	49,839,676	49,592,074
b	Termloans at overseas subsidiaries payable in short term are secured by the assets of the respective subsidiaries and step subsidiaries	64,149,496	74,857,699
	Total short term borrowings	187,582,949	213,921,939
7	TRADE PAYABLES		
	Trade Payables	701,701,247	590,435,289
	Total Trade Payables	701,701,247	590,435,289
8	OTHER CURRENT LIABILITIES		
	Current maturities of long term debt	19,200,973	12,000,000
	Other Payables	327,640,713	187,231,284
	- Minority Interest	(10,464,309)	(4,981,103)
	Total other current liabilities	336,377,377	194,250,182
9	SHORT TERM PROVISIONS		
	Provision for expenses		
	Income tax payable	21,586,626	7,457,400
	Others (Specify the nature)		
	Tax Deducted at source	-	-
	Provision for Expenses	53,398,176	55,517,298
	Total short term provisions	74,984,802	62,974,698

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
NOTE NO. 10 - TANGIBLE ASSETS & INTANGIBLE ASSETS

Amount in ₹

Description	Gross Block				Depreciation / Amortisation				Net Block		
	As at 01-04-15	Additions during the year	Deletions during the period	Exchange Fluctuation	As at 31st March, 2016	As at 01-04-15	Charge for the Period	Deletions for the Period	Exchange Fluctuation	As at 31st March, 2016	As at 31st March, 2015
Tangible Assets:											
Land and Development	72,146,985	-	-	-	72,146,985	-	-	-	-	72,146,985	72,146,985
Patents & Trademarks	225,000	-	-	-	225,000	225,000	-	-	-	-	-
Buildings	23,511,922	-	-	149,470	23,661,392	3,254,906	389,957	-	16,416	20,000,112	20,257,016
Green Houses	129,344,517	-	-	857,516	130,202,033	48,740,193	6,274,576	-	253,012	74,934,252	80,604,324
Plant Materials	134,147,676	1,556,043	-	863,101	136,566,821	115,951,473	2,907,565	-	978,119	16,729,663	18,196,203
Furniture & Fixtures	2,687,542	-	-	-	2,687,542	1,894,322	169,212	-	-	624,008	793,220
Office Equipment	3,878,151	33,648	-	10,157	3,921,956	2,895,562	127,523	-	3,174	895,697	982,588
Computers	1,434,756	-	-	2,131	1,436,887	1,369,411	37,858	-	1,647	27,971	227,607
Vehicles	12,164,607	6,413,252	-	7,556	18,585,415	9,577,345	1,783,521	-	38,079	7,186,470	2,587,262
D.G Set	-	-	-	-	-	-	-	-	-	-	-
Plant and Machinery	207,909,403	-	-	1,693,956	209,603,359	39,149,612	6,220,134	-	226,115	164,007,498	168,759,790
Total	587,450,558	8,002,943	-	3,583,889	599,037,389	223,057,825	17,910,347	-	1,516,562	356,552,656	364,554,995
Previous year	593,637,669	10,441,977	1,239,204	(16,643,009)	586,197,434	199,610,330	29,104,972	-	(7,072,862)	364,554,995	39,035,222
Intangible assets											
Goodwill	380,793,958	-	-	-	380,793,958	-	-	-	-	380,793,958	380,793,958
Deferred charges	4,623,016	-	-	-	4,623,016	3,716,594	-	-	3,716,594	-	-
Total	385,416,974	-	-	-	385,416,974	3,716,594	-	-	-	380,793,958	380,793,958
Capital work in progress	324,347,352	65,405,792	-	-	389,753,144	-	-	-	-	389,753,144	324,347,351

Note: The depreciation at one of the step subsidiary M/s NIINT Agri PC to the extent of Rs.31,24,775/- had been capitalized since the project has not yet come to operations.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amount in ₹

Note No.	PARTICULARS	As at 31.03.2016	As at 31.03.2015
11	NON- CURRENT INVESTMENTS		
	Non- Current Assets		
1)	Investment in Subsidiaries		
a)	Equity Shares	152,600	151,635
	Total Non Current Investments	152,600	151,635
	Less: Provision for Diminution in Investments	-	-
	Total Non - Current Assets (Net)	152,600	151,635
	Aggregate amount of Unquoted Investments;	152,600	151,635
12	DEFERRED TAX ASSETS (NET)		
	Opening Deferred tax Asset	138,761	(455,772)
	Add: Deferred Tax Income for the year	170,464	594,533
	Deferred Tax Liability/ (Asset) - Net	309,225	138,761
13	OTHER NON - CURRENT ASSETS		
	Interest Accrued on Deposits	2,350,158	616,420
	Others (specify the nature)		
	Deposits	1,585,144	1,100,704
	Miscellaneous Expenditure (to the extent not written off)	-	-
	Total other non current assets	3,935,302	1,717,124
	Less : Provision for Bad and Doubtful debts	-	-
	Total non - current assets (net)	3,935,302	1,717,124
14	INVENTORIES		
	Inventories :		
a)	Raw materials		
	Material - Fertilizers, Chemicals and Pesticides	22,632,988	18,974,310
	Sub Total	22,632,988	18,974,310
b)	Work - in - progress		
	Sub Total	-	-
c)	Finished goods		
	Sub Total	-	-
d)	Stock - in - trade (in respect of goods acquired for trading)		
	Type - Agri products	5,508,665	20,545,058
	Sub Total	5,508,665	20,545,058
	Total Inventories	28,141,653	39,519,368

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amount in ₹

Note No.	PARTICULARS	As at 31.03.2016	As at 31.03.2015
15	TRADE RECEIVABLES		
	Outstanding for a period exceeding six months from the date they are due for payment		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	277,177,543	239,514,505
	Doubtful	-	-
		277,177,543	239,514,505
	Other Receivables:		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	1,978,051,958	734,785,330
	Doubtful	-	-
		1,978,051,958	734,785,330
	Total trade receivable	2,255,229,501	974,299,835
	Less : Allowance for bad & doubtful debts	-	-
	Total Trade Receivables(net)	2,255,229,501	974,299,835
16	CASH AND BANK BALANCES		
	Cash and cash equivalents :		
	a) Balances with banks :		
	1) On Current Accounts	12,733,964	36,656,132
	2) Margin Money	48,349,402	36,734,365
	b) Cash on hand	3,490,652	6,665,471
	Total Cash and Cash Equivalents	64,574,018	80,055,968
17	SHORT TERM LOANS AND ADVANCES		
	Other loans And advances (Specify the nature)		
	Advance for Expenses	66,381,353	25,427,003
	Advance to staff	1,935,655	50,591
	Advance to Suppliers	260,197,525	68,494,163
	Advance to Capital works	41,566,700	1,276,505,999
	Prepaid Expenses	933,066	107,495
	TDS Receivable	478,848	321,888
	Total short term loans & advances(net)	371,493,147	1,370,906,634
18	OTHER CURRENT ASSETS		
	Other Current Assets	86,096,193	23,880,006
	Total Other Current Assets	86,096,193	23,880,006

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Amount in ₹

Note No.	PARTICULARS	As at 31.03.2016	As at 31.03.2015
19	REVENUE FROM OPERATIONS		
	Revenue from operations		
	Merchandising Sales (Flowers)	8,455,620	-
	Local Sales (Agricultural Items)	1,852,453,757	3,003,681,155
	Export Sales (Agricultural Items)	4,540,614,471	259,840,810
	Total Revenue from Operations	6,401,523,849	3,263,521,965
20	OTHER INCOME		
	Other Income (Incentives Receivables)	6,076,652	8,256,317
	Total Other Income	6,076,652	8,256,317
21	Cost of Material Consumed		
	Raw Material Consumed	-	-
	Fertilisers, Chemicals & Pesticides	69,258,305	29,089,444
	Wages and Bonus	75,586,847	64,803,947
	Genset Maintenance	5,589,823	-
	Other Manufacturing Expenses	11,314,895	5,579,405
	Farm Maintenance	7,755,810	5,264,142
	Total Cost Of Contracts	169,505,679	104,736,939
22	PURCHASE OF STOCK IN TRADE		
	Merchandising Purchases (Flowers)	-	-
	Local Purchases (Agricultural Items)	5,791,801,470	2,919,255,283
	Purchases - (Cashew Nuts)	-	-
	Total Trade Purchases	5,791,801,470	2,919,255,283
23	CHANGE IN INVENTORIES & WIP.		
	Stock in trade		
	Stock in trade at the beginning of the year	20,545,058	1,717,414
	Less : Stock in trade at the end of the year	(5,508,665)	(20,545,058)
		15,036,393	(18,827,644)
	(Increase)/Decrease in Inventories	15,036,393	(18,827,644)
24	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Wages	18,299,502	16,549,873
	Staff Welfare Expenses	31,261	65,482
	Managerial Remuneration	1,800,000	1,800,000
	Total Employee Benefit Expenses	20,130,763	18,415,355

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amount in ₹

PARTICULARS	As at 31.03.2016	As at 31.03.2015
25 FINANCE COST		
Bank Charges	15,956,869	23,026,122
Other Interest	9,256,378	23,097,560
Interest on Bank Loans	38,458,600	21,238,943
Interest on Hire Purchase	51,677	908,752
Total Finance Cost	63,723,524	68,271,377
26 OTHER EXPENSES		
Insurance	3,632,195	2,953,748
Listing Fee and Annual Registration Fee	573,086	1,110,925
Share Transfer Expenses	80,637	121,989
Repairs and Maintenance	120,847	137,395
Office Maintenance	2,673,978	491,143
Transportation Expenses	72,995	83,050
Rent	5,910,355	6,135,382
Advertisement Expenses	88,385	203,538
Payment to Auditors:		
As Auditor	1,614,594	2,780,107
Miscellaneous Expenditure	18,498,970	11,952,876
Telephone, Postage and Others	1,064,439	1,779,258
Conveyance	11,209,405	4,164,581
Printing & Stationery Expenses	1,351,945	798,168
Professional Consultancy fee	1,243,114	1,455,572
Director Sitting Fee	45,600	39,326
Selling Expenses		
Handling charges	-	2,459,916
Packing Material consumed	54,512,335	8,597,904
Carriage outwards - Exports	146,558,693	88,303,388
Carriage outwards - Local	3,617,234	2,060,710
Business Promotion	1,725,512	-
Exchange fluctuation loss	4,547,968	9,959,788
Total Other expenses	259,142,286	145,588,763



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CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2016

PARTICULARS	Year ended 31.03.2016 (₹ in lacs)	Period ended 31.03.2015 (₹ in lacs)
Cash Flow from Operating Activities:		
Net Profit before Exceptional Item	624.75	105.26
Adjustment for:		
Interest Expenses	637.24	682.71
Depreciation	147.86	238.28
Miscellaneous Expenditure Written off	-	-
Provision for MAT (Net)	-	5.95
Operating Profit before working Capital Changes	1,409.84	1032.20
Adjustment for:		
Debtors and other receivables	(12,809.30)	(5,515.20)
Increase/Decrease in Loans & Advance	9,349.81	(1,216.15)
Increase /Decrease in Inventories	113.78	(259.31)
Increase/Decrease in Creditors and other payables	2,670.85	6,004.91
A) Net Cash from operating Activities(A)	734.98	46.45
Cash Flow from Investing Activities:		
Sale of Fixed Assets		
Additions in Fixed Assets & Exchange Fluctuation reserve	351.54	201.86
Additions/deletions in Intangible asset	(1.70)	(1.34)
Investments	-	-
B) Net Cash used in investing activities:(B)	349.84	200.52
Cash Flow from Financing Activities:		
Repayment of Long Term Borrowings	(339.01)	1,038.55
Net Proceeds from secured loan	(104.61)	(463.38)
Proceeds from unsecured loan	(158.78)	(10.48)
Issue of Equity Shares/Share application money/Reserves	-	-
Miscellaneous expenses	-	-
Interest paid	(637.24)	(682.71)
C) Net Cash used in Financing Activities	(1,239.64)	(118.04)
Net Decrease/Increase in Cash and cash Equivalents:(A+B+C)	(154.81)	128.93
Cash and Cash equivalent at the beginning of the year	800.55	671.62
Cash and Cash equivalent at the end of the year	645.74	800.55

As per our Report of even Date

For **Mathesh & Ramana**

Chartered Accountants , Firm Reg. No. 002020S

B.V. Ramana Reddy

Partner , M.No.026967

Place : Hyderabad, Date: 22.07.2016

For **Neha International Limited****G.Vinod Reddy**

Chairman & Managing Director

Srinivas Sarika

Chief Financial Officer

Manoj Sali

Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2016

I. CORPORATE INFORMATION :

Neha International limited (“The Company”) was incorporated on 12th July 1993. The company is engaged in the business of Floriculture, corporate farming and trading in agricultural commodities.

Neha International Limited has four subsidiaries. M/s GlobeAgro Holdings is one of the subsidiary based in Mauritius. It has substantial stake in Three (3) Floriculture Companies namely Holetta Roses Plc, Alliance Flowers Plc and Oromia Wonders Plc. all located in Ethiopia. These Companies produce some of the best T-hybrid roses and sell them at premium prices across the world including leading auction houses like Vba and Flora Holland in Netherlands. The company has the 100% stake in M/s Neha Agricorp Pte Ltd and M/s Neha Agri services Pte Ltd based in Singapore. The company also has the 50% stake with controlling interest in Floriculture company M/s Dream Flowers PLC, Located in Ethiopia.

The list of subsidiaries considered in these financial statements with percentage of holding is as follows.

Name of the Subsidiary	Country of Incorporation	Percentage of Holding	Period of Consolidation
M/s. Globeagro Holdings	A subsidiary of Neha International Ltd Incorporated under the laws of Mauritius	100%	1st April 2015 to 31st March 2016
M/s. Holetta Roses Plc.	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%	1st April 2015 to 31st March 2016
M/s. Alliance Flower Plc.	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%	1st April 2015 to 31st March 2016
M/s. Oromia Wonders Plc.	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%	1st April 2015 to 31st March 2016
M/s. NINT Agri Plc.	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Ethiopia	99.99%	1st April 2015 to 31st March 2016
M/s. Neha Agri Tanzania Ltd.	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Tanzania	99.00%	1st April 2015 to 31st March 2016
M/s. Neha Agri Ventures (U) Ltd.	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Uganda	99.00%	1st April 2015 to 31st March 2016
M/s. Neha Agri Zambia Ltd.	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Zambia	99.00%	1st April 2015 to 31st March 2016
M/s. Neha Agri Senegal, SURAL	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Senegal	100%	1st April 2015 to 31st March 2016
M/s. Neha Agriservices Pte. Ltd.	A subsidiary of Neha International Ltd Incorporated under the laws of Singapore	100%	1st April 2015 to 31st March 2016
M/s. Neha Agriservices FZE	A subsidiary of Neha Agri Services Pte. Ltd. Incorporated under the laws of UAE	100%	1st April 2015 to 31st March 2016
M/s. Dream Flowers Plc.	A subsidiary of Neha International Ltd Incorporated under the laws of Ethiopia	50%	1st April 2015 to 31st March 2016
M/s. Neha Agri Corp Pte. Ltd.	A subsidiary of Neha International Ltd Incorporated under the laws of Singapore	100%	1st April 2015 to 31st March 2016



IA. Summary of Significant Accounting Policies:

IA.1 Basis of Preparation:

These Consolidated Financial statements have been prepared to meet the requirements of clause 32 of the listing agreement with stock exchange. The consolidated financial statements of Neha International Limited and its subsidiaries (as listed in Schedule I above) collectively referred to as the 'Neha International Group' or the 'Group', have been prepared and presented under the historical cost convention, on the accrual basis of accounting, in accordance with the provisions of the Companies Act, 2013, to the extent considered necessary for the purpose of these accounts, and in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the mandatory Accounting standards ('AS') issued by the Institute of Chartered Accountants of India ('ICAI'), to the extent applicable. The financial statements are presented in Indian rupees rounded off to the nearest rupee.

The financial statements of the Company and its subsidiary have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances and intra group transactions and resulting unrealized profits are eliminated in full. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered.

The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.

All Assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013.

IA.2 Principles of Consolidation:

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 "Consolidated Financial statement" issued by the ICAI. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Parent company and its subsidiaries have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating the intra-group balances/ transactions and resulting unrealized profits in full. Unrealized losses resulting from intra-group transactions have also been eliminated unless cost cannot be recovered, and are presented to the extent possible, in the same manner as the company's independent financial statements.
- b) The excess of cost to the parent company of its investment in the subsidiary over the parent company's portion of equity at the date on which investment in the subsidiary is made, is recognized as Goodwill (on consolidation). When the cost to the parent of its investment in the subsidiary is less than the parent's company's portion of equity of the subsidiary at the date on which investment in the subsidiary is made, the difference is treated as Capital Reserve (on consolidation) in the consolidated financial statements.
- c) The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date as that of the parent company i.e. period ended 31st March, 2016.
- d) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments in the subsidiary companies are made and further movements in their share in the equity, subsequent to the dates of investments.

IA.3 Use of Estimates:

The preparation of the consolidated financial statements requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Management believes that estimates made in the preparation of consolidated financial statements are prudent and

reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

IA.4 Fixed Assets:

Fixed assets are stated at cost less depreciation. Cost includes freight, duties, taxes and incidental expenses related to acquisition and installation of the fixed assets. The expenses related to, and incurred during implementation period have been capitalized under the appropriate heads.

IA.5 Depreciation:

Depreciation on Fixed assets has been charged on straight-line method at the rates and the manner specified in schedule II to the companies act, 2013. The cost of plant materials including replantation expenses is being written off over a period of five years

IA.6 Inventories:

Inventories have been taken as valued and certified by the Management. The basis of valuation is as under:

Raw materials, Stores & Spares - at cost or net realizable value whichever is lower.

Finished goods – at cost or net realizable value on FIFO basis whichever is lower.

IA.7 Retirement benefits:

i) Company's contribution to provident fund if any is charged to Profit & Loss Account.

(ii) Provision has been made in accounts for the future payment of gratuity to the employees of the Company.

IA.8 Revenue Recognition:

The company follows mercantile system of accounting and recognizes significant items of income and expenditure as and when they are incurred and accrued.

IA.9 Investments:

Current Investments are valued at cost or market price whichever is lower and in the absence of market quotation, cost price is adopted. Long Term Investments are valued at cost.

IA.10 R&D Expenditure:

Capital expenditure is included in the fixed assets and depreciation as per Company's policy.

Revenue expenditure is charged to profit & loss account of the year in which they are incurred is included in the respective heads of expenditure.

IA.11 Borrowing Costs:

Borrowings costs that are directly attributable to the acquisition of qualifying assets are capitalized as part of cost of such asset. 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.

IA.12 Cash Flow Statement:

The Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March, 2016 and the related Profit and Loss Account for the year ended on that date. The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard - 3 on Cash Flow statement issued by ICAI.

A.13 Accounting For Taxes On Income:

Current Tax: Provision for Current Income Tax is made on the basis of the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.



Deferred Tax: Deferred income tax is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. The tax effect is calculated on the accumulated timing differences at the year end based on tax rates and laws. Enacted or substantially enacted as of the Balance Sheet date.

IA.14 Employee Stock Option Scheme:

The company accounts for equity settled stock options as per the accounting treatment prescribed by Securities and Exchange Board of India (share based employee benefits) Regulations, 2014 and the Guidance Note on Employee Share-based Payments issued by the Institute of Chartered Accountants of India.

IA.15 Impairment Of Assets:

The management assesses using external and internal sources whether there is any indication that an asset may be impaired. Impairment of an asset occurs where the carrying value exceeds the present value of cash flow expected to arise from the continuing use of the asset and its eventual disposal. The provision for impairment loss is made when recoverable amount of the asset is lower than the carrying amount.

IA.16 Government Grants & Other Claims:

Revenue grants including subsidy/rebates, refunds, claims etc., are credited to profit & loss account under other income or deducted from the related expenses. Grants related to fixed assets are credited to capital reserves account or adjusted in the cost of such assets as the case may be, as and when the ultimate realisability of such grants etc., are established/realized.

IA.17 Provisions and Contingent Liabilities and Contingent Assets:

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of obligations and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but if material, are disclosed in the notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

IA.18 Cash and Cash Equivalents:

Cash and cash equivalents comprise of cash at bank and cash in hand. The Company considers all highly liquid investments with an original maturity of three months or less from date of purchase, to be cash equivalents.

IA.19 Leases:

Lease rentals in respect of assets acquired under operating lease are charged to Statement of Profit and Loss.

IA.20 Intangible Assets:

The expense incurred on the development of overseas markets has been recognized as Intangible Assets and will be amortized over a period of five years. The company is following the practice of writing off Deferred Revenue Expenses over a period of five years and the same accounting treatment is consistently followed for the current year also. Any new deferred revenue expenditure incurred will be written off in the year of such expenditure as per Accounting Standard 28.

IA.21 Segment Reporting:

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the company. Further,

- (i) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market based.
- (ii) Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the company as a whole and are not allocable to segments on a reasonable basis, have been included under "Un-allocated corporate expenses net of un-allocated income".

1A.22 Foreign Currency transactions:

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Net exchange gain or loss resulting in respect of foreign exchange transactions settled during the period is recognized in the profit and loss account except for the net exchange gain or loss on account of imported fixed assets, which is adjusted in the carrying amount of the related fixed assets. Foreign currency denominated current assets and current liabilities at period end are translated at the period end exchange rates and the resulting net gain or loss is recognized in the profit and loss account, except for exchange differences related to acquisition of fixed assets purchased from foreign countries is adjusted in the carrying amount of the related fixed assets.

1A.23 Foreign Currency translation:

The consolidated financial statements are reported in Indian rupees. Since the company has the non-integral subsidiaries, assets and liabilities are translated at exchange rates prevailing at the date of the Balance sheet. The items in the Profit and loss account are translated at the average exchange rate during the period. The differences arising out of the transactions are transferred to Exchange translation reserve on consolidation of non-integral subsidiary, under Reserves and Surplus.

1A.24 Earnings per share:

The basic earnings per equity share is computed by dividing the net profit or loss for the period attributable to the equity shareholders by the weighted average number of equity shares outstanding during the reporting period. The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share, and also the weighted average number of equity shares, which may be issued on the conversion of all dilutive potential shares, unless the results would be anti-dilutive.

Notes to Accounts:

27. In the view of Management, no event has taken place to trigger the need for testing its assets for impairment. Accordingly, as per the management assessment, the carrying values of its assets as at the Balance sheet date are not higher than their corresponding recoverable amounts.

28. Earnings per Share (EPS):

Particulars	Year Ended	Period Ended
	31.03.2016	31.03.2015
	(12 Months)	(21 Months)
Profit attributed to the Equity Shareholders (₹) (A)	6,24,75,384	60,15,735
Weighted average number of Equity Shares		
Outstanding during the year (B)	2,83,79,568	2,83,79,568
Face Value of Equity Shares (₹)	10/-	10/-
Basic Earnings per share (₹) (A/B)	2.20	0.21
Diluted Earnings per Share (₹) (A/B)	2.20	0.21

29. SEGMENTAL REPORTING AS-17

Business Segment: Since the company is into merchandising, trading in flowers, Machinery and other Agri products in addition to growing of flowers, the revenues from each operation is also given below.

Geographical Segment: Geographical Segment of the company are Netherlands, India, Singapore, Ethiopia, Indonesia, Malaysia, Hong Kong and Dubai as the company is engaged in business with these countries.



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Revenue from these segments is as follows.

Segment wise Revenues:

(in ₹)

Revenue	Cut Flowers	Machinery	Trading Sales	Total
Current period	528,760,407	78,993	5,872,684,449	6,401,523,849
Previous Period	277,775,046	2,772,067	2,982,974,852	3,263,521,965

Segment wise Revenues – Operation wise:

(In ₹)

Revenue	Farm Production	Machinery	Trading Sales	Total
Current period	429,677,751	687,518,990	5,284,327,108	6,401,523,849
Previous period	277,775,406	2,772,067	2,982,974,852	3,263,521,965

Geographical Revenues:

(in ₹)

Geographical Segment	REVENUE	
	Current Period	Previous Period
Netherlands	537,216,026	27,77,75,046
India	1,826,259,057.00	2,982,974,852
Singapore	678,300,639	-
Ethiopia	78,993	2,772,067
Indonesia	1,808,298,762	-
Malaysia	1,307,266,634	-
Hongkong	169,963,919	-
Dubai	741,398,19	-
Total:	6,401,523,849	3,263,521,965

30. RELATED PARTY TRANSACTIONS

A. Details of related parties including the summary of transactions entered into by the Neha International Limited during the period ended 31st March, 2016.

Subsidiaries wherein control exists

- Globeagro Holdings, Mauritius
- Holetta Roses PLC, Ethiopia
- Alliance Flowers PLC, Ethiopia
- Oromia Wonder PLC, Ethiopia
- Neha Agricorp Pte Ltd, Singapore
- NINT Agri PLC, Ethiopia
- Neha Agri Tanzania Ltd, Tanzania
- Neha Agri Ventures (U) Ltd, Uganda
- Neha Agri Zambia Ltd, Zambia
- Neha Agri Senegal - SUARL
- Neha Agriservices Pte Ltd, Singapore
- Neha Agriservices FZE, Dubai
- Dream Flowers PLC, Ethiopia

Key Managerial Personnel including relatives	•	Mr.Vinod Reddy G
Companies in which Directors are interested	•	MVR Projects Pvt. Ltd.
Independent Directors	•	Mr. Sarath Kumar P
	•	Smt. Radhika K

Transactions with Related Parties during the year 2015-16

Particulars	Alliance Flowers	Dream	Holetta	Oromia	Neha Agricorp
Purchase of Goods	-	-	-	743.40	-
Payment against material	-	-	-	-	-
Sale of Goods	240.20	-	503.20	-	0.79

Name of the Company or Party	Relationship	Nature of Transaction	Amount ₹ in lakhs	Outstanding amounts carried in the Balance Sheet (₹ in lakhs)
Mr.Vinod Reddy G.	Managing Director	Obtained/re paid Unsecured Loan	81.22	63.80
MVR Projects Pvt Ltd	Directors are interested in the Company	Inter Corporate Deposit	-	676.29

31. In compliance with Accounting Standard – AS 19 “Lease”, the following are the Disclosures:

The Company has entered into an operating lease agreement for its office premises for a period of 24 months renewable at the option of the lesser and lessee. Total lease payments for the period charged to P&L account is Rs.14,22,024/- for a period of 12 months (Previous Year - Rs. 28,88,430/- for 21 months).

32. Contingent Liabilities: The company has taken LC's for an amount of Rs. 18,67,47,500/-

33. Details of Inter Corporate Deposits taken by the company is as follows :

Sl.No	Name of the Party	Closing Balance as on 31.03.2016
1	MVR Projects Pvt Ltd	67,628,975

34. Details of pending advances given to creditors for purchase of machinery is as follows :

Sl.No	Name of the Party	Closing Balance as on 31.03.2016
1	Namokar Consultants Pvt Ltd	1,50,00,000
2	Praveen Road Lines	1,00,00,000

35. Managerial Remuneration

Particulars	31.03.2016	31.03.2015
Salaries and Allowances	18,00,000	18,00,000
Contribution towards Retirement benefits	Nil	Nil
Perquisites	Nil	Nil



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36. Auditors Remuneration:	2015-16	2013-15
Audit Fees	₹ 16,14,594	₹ 27,80,107

37. The company has incurred an expense of Rs2,45,287/- till 31-03-2016 on behalf of M/s NINT Agri PLC, Ethiopia (Subsidiary) which is recoverable from the subsidiary.
38. In compliance with Accounting Standard (AS – 22) “Accounting for taxes on Income” issued by the Institute of Chartered Accountants of India, the company Provided for deferred taxes on timing differences in the books.

Deferred Tax Liability on Fixed Assets	₹	₹
Opening Balance	1,38,761	(4,55,772)
During the year	1,70,464	5,94,533
Deferred Tax Asset	3,09,225	1,38,761

39. The Company has made exports of US \$ 68,160 to Era Farm Best Trading STNBHD on 27/12/2012. But the company has realized only US \$ 40,868 as on 31/03/2016. During the year 2015-16 the balance of US \$ 27,292 (Rs. 18,65,040/-) was being shown under Sundry Debtors.
40. In the opinion of the Board the Current assets, Loans and advances are approximately of the value stated if realized in the ordinary course of the business. The provision for depreciation and all known liabilities are adequate and not in excess of the amount considered reasonably necessary.
41. Confirmation of balances has not been received from any of the Creditors, Debtors and for Loans & Advances, which are subject to reconciliation. Provision for doubtful debts, if any, in respect of the above and the consequential adjustment, if any, whether of revenue nature or otherwise, will be dealt accordingly.
42. **DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006:**
As regards to the compliance of provisions relating to the dues to Micro, Small and Medium Enterprises in terms of Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, the Company has sent letters to the Creditors to confirm whether they are Micro, Small and Medium Enterprises. The Company is yet to receive the confirmations from them. Hence, the Company could not quantify the dues, if any to the Micro, Small and Medium Enterprises.
43. Additional information pursuant to Part II of Schedule III of the Companies Act, 2013. Quantitative and other details: Current year the company has not undertaken any manufacturing activity in India. Hence it is not applicable.
44. During the year the following provisions are made:
Current Tax - Rs.21,586,626/-
45. The figures mentioned in the current period (12 months) are not comparable with the previous year figures.
46. Previous year's figures have been regrouped, rearranged and reclassified, wherever necessary to match with the current year's figures.
47. Figures have been rounded off to the nearest rupee.

As per our Report of even Date
For **Mathesh & Ramana**
Chartered Accountants , Firm Reg. No. 002020S

B.V. Ramana Reddy
Partner , M.No.026967
Place : Hyderabad, Date: 22.07.2016

For **Neha International Limited**
G.Vinod Reddy
Chairman & Managing Director

Srinivas Sarika **Manoj Sali**
Chief Financial Officer Company Secretary

NEHA INTERNATIONAL LIMITED
(CIN: L01122TG1993PLC015987)

Registered Office: "501, Manbhumi Jade Towers,
Rajbhavan Road, Somajiguda, Hyderabad 500 082
Email: complianceofficer@nehainternational.com
website: www.nehainternational.com

22nd ANNUAL GENERAL MEETING
Voting Through Electronic Means

Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised clause 35B of the Listing Agreement, the Company is providing e-voting facility to the Members of the Company, the facility to vote at the 22nd Annual General Meeting to be held on Friday, the 30th September, 2016. Members of the Company can transact all the items of the business through electronic voting system, provided by Central Depository Services Limited, as contained in the Notice of the Meeting.

The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

The Company has appointed Mahavir Jain & Associates, Practicing Company Secretaries, who in the opinion of the Board is a duly qualified person, as a Scrutinizer who will collate the electronic voting process in a fair and transparent manner. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit his report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour of or against, if any, to the Chairman of the Company. Results will be uploaded on the Company's website as well as intimated to the Stock Exchanges (BSE & MSE).

The Procedure and instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26.09.2016 and ends on 29.09.2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23.06.2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

E-voting page

Resolution No. as per Notice	Particulars	No.of shares held	Assent	Dissent
1	Adoption the Audited Balance Sheet of the Company as at 31st March, 2016 and the Statement of Profit and Loss for the period ended 31st March, 2016 and the Report of Directors and the Auditors thereon.			
2	Ratify the appointment of Statutory Auditors and fixing their remuneration			
3	To sell/discard/closure of the non-operative subsidiary, Neha Agri Services Pte Ltd., Singapore.			

NEHA INTERNATIONAL LIMITED

(CIN: L01122TG1993PLC015987)

Registered Office: 501,Manbhum Jade Towers, Rajbhavan Road,
Somajiguda, Hyderabad-500082, Telangana.

Ph:91-40-66364543 Fax: 91-40-66363504

E.mail: complianceofficer@nehainternational.com Website: www.nehainternational.com

Form. No. MGT-10

ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the meeting)

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

I hereby record my presence at the 22nd Annual General Meeting of the shareholders of Neha International Limited on Friday the 30th Day of September, 2016 at 11.00 A.M. at the venue Bhaskara Auditorium, B.M. Birla Science Centre, Adarshnagar, Hyderabad-500063.

Regd. Folio No.:	
No of Shares	

Name & Address of Member

Signature of Shareholder/Proxy/Representative
(Please Specify)

NEHA INTERNATIONAL LIMITED

CIN: L01122TG1993PLC015987)

Registered Office: 501,Manbhum Jade Towers, Rajbhavan Road,
Somajiguda, Hyderabad-500082, Telangana.
Ph:91-40-6636 4543, Fax: 91-40-6636 3504

Form. No. MGT-I I

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN :	L01122TG1993PLC015987
Name of the company :	NEHA INTERNATIONAL LIMITED
Registered office :	501, Manbhum Jade Towers, Rajbhavan Road, Somajiguda, Hderabad-500082, Telangana
Name of the member(s) :	
Registered Address :	
Email Id :	
Folio No	

I /We, being the member(s) of _____ shares of the above named company, hereby appoint

1.	Name		
	Address		
	E-mail Id		
	or failing him	Signature	
2.	Name		
	Address		
	E-mail Id	Signature	
	or failing him		
3.	Name		
	Address	Signature	
	E-mail Id		
	or failing him		

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 22nd Annual General Meeting of the company, to be held on Friday the 30th day of September, 2016 at 11.00A.M. at the venue Bhaskara Auditorium,



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B.M.Birla Science Centre,Adarshnagar,Hyderabad-500063.and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolutions:	For	Against
Ordinary Business:		
1. Receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2016 and the Statement of Profit and Loss for the year ended 31st March, 2016 and the Report of Directors and the Auditors thereon.		
2. Ratify the appointment of Statutory Auditors and fixing their remuneration		
3. To discard / closure / sell of the non-operative subsidiary, Neha Agri Services Pte. Ltd., Singapore		

Signed thisday of2016.

Signature of Shareholder : _____

Signature of Proxy holder(s) : _____

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

Affix Revenue Stamp

PRINTED MATTER

If undelivered, please return to :



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Neha International Limited

Regd. Office : No. 6-3-1090/A/12 &13,
501, Manbhumi Jade Towers, Rajbhavan Road,
Somajiguda, Hyderabad - 500 082, Telangana, INDIA

Tel : 040 6636 4543 Fax : 040 6636 3504

www.nehainternational.com