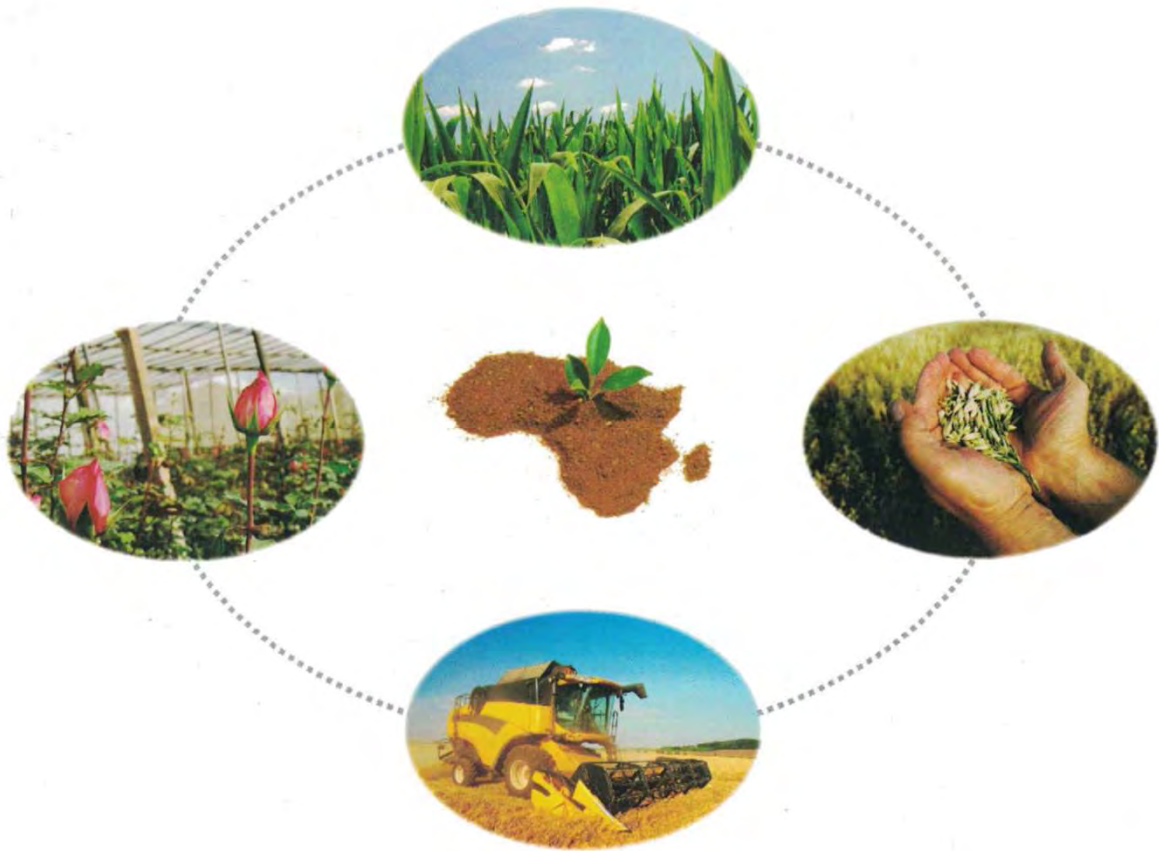




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Twenty Fourth Annual Report



Neha International Limited



NEHA INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Chairman & Managing Director

Shri G. Vinod Reddy

Directors

Shri Ravi Chand Kotha

Smt. G. Vani

Smt. G Lavanya Reddy

(**With effect from 05/12/2018)

Chief Financial Officer

Galla Kameshwar Rau

Company Secretary

Satya Ranjan Jena

(**With effect from 27/04/2018)

Statutory Auditors

M/s Mathesh & Ramana,
Chartered Accountants
3-6-145, Himayathnagar,
Hyderabad – 500029

Secretarial Auditor

Ashok Pipalwa & Co.
6-6-412/5, 2nd Floor,
Gandhinagar,
Secunderabad-500003

Bankers

Bank of Maharashtra
IndusInd Bank
Union Bank of India,
Oriental Bank of Commerce

Registrar & Transfer Agents

XL Softech Systems Ltd.
#3, Sagar Society, Road No. 2,
Banjara Hills,
Hyderabad – 500034

Regd. Office

No. 6-3-1090/a/12 & 13, 5th Floor, Manbhumi Jade Towers
Rajbhavan Road, Somajiguda, Hyderabad – 500082
Telangana, India, www.nehainternational.com
Tel: 040-66364543, 66363504



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NOTICE

Notice is hereby given that the 24th Annual General Meeting of the members of Neha International Limited will be held on Sunday 30th of December 2018 at 11.00 A.M at Bhaskara Auditorium, B.M Birla Science Centre, Adarshnagar, Hyderabad 500 063 to transact the following business.

ORDINARY BUSINESS:

1. To receive consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2018, together with the Report of the Board of Directors and the Auditors thereon and the Audited Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2018 together with the Report of the Auditors thereon.

2. To consider the appointment of a Director in place of Mr. G. Vinod Reddy (DIN: 00074308) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To regularize and approve the appointment of Mrs. G Vani (DIN: 08040631) as an independent director of the Company.

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

Ordinary resolution:

"RESOLVED THAT pursuant to section 149, 150 & 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), Mrs G Vani (DIN: 08040631) who was appointed as an Additional Director in the capacity of Independent director of the Company by the Board of Directors effective from 30th January, 2018 and whose term of office expires at the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member along with the requisite deposit in terms of Section 160 of the Companies Act, 2013 signifying her intention to propose Mrs. G Vani (DIN: 08040631) as a candidate for the office of the director of the Company, be and is hereby appointed as an Independent Director of the Company."

4. To regularize and approve the appointment of Mrs. G Lavanya Reddy (DIN: 06686222) as a Non-Executive director of the Company.

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

Ordinary resolution:

"RESOLVED THAT pursuant to section 149 & 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), Mrs G Lavanya Reddy (DIN: 06686222) who was appointed as an Additional Director by the Board of Directors effective from 5th December, 2018 and whose term of office expires at the Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member along with the requisite deposit in terms of Section 160 of the Companies Act, 2013 signifying her intention to propose Mrs. G Lavanya Reddy (DIN: 06686222) as a candidate for the office of the director of the Company, be and is hereby appointed as a Non-Executive Director of the Company."

Date: 06-12-2018

Place: Hyderabad

**By Order 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 **24th December, 2018 to 30th December, 2018** (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-500 034. 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. In terms of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 brief resume of the Directors seeking appointment/re-appointment at the AGM are given in the annexure to this Notice.
8. **Important Communication to Members:** The Ministry of Corporate Affairs has introduced "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 has proposed to serve all the documents to e-mail addresses of the members in coming years. 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.

Hence members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with the physical transfer and for ease in portfolio management. Members can contact the Company or the Registrar and Transfer agent, XL Softech Systems Limited for assistance in this regard.

9. The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **27.12.2018 At 09.00 A.M** and ends on **29.12.2018 at 5.00 PM**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of **23.12.2018** 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).

- (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 i.e. Neha International Limited> 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.

EXPLANATORY STATEMENT
(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and Regulation 25(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs. G Vani (DIN : 08040631) was appointed as Additional Directors of the Company vide Circular Resolution dated 30th January, 2018 in the category of Non-Executive Independent Director of the Company. The Company has received notices in writing under the provisions of Section 160 of the Act from Members along with required deposit proposing the candidature of Mrs. G Vani for the office of Director of the Company.

Mrs. G Vani has given declaration to the Board of Directors that she meets the criteria of independence as provided under Section 149 of the Act. The above appointee is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in accordance with Section 152 of the Act. In the opinion of the Board, the above Director fulfils the conditions for her appointment as an Independent Director in terms of Section 149 of the Companies Act, 2013. Keeping in view her vast experience, expertise and knowledge, it would be in the interest of the Company that Mrs. G Vani be appointed as an Independent Director.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested in the resolution.

A Brief Profile of Mrs. G Vani

Mrs. G Vani has 17 years of experience in Customer Relationship Management. She is Graduate from Dr Ambedkar Open University in India. She is not related to any directors of the Company.

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment at the Annual General Meeting.

Name of the Director	Mrs. G Vani
Date of Birth	24th July, 1976
Date of Appointment	30/01/2018
Qualification	B.A
Brief resume and expertise in specific functional areas	17 years of experience in Customer Relationship Management.
Directorship in other Companies	NIL
Chaimanship/membership of Committees of other Companies	NIL
Shareholding in the Company	NIL

Item No. 4

Pursuant to the provisions of Section 161 of the Companies Act, 2013 and Regulation 25(6) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mrs G Lavanya Reddy (DIN : 06686222) was appointed as Additional Directors of the Company vide Resolution dated 5th December, 2018 in the category of Non-Executive Director of the Company. The Company has received notices in writing under the provisions of Section 160 of the Act from Members along with required deposit proposing the candidature of Mrs. G Lavanya Reddy for the office of Director of the Company.

The above appointee is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director in accordance with Section 152 of the Act. In the opinion of the Board, the above Director fulfils the conditions for her appointment in terms of Section 149 of the Companies Act, 2013.

ANNEXURE TO THE NOTICE

Details of Directors seeking appointment at the Annual General Meeting.

Name of the Director	Mrs. G Lavanya Reddy
Date of Birth	31 st December 1964
Date of Appointment	5 th December, 2018
Qualification	Post Graduate
Brief resume and expertise in specific functional areas	21 years of experience in Administration and Management.
Directorship in other Companies	MVR PROJECTS PVT LTD
Chaimanship/membership of Committees of other Companies	NIL
Shareholding in the Company	403 Shares



DIRECTOR'S REPORT

To the Members,

The Directors have pleasure in presenting before you the Twenty Fourth Annual Report of the Company together with the Audited Statements of Accounts for the year period ended 31st March, 2018.

FINANCIAL RESULTS:

Stand Alone		(Rs. In lakhs)	
Sl. No.	Particulars	(2017-18) 01.04.2017 to 31.03.2018	(2016-17) 01.04.2016 to 31.03.2017
1	Gross Income	31072.83	30091.10
2	Profit Before Interest and Depreciation	886.4	771.59
3	Finance Charges	501.94	399.32
4	Gross Profit	384.46	372.27
5	Provision for Depreciation	5.68	6.27
6	Net Profit Before Tax	378.78	366.00
7	Provision for Tax	129.67	127.55
8	Net Profit After Tax	249.11	238.45
9	Balance of Profit brought Forward	249.11	238.45
10	Balance available for appropriation	249.11	238.45
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	249.11	238.45

Financial Results - Consolidated		(Rs. In lakhs)	
Sl.No.	Particulars	(2017-18) 01.04.2017 to 31.03.2018	(2016-17) 01.06.2016 to 31.03.2017
1	Gross Income	32,362.60	45167.19
2	Profit Before Interest and Depreciation	(1387.33)	944.73
3	Finance Charges	598.13	526.12
4	Gross Profit/(Loss)	(1985.46)	418.61
5	Provision for Depreciation	317.05	150.34
6	Net Profit Before Tax	(2302.51)	268.27
7	Provision for Tax	129.67	152.08
8	Net Profit After Tax	(2432.18)	116.19
9	Minority Interest	0.01	-
10	Balance of Profit brought forward	(2432.17)	116.19
11	Balance available for appropriation	(2432.17)	116.19
12	Proposed Dividend on Equity Shares	-	-
13	Tax on proposed Dividend	-	-
14	Transfer from General Reserve	-	-
15	Surplus carried to Balance Sheet	(2432.17)	116.19

OPERATIONS:

The standalone revenues stood to Rs.31072.83 lakhs for the year ended 31.03.2018. The Company achieved a standalone operational profit of Rs.249.11 Lakhs. The Directors do not recommend any dividend for the period ended 31st March 2018, keeping in mind the fund requirements.

The company consolidated revenue of Rs.32362.60 lakhs for the period ended 31st March 2018.

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 regulations 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 2018-19 to BSE where the Company's Shares are listed.

DEMATERIALISATION OF SHARES:

99.21% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2018 and balance 0.79% 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.

Notes: The Securities and Exchange Board of India (SEBI) vide its notification dated June 8, 2018 amended SEBI (listing Obligation and Disclosure Requirements) Regulation, 2015, which mandates that transfer of securities with effect from December 5, 2018 would be in dematerialized form only.

Accordingly, we urge all the shareholders who holds their shares in physical form to take necessary steps with your Depository Participant(s) to dematerialize your shares held in the Company. Please note that as per the above SEBI Notification, the Company will be obliged to reject any request for transfer of your shares after due date. However, request for transmission or transposition and dematerialization shall continue to be considered.



Number of Board Meetings held:

This is included in Corporate Governance Report.

Changes & Cessations in Directorships:

Mrs. G Vani (DIN: 08040631) has been appointed as Additional Director (Independent) category by the Board.

Approval of members by way of Ordinary resolution is required for regularization of appointment of Mrs. G Vani in the AGM to be held on 30th December 2018.

Mrs. G. Lavanya Reddy (DIN: 06686222) has been appointed as Additional Director by the Board.

Approval of members by way of Ordinary resolution is required for regularization of appointment of Mrs. G. Lavanya Reddy in the AGM to be held on 30th December 2018.

Mr. Mukesh Arora resigned from the office of Independent Director with effect from 23.05.2018 due to his personal reason.

Mr. Sarath Kumar Pakalapati resigned from the office of Independent Director with effect from 16.06.2018 due to his personal reason.

The Board placed on record its appreciation for the Services, guidance and assistance provided by them while working as a director of the Company.

Changes in the Key Managerial Personnel as below:

Mr. Matru Prasad Mishra resigned from the office of Company Secretary on 30.11.2017 and the Board has appointed Mr. Satya Ranjan Jena as the Company Secretary of the Company with effect from 27.04.2018

Board Evaluation:

The Board has adopted a formal mechanism for evaluating its performance as well as the Committees including the individual director also including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Board such as Composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, contribution at the meeting and otherwise, independent judgment, governance issues etc.

Familiarization Programs for Independent Directors:

The Company proactively keeps its directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

Independent Directors Meeting:

The independent Directors met on 10th February, 2018 without the attendance of Non- Independent Directors and the members of management. The Independent directors revised the performance of Non-independent directors as a whole, the Chairman of the Company taking into account the various factors and assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Declaration by the Independent Directors:

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as mentioned in Section 149(6) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

DIRECTORS RESPONSIBILITY STATEMENT:

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

- a) in the preparation of the annual accounts for the period ended 31st March, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) 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 the maintenance of Fixed Assets Register, providing for bad debts, verification of Stock account balances, etc.

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 requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated 7th May, 2018 issued by Ministry of Corporate Affairs. Accordingly no resolution is proposed for ratification of appointment of Auditors, who were appointed in the Annual General Meeting 29th September, 2017.

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.

Comments on qualifications made in secretarial audit report:

SECRETARIAL AUDITORS' REPORT – EXPLANATION TO OBSERVATIONS OF AUDIT

As prescribed under Section 204(1) of the Act, the Company has received the Secretarial Audit Report.

The observations made therein and the corresponding explanations are given below:

Sl. No	Observation	Our Explanation
1	The Company is yet to file Annual Return on Foreign Liabilities and Assets for the Financial Year ended 31 st March, 2017 with the Reserve Bank of India.	Company is operating in various territory of the world with the presence of its subsidiaries in different regions. Due to differences in financial year of the Subsidiaries from the parent Company there was delay in the audit process of subsidiaries and delay in the preparation of accounts of subsidiaries. Company has also intimated BSE regarding the same. Generally the Company is regular in complying the regulatory Compliances under relevant act/Regulations. It was missed inadvertently. The Company does not have any mala-fide intention regarding this. Regulatory provision shall be conformed in entirety. However the Company will be cautious for compliance of the said act/regulations.
2	The Company has not Consolidated its Financial Statements within specified time as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31 st March, 2017.	
3	The company has delay in filling up of casual vacancy of Women Director as required under Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.	
4	The Company has in few instances delays in filing of forms/returns/documents with the Registrar of Companies beyond the due dates. There is also instance where the Company is yet to file form MGT-14 for approval of Directors report.	
5	The company has delay of one day in filing Corporate Governance report for the quarter ended 31 st December, 2017 as required under regulation 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.	

**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 CSR is 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 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, 2018 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.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-B.

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:

S. No	Name	Designation	Remuneration paid FY 2016-17 Rs. In Lakhs	Remuneration paid FY 2017-18 Rs.in Lakhs	Increase in remuneration from previous year Rs. In Lakhs
1	Mr. G.Vinod Reddy	Managing Director (KMP)	18	18	-
2	Mr.G.Kameshwar Rau	CFO (KMP)	NA	7.50	-
3	Mr. Satya Ranjan Jena	CS (KMP)	NA	NA	-

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, Banker, Raw Material Supplier, 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: 06.12.2018

For On behalf of the Board
Sd/-
G. Vinod Reddy
Chairman & Managing Director



Form No. MR-3
SECRETARIAL AUDIT REPORT
 FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

[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,

NEHA INTERNATIONAL LIMITED

6-3-1090/A/12&13 NO.501, MANBHUM JADE TOWERS,
 RAJBHAVAN ROAD, SOMAJIGUDA HYDERABAD-500082

We 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 as "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 our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2018, complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter.

We 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 2018 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 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 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; **Not Applicable to 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;
 - (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).**

We further report that, based upon the information provided and explanations given to us by the Company and the representations made by the Management, there were no laws which are specifically applicable to the Company during the Financial Year under review.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards - 1 & 2 issued by The Institute of Company Secretaries of India;
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges;

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

1. The Company is yet to file Annual Return on Foreign Liabilities and Assets for the Financial Year ended 31st March, 2017 with the Reserve Bank of India.
2. There was delay in filling up of casual vacancy of Women Director as required under Section 149 of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.
3. In few instances, there were delays in filing of forms/returns/documents with the Registrar of Companies beyond the due dates. There is also instance where the Company is yet to file form MGT-14 for approval of Directors report.
4. There was delay of one day in filing Corporate Governance report for the quarter ended 31st December, 2017 as required under regulation 27 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015.
5. The Company has not Consolidated its Financial Statements within specified time as required under regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2017.



We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days 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 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.

We further report that there are reasonable 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.

We further report that during the audit period, there are no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, regulations, guidelines, standards etc referred above.

**For JRA & Associates LLP
Company Secretaries**

**Date: 5th December, 2018
Place: Hyderabad**

**Sd/-
Ashok Kumar Pipalwa
Designated Partner
ACS No: 37314
CP No: 17814**

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, MANBHUM JADE TOWERS,
RAJBHAVAN ROAD, SOMAJ HYDERABAD-500082

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. We 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. We believe that the processes and practices, We have followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,
5. 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.
6. 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.
7. We have relied up on the information provided by the Management with respect to related party transactions for its compliance.

**For JRA & Associates LLP
Company Secretaries**

**Date: 5th December, 2018
Place: Hyderabad**

**Sd/-
Ashok Kumar Pipalwa
Designated Partner
ACS No: 37314
CP No: 17814**



Form No. AOC-1
[Pursuant to first proviso to sub-section {3} of section 129 read with rule 5 of Companies {Accounts} Rules, 2014]
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures
Part "A" subsidiaries
{ Information in respect of each subsidiary to be presented with amounts in Rs.....}

Sl. No	Particulars	1	2	3	4	5	6	7	8	9	10	11	12
1	Name of the subsidiary	Globe-agro holdings	Hollella roses pte. pic.	Alliance flowers pte. pic.	Chroma wonder pte. pic.	Neha agri corporate ltd	Nirt agri pte. pic.	Neha agri Tanzania Ltd.	Neha agri ventures (p) Ltd.	Neha agri Zambia Ltd.	Neha sengal,sural	Neha agriservices pte.Ltd	Neha agriservices FZE
2	Reporting period for the subsidiary concerned, if different from the holding company's period	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018	01-04-2017 To 31-03-2018
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	USD 65,5405	ETB,2.9832	ETB,2.9832	ETB,2.9832	USD 65,5405	ETB,2.9832	TZS,0.0283	USD 65,5405	ZMK,0.0121	XOF,0.1052	USD 65,5405	AED,17.6174
4	Share capital	819,632,125	61,750,420	30,230,487	53,595,330	1,569,264,374	149,160,000	393	2,595,404	1,388,344	364,077	459	624,404
5	Reserves & surplus	(418,486,710)	(73,364,725)	155,177,387	44,005,386	(169,297,993)	-	(312,101)	(1,662,172)	(4,530,022)	(21,687,744)	(5,141,325)	78,156,639
6	Total assets	402,186,198	138,540,585	271,112,261	388,482,799	1,637,936,071	527,887,440	393	1,930,823	188	2,953,473	624,863	91,815,415
7	Total Liabilities	402,186,198	138,540,585	271,112,261	388,482,799	1,637,936,071	378,727,440	312,102	997,591	3,141,865	24,287,140	624,863	13,034,371
8	Investments (Excluding investment in subsidiaries)	-	149,160	0	0	0	0	0	0	0	0	0	0
9	Turnover	-	50,877,894	48,930,691	58,607,181	-	10,102,144	0	0	0	0	0	0
10	Profit before taxation	(301,752,720)	(8,719,974)	(4,625,064)	(33,637,048)	(198,360,748)	(27,413,281)	(6,554)	(1,311)	(52,445)	(258,317)	(262,817)	(80,281)
11	Provision for taxation	-	0	0	-	-	0	0	0	0	0	0	0
12	Profit after taxation	(301,752,720)	(8,719,974)	(4,625,064)	(33,637,048)	(198,360,748)	(27,413,281)	(6,554)	(1,311)	(52,445)	(258,317)	(262,817)	(80,281)
13	Proposed dividend	0	0	0	0	0	0	0	0	0	0	0	0
14	% of shareholding	100	99.99	99.99	99.99	100	99.99	99	99	99	100	100	100

Notes: The following information shall be furnished at the end of the statement:

Date: 05-12-2018
 Place: Hyderabad

Sd/-
 G.Kameshwar rau
 CFO

Sd/-
 G.Vinod Reddy
 Chairman & Managing Director



**ANNEXURE - B
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 31.03.2018

I. REGISTRATION & OTHER DETAILS :			
i	CIN	:	LOI122TG1993PLC015987
ii	Registration Date	:	12 th 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	:	5 th Floor, Manbhumi Jade Towers Rajbhavan Road, Somajiguda Hyderabad-500 082
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, 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

S. No	Name & Description of main products/services	NIC Code of the Product /services	% to total turnover of the company
1	Trading –Agricultural Products and growing of cut roses	46205	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 Limited Incorporated under the laws of Mauritius	100%
2	M/s. Holeta 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 Limited 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%
8	M/s. Neha Agri Ventures (U) Ltd.	SDS	A subsidiary of Neha Agricorp Pte. Ltd., Incorporated under the laws of Uganda	99%
9	M/s. Neha Agri Zambia Ltd.	SDS	A subsidiary of Neha Agricorp Pte. Ltd. Incorporated under the laws of Zambia	99%
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%



ANNEXURE – C									
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	98445	-	98445	0.35	98445	-	98445	0.35	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	4000000	-	4000000	14.09	4000000	-	4000000	14.09	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	4098445	-	4098445	14.44	4098445	-	4098445	14.44	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	4098445	-	4098445	14.44	4098445	-	4098445	14.44	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds									
b) Venture Capital Fund	-	-	-	-	-	-	-	-	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) FIIs/ Foreign Portfolio Investors									
g) Others (specify)	-	-	-	-	1500	-	1500	0.01	100
SUB TOTAL (B)(1):					1500	-	1500	0.01	100

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	2551543	-	2551543	8.99	2286370	-	2286370	8.06	-10.39
b) Individuals									
i) Individual shareholders holding nominal share capital upto 2 lakhs	5676266	190823	5867089	20.67	7960124	189103	8149227	28.72	38.89
ii) Individuals shareholders holding nominal share capital in excess of 2 lakhs	15005221	34720	15039941	53	12962741	34720	12997461	45.80	-13.58
c) Any Other (specify) NRIs	722110	-	722110	2.54	66112	-	66112	2.32	-90.80
d) Clearing Member	100440	-	100440	0.35	185453	-	185453	0.65	84.60
SUB TOTAL (B) (2):	24055580	225543	24281123	83.06	24055800	223823	24279623	85.55	-0.006
Total Public Shareholding									
(B)= (B)(1)+(B)(2)	24055580	225543	24281123	85.56	24057300	223823	24281123	85.56	-
C. Shares held by Custodian									
Grand Total (A+B+C)	28154025	225543	28379568	100	28155745	223823	28379568	100	-



ANNEXURE – D

(ii) SHARE HOLDING OF PROMOTERS :								
Sl. No.	Share holders 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	-
2	Mr.G.Vinod Reddy	87758	0.31	-	87758	0.31	-	-
3	Mrs.G.Prameekha	6080	0.02	-	6080	0.02	-	-
4	Mr. G.Pramod	2604	0.01	-	2604	0.01	-	-
5	Mrs. G.Deepthi	1600	0.01	-	1600	0.01	-	-
6	G.Lavanya Reddy	403	-	-	403	-	-	-
	Total	4098445	14.44	14.09	4098445	14.44	14.09	-

ANNEXURE – E

(iii) CHANGE IN PROMOTERS' SHAREHOLDING 01.04.2017 to 31.03.2018 :					
Sl. No	Particulars	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	At the beginning of the year	4098445	14.44	4098445	14.44
	Total	4098445	14.44	4098445	14.44

(iv) Shareholding Pattern of top ten Shareholders : 01.04.2017 to 31.03.2018

(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	Parimal Jaswantra Mehta	1030000	3.63	1030000	3.63
2	Pinku Bagmar Jain	1000000	3.52	1000000	3.52
3	Purnasai Venulapalli	1095187	3.86	995187	3.50
4	Sangeeta Chawalla	628683	2.22	652915	2.30
5	Shriram Insight Share Brokers Ltd	-	-	624115	2.199
6	Nimish Ajit Kumar Shah	-	-	376047	1.325
7	Goodtiger Holdings	359853	1.27	359853	1.27
8	Dipak Kanayalal Shah	-	-	350000	1.233
9	Anoop Kumar Bagmar	330000	1.16	330000	1.16
10	Kalpesh Punshi Shah	176141	0.62	321241	1.132

Annexure F

(v) Shareholding of Directors:

Sl. No.	For Each of the Directors	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	Mr.G.Vinod Reddy	87758	0.31	87758	0.31
2	Mr.Ravi Chand Kotha	Nil	Nil	Nil	Nil
3	Ms.G.Vani	Nil	Nil	Nil	Nil
4	P.Sarath Kumar	Nil	Nil	Nil	Nil
5	Mukesh Arora	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		G. Vinod Reddy			
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	18.00			18.00
2	Stock Option	NIL			NIL
3	Sweat Equity	NIL			NIL
4	Commission: - as % of profit - others, specify	NIL			NIL
5	Others, please specify	NIL			NIL
	Total (A)	18.00			18.00



Sl. No.	Particulars of Remuneration	Name of Directors			
		P.Sarath Kumar	Mukesh Arora	Mr.Ravi Chand Kotha	Ms.G Vani
1	Independent Directors • Fee for attending board committee meetings • Commission • Others, please specify	0.90	0.90	0.45	0.22
	Total (1)	0.90	0.90	0.45	0.22
2	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
Total = (1 + 2)		0.90	0.90	0.45	0.22

Remuneration to key managerial personnel other than MD/MANAGER/WTD.

SL. NO.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total (In Lakhs)
1.	Gross Salary : Salary as per provisions contained in section 17(1) of IT Act, 1961 Value of perquisites U/S 17(2) OF IT Act, 1961 Profits in lieu of salary u/s 17(3) of IT Act, 1961	NIL	3.10	10.50	13.60
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit	NIL	NIL	NIL	NIL
5.	Others, specify	NIL	NIL	NIL	NIL
Total		NIL	3.10	10.50	13.60

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			None		
Punishment					
Compounding					
B. Directors					
Penalty			None		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			None		
Punishment					
Compounding					

ANNEXURE - 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 17-18, 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.

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 bio-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.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS

Proactive governments in Eastern Africa, huge markets for grains like rice within Africa and a possibility of exporting them to Middle Eastern Markets seems to be a viable alternative. Production costs can be minimized by using state of art infrastructure and an integrated approach to agriculture using biological inputs for nurturing the environment. Soil dynamics, suitability of germ plasma, rainfall patterns, pest incidence, and climatic variations are few parameters that might pose a risk to crop yields. The Company is taking all possible measures for mitigating the perceivable risk. Few steps for risk mitigation include performing field trials prior to scaling up, assessment of land fertility, presence of water resources, and access to agricultural workforce before land acquisition.

In India, despite being the largest producer of the largest varieties of cereal grains and pulses, the demand for consumption of is just growing owing to a large increase in population. Processing of cereal grains and pulses has a bright future ahead.

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:



- Existence of clearly defined Organizational Structure and Authority.
- Existence of Corporate Policies for Financial Reporting and Accounting
- Existence of Management Information System updated from time to time as may be required.
- Existence of Annual Budgets and Long Term Business Plans.
- 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.

RESULTS OF OPERATIONS

During the period ended 31st March, 2018 the company's consolidated turnover of Rs.32362.60 lakhs. The operations generated a profit/(Loss) of (Rs.2432.17) lakhs during this period.

Financial Results: Consolidated		(Rs In lakhs)	
	Particulars	Current Period	Previous Period
		01.04.2017 To 31.03.2018	01.04.2016 To 31.03.2017
1	Net Sales & Income	32362.60	45167.19
2	Increase/(Decrease) in stock	55.88	20.94
3	Total Expenditure	31717.72	44243.39
4	Interest	598.12	526.12
5	Profit before depreciation & Exceptional Items	(9.13)	418.62
6	Depreciation	317.04	150.34
7	Less: Write off/ prior period items	-	-
8	Less: Minority interest	-	-
9	Less: Provision for tax (Net)	129.66	152.08
10	Profit/Loss carried to Balance Sheet	(2432.17)	116.20

Financial Results: Standalone		(Rs. In lakhs)	
	Particulars	Current Period	Previous Period
		01.04.2017 To 31.03.2018	01.04.2016 To 31.03.2017
1	Net Sales & Income	31072.83	30091.10
2	Increase/(Decrease) in stock	55.88	20.94
3	Total Expenditure	30130.55	29340.44
4	Interest	501.94	399.32
5	Profit before depreciation & Exceptional Items	384.46	372.27
6	Depreciation	5.68	6.27
7	Less: Write off/ prior period items	-	-
8	Add: Extra Ordinary Income:	-	-
9	Less: Provision for tax (Net)	129.67	127.55
10	Profit/Loss carried to Balance Sheet	249.11	238.45

REVENUE BASED ON GEOGRAPHY

Geographical Revenues: Consolidated (in Rupees)

Geographical Segment	REVENUE	
	Current Period	Previous Period
Netherlands	13,64,39,778	188,057,022
India	310,27,74,213	274,280,696
Singapore	-	317,324,799
Ethiopia	87,88,933	60,223,498
Indonesia	-	-
Malaysia	-	147,254,363
Hongkong	-	1,048,651,475
Dubai	-	-
Total:	324,80,02,924	4,503,791,853

Segment wise Revenues – Stand Alone

Segment wise Revenues – Operation wise:

Revenue	(In Rs)			
	Farm	Merchandising	Trading Sales	Total
Current Period (12 Months)	-	-	310,27,74,213	310,27,74,213
Previous period (12 Months)	-	-	274,22,80,696	274,22,80,696



Geographical Segment	REVENUE	
	Current Period	Previous Year
India	310,27,74,213	2,742,280,696
Ethiopia	87,88,933	-
Hongkong	-	-
Dubai	-	-
Malaysia	-	253,680,930
Total	3,111,563,146	2,995,961,626

REPORT ON CORPORATE GOVERNANCE

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, Non-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 Five Directors that includes one Women Director.

(a) Composition and category of Directors as on 31st March 2018 is as follows:

Sl.No	Category	No. of Directors	% age
1	Executive directors	1	20
2	Non-executive & Independent Directors	4	80
	Total	5	100

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

9 (Nine) Board Meetings were held during the period 2017-2018. The time gap between any two Board Meetings did not exceeded by more than one hundred twenty days. The dates on which the said Board Meetings were held are as follows:

1st Board Meeting : 25.05.2017

2nd Board Meeting : 30.05.2017

3rd Board Meeting : 04.09.2017

4th Board Meeting : 06.09.2017

5th Board Meeting : 14.09.2017

6th Board Meeting : 23.10.2017

7th Board Meeting : 14.12.2017

8th Board Meeting : 30.01.2018

9th Board Meeting : 10.02.2018

(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	9	Yes
2.	P. Sarath Kumar	9	Yes
3.	Mukesh Arora	8	Yes
4.	Ravi Chand Kotha	6	Yes
5.	Mrs. G Vani	1	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	M V R PROJECTS PRIVATE LIMITED	Director
2. P. Sarath Kumar	SHREYAS MANAGEMENT AND SERVICES PRIVATE LIMITED SMS PHARMACEUTICALS LIMITED	Director Director
3. Mukesh Arora	TERRA RESOURCES DEVELOPMENT TECHNOLOGIES PRIVATE LIMITED TERRA RESERVES DETERMINATION TECHNOLOGIES LIMITED TERRA MINING AND MINERAL INDUSTRIES LIMITED TERRA INTEGRATED DRILLING SERVICES PRIVATE LIMITED TERRAWORLD GEO ENTERPRISES PRIVATE LIMITED TERRA SOFT SOLUTIONS LIMITED	Director Director Director Director Director Director
4. Ravi Chand Kotha	GOSAVEEDU AGRO PRIVATE LIMITED	Director
5. G. Vani	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.

1. **Sri. Ravi Chand Kotha**– Chairperson
2. **Sri Mukesh Arora** – Member
3. **Sri P. Sarath Kumar** – Member
4. **Sri G. Vinod Reddy** -Member

iii) No. of Meetings held during the year:

During the year the committee had Five meetings i.e, on 30.05.2017, 04.09.2017, 14.09.2017, 14.12.2017, 10.02.2018,

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

Name of the Director	Position	No. of Meetings Held	No. of Meetings Attended
Sri.Ravi Chand Kotha	Chairperson	5	3
Sri.Mukesh Arora	Member	5	5
Sri.P.Sarath Kumar	Member	5	5
Sri.G.Vinod Reddy	Member	5	5

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:

The Nomination and Remuneration Committee of the Company consists of following:

1. Ravi Chand kotha - Chairperson
2. Sri P. Sarath Kumar – Member
3. Sri G.Vinod Reddy - Member
4. Sri Mukesh Arora – Member

ii) No. of Meetings during the year:

The Nomination and Remuneration Committee met on 25.05.2017

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

Name of the Director	Position	No. of Meetings Held	No. of Meetings Attended
Sri.Ravi Chand Kotha	Chairperson	1	-
Sri Mukesh Arora	Member	1	-
Sri.P.Sarath Kumar	Member	1	1
Sri.G.Vinod Reddy	Member	1	1

Performance Evaluation Criteria For Independent Directors:

Pursuant to the Companies Act, 2013 and to the Listing Regulations, the Nomination and Remuneration committee determines the performance evaluation criteria for the Independent Directors of the Company. An indicative list of factors that are considered for evaluation include: attendance, and participation in the meetings, timely input on the minutes of the meeting, adherence to integrity and ethical standards, raising valid concerns to the Board, objective evaluation of Board's performance, making unbiased opinion, understanding the Company and the environment in which it operates.

SSTAKE 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.

ii) Composition:

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

- 1) Sri. Ravi Chand Kotha– Chairperson
- 2) Sri Mukesh Arora – Member
- 3) Sri P. Sarath Kumar – Member
- 4) Sri G.Vinod Reddy -Member

The Committee met once during the year on 10.02.2018


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

Name of the Director	Position	No. of Meetings Held	No. of Meetings Attended
Sri.Ravi Chand Kotha	Chairperson	1	1
Si.Mullesh Arora	Member	1	1
Si.P.SarathKumar	Member	1	1
Si.G VinodReddy	Member	1	1

iv) Name and Designation of Compliance Officer:

(a) Mr. Matru Prasad Mishra, resigned from the office of Company Secretary with effect from close of business hours of 30/11/2017 and the Board has appointed Mr. Satya Ranjan Jena as the Company Secretary of the Company with effect from 27/04/2018.

(b) Status of Investor Complaints is 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	2	2
Total	2	2

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
2013-15 (21 st AGM)	30.06.2015	Bhaskara auditorium, BM Birla Science Centre, Adarshnagar, Hyderabad-500063	11.00 AM	Yes
2015-16 (22 nd AGM)	30.09.2016	Bhaskara auditorium, BM Birla Science Centre, Adarshnagar, Hyderabad-500063	11.00 AM	Yes
2016-17 (23 rd AGM)	29.09.2017	Bhaskara auditorium, BM Birla Science Centre, Adarshnagar, Hyderabad-500063	11.00 AM	Yes

Details of Special Resolutions passed in the above said Annual General Meeting are given below:

At the 21st AGM

One Special Resolution was for re-appointment of Mr. G. Vinod Reddy as Managing Director of the Company.

Another Special resolution was for sale of Subsidiary Dream Flower Plc., Ethiopia.

Another Special resolution was for to borrow money which will exceed the Aggregate of the paid-up capital of the Company and its free reserves.

Another Special resolution was for to create mortgage or create charge on all or any immovable and movable properties of the Company, to secure repayment of rupee term loans or foreign currency loans or any kind of non-fund based limits, all together which will not exceed Rs. 500 crore.

Another Special resolution was for to amend the Articles of the Company and adopt a new Article of Association aligning with the Sections of new Companies Act, 2013.

At the 22nd AGM:

There was only one Special Resolution which was, Special resolution for discard/sale of the non-operative subsidiary Neha Agri Services Pte. Ltd. Singapore.

At the 23rd AGM:

One Special Resolution was for re-appointment of Mr. G. Vinod Reddy as Managing Director of the Company

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 or relatives etc that may have potential conflict with the interest of the company at large. 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 (Financial Express & Nava Telangana) 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 The Company has not made any presentations to any institutional investors/analysts during the Financial Year.

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: Sunday, 30th December, 2018 At 11 A.M. ,Bhasaka Auditorium, B.M. Birla Science Centre, Adarsh nagar,Hyderabad – 500 063.
Financial Period : 01.04.2017 to 31.03.2018

Book closure Dates: 24.12.2018 to 30.12.2018 (both days inclusive)

ISIN: INE874D01022, Stock Code : BSE:519660

13. Stock Data :

Average monthly high and low stock prices of Neha International Limited at the Bombay Stock Exchange Limited (BSE) for the period 01.04.2017 to 31.03.2018

Month & Year	BSE		
	High	Low	Volume (In no of Shares)
Apr 17	11.65	6.57	36,14,816
May 17	11.21	8.06	26,13,500
Jun 17	7.88	6.16	12,67,268
Jul 17	7.00	6.09	12,96,987
Aug 17	6.18	4.70	15,86,202
Sep 17	7.06	4.85	9,56,951
Oct 17	6.85	6.14	7,85,248
Nov 17	7.73	6.40	10,28,911
Dec 17	12.00	7.73	37,47,180
Jan 18	10.81	7.73	18,74,655
Feb 18	8.61	6.92	3,69,830
Mar 18	7.27	5.98	3,66,399

Source: www.bseindia.com

14. Share Transfer 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 & Share Transfer Agents

M/s. XL Softech Systems Limited, # 3, Sagar Society, Road No.2,
Banjara Hills, Hyderabad, Tel. Nos. 040 23545913/14. Fax No.040 2355321
Shareholding pattern as on 31st March 2018.

Particulars	No. of Shareholders	No. of shares held	Face value of shareholding (Rs. in lacs)	% share holding
Promoters	6	4098445	40984450	14.44
Public	8772	24281123	242811230	85.56
Financial Institutions	NIL	NIL	NIL	-
Others		NIL	NIL	-
Total	8778	28379568	283795680	100

17. Distribution of Share Holdings: *****

NO. of Equity Shares Held	As on 31.03.2017				As on 31.03.2018			
	No of shareholders	% of share-holders	No of shares	% of shareholding	No of shareholders	% of shareholders	No of shares	% of shareholding
Upto 5000	5841	73.60	670503	2.36	5944	67.71	751426	2.65
5000-10000	704	8.87	609740	2.15	991	11.29	877225	3.09
10001-20000	515	6.49	834009	2.94	683	7.78	1114287	3.93
20001-30000	203	2.56	529910	1.87	290	3.30	770535	2.72
30001-40000	104	1.31	374110	1.32	144	1.64	521130	1.84
40001-50000	111	1.4	528864	1.86	167	1.90	807664	2.85
50001-100000	191	2.41	1425528	5.02	264	3.01	2030564	7.16
100001 & above	267	3.36	23406904	82.48	295	3.36	21506737	75.78
Total	7936	100	28379568	100	8778	100	28379568	100

18. Dematerialization of Shares & Liquidity:

The Company has arrangements with National Securities Depository Limited (NSDL) and Central Depository India Services India Limited (CDSL) TO ESTABLISH ELECTRONIC CONNECTIVITY of its shares for script-less trading. As on 31st March 2018 total 28154025 (99.21%) number of shares were dematerialized with the following depositories.

National Securities Depository Limited (NSDL) - 13898785 (48.97%)

Central Depository Services India Limited (CDSL) - 14256960 (50.24%)

19. 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

20. Address for correspondence

Neha International limited,
Building No.6-3-1090/A/12& 13, 5th Floor, Manbhumi Jade Towers, Rajbhavan Road,
Somajiguda, Hyderabad - 500082, Tel. No: 040-66134759, Fax No: 040-66136435

21. Disclosure of the Compliance with Corporate Governance Requirements Specified in Regulation 17 to 27 of SEBI (LODR), 2015

The Company has complied with all the applicable provisions of the Listing Regulations on Corporate Governance for the Financial Year 2017-18

22. 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.

23. 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.

24. 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, interalia, 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.

25. Corporate Identity Number (CIN):

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

26. 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.

**27. Other Disclosures**

a. The Company has formulated and adopted a policy for determining the material related party transactions and the details of such policy on the Company's website www.nehainternational.com. However None of the business transactions with any of the parties was in conflict with the interests of the Company during the financial year 2017-18

b. During the last three years there were no strict penalties imposed either by SEBI or the stock exchange for non-compliance of any matter related to capital market.

c. The Company has complied with the mandatory requirements of the LISTING Regulations.

d. Management Discussion and Analysis report :

Management Discussion and Analysis Report on the business of the Company forms part of this Annual Report.

e. Shareholders:

In case of Appointment/ re- appointment of Directors the brief resume of the Director(s) retiring by rotation, seeking re-appointment, including their experience in specific functional areas, names of companies in which they hold directorship and membership of the Committees of the Board is appended to the Notice calling the 24th AGM.

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, Dividend intimations 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.

DECLARATION ON CODE OF CONDUCT

This is to confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial year ended on 31st March 2018 as envisaged under Schedule V (D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Hyderabad

Date: 06.12.2018

Sd/-
G. Vinod Reddy
Chairman & Managing Director

Annexure

Remuneration Details Pursuant to Section 197(12) of the Companies Act, 2013 Read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the Financial Year:

Name of the Directors	Designation	Ratio of Remuneration
Mr. G. Vinod Reddy	Managing Director	9.37
Mr. P. Sarath Kumar	Independent Director	0.49
Smt. G.Vani	Independent Director	0.12
Mr. Mukesh Arora	Independent Director	0.49
Mr. Ravi Chand Kotha	Independent Director	0.24

ii) The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary if any in the financial year.

Note: The Independent Directors of the Company are entitled only for sitting fee as per statutory provisions of the Companies Act, 2013. The remuneration of director was as per the remuneration policy of the Company.

Name of the Directors/KMP	Designation	% increase in remuneration
Mr. P. Sarath Kumar	Independent Director	NIL
Smt. G.Vani	Independent Director	NIL
Mr. G. Vinod Reddy	Managing Director	NIL
Mr. Mukesh Arora	Independent Director	NIL
Mr. Ravi Chand Kotha	Independent Director	NIL
Mr. G. Kameshwar Rau	Chief Financial Officer	NIL
Mr. Satya Ranjan Director	Company Secretary	NIL



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, 2018 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, 2018 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 (01.04.2017 to 31.03.2018);
 - (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
Managing Director

Sd/-
G.Kameshwar Rau
Chief Financial Officer



AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Neha International Limited

We have examined the compliance with conditions of Corporate Governance of M/s. Neha International Limited, for the year ended March 31, 2018, as stipulated in Clause 49 of the Listing Agreement with stock exchanges.

The compliance with conditions of Corporate Governance is the responsibility of the 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 the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the directors and the 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 of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS
Sd/-
B.V.RAMANA REDDY
M. No. 026967 Partner

Place: Hyderabad
Date: 05/12/2018

INDEPENDENT AUDITOR'S REPORT

To the Members of
NEHA INTERNATIONAL LIMITED

Report on the Standalone Financial Statements:

Opinion:

We have audited the accompanying financial statements of **NEHA INTERNATIONAL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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.

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, 2018; 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.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

- During the current reporting period investments of Neha International Limited were restated which resulted in an impairment loss of Rs 4036.06/- Lacs.

Management's Responsibility for the Standalone 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 for the audit of the financial statements:

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.



Report on Other Legal and Regulatory Requirements:

1. 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 accounts 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, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 derivative 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

Sd/-
K.MATHESH REDDY
M. No. 026285 Partner

PLACE: HYDERABAD
DATE: 30/05/2018

ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT

Re: NEHA INTERNATIONAL LIMITED

Referred to in Paragraph 1 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, 2018 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.

Place: Hyderabad
Date: 30.05.2018

For Mathesh & Ramana
Chartered Accountants
Sd/-
K. Mathesh Reddy
M.No. 02685 Partner



NEHA INTERNATIONAL LIMITED				
Balance Sheet as at 31 March, 2018				
(amount In Rupees)				
	Particulars	Note No.	As at 31/03/2018	As at 31-03-2017
I	ASSETS			
1	Non-current assets			
	(a) Property, Plant and Equipment	3	73,674,270	74,218,114
	(b) Capital work-in-progress		-	-
	(c) Investment Property		-	-
	(d) Goodwill		-	-
	(e) Other Intangible Assets		-	-
	(f) Intangible Assets under development		-	-
	(g) Biological Assets other than bearer plants		-	-
	(h) Financial Assets		-	-
	(i) Investments	4	1,215,144,039	1,215,144,039
	(ii) Trade receivables	7	87,810,801	19,437,764
	(iii) Loans		-	-
	(iv) Others (to be specified)		-	-
	(j) Deferred tax assets (net)	15	289,609	-
	(j) Other non-current assets	5	977,061	833,061
			1,377,895,780	1,309,632,978
2	Current assets			
	(a) Inventories	6	2,014,604	7,602,242
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade receivables	7	1,018,566,630	989,202,111
	(iii) Cash and cash equivalents	8	74,962,119	64,885,720
	(iv) Bank balances other than (iii) above		-	-
	(v) Loans	9	76,360,068	95,320,514
	(vi) Others (to be specified)		-	-
	(c) Current Tax Assets (Net)		-	-
	(d) Other current assets	10	64,343,673	64,357,028
			1,236,247,094	1,221,367,614
			2,614,142,874	2,531,000,592
	TOTAL			
II	EQUITY AND LIABILITIES			
	Equity			
	(a) Equity Share Capital	11	283,795,680	283,795,680
	(b) Other Equity	12	1,191,407,746	1,166,496,360
			1,475,203,426	1,450,292,040
	LIABILITIES			
3	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	13	146,057,062	135,497,279
	(ii) Trade Payables	17	96,484,923	49,871,174
	(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-
	(b) Provisions	14	3,299,934	3,230,170
	(c) Deferred tax liabilities (Net)	15	-	227,799
	(d) Other non-current liabilities		-	-
			245,841,919	188,826,422
4	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	16	187,657,633	70,383,930
	(ii) Trade payables	17	621,474,492	634,882,926
	(iii) Other financial liabilities (other than those specified in item (c))		-	-
	(b) Other current liabilities	18	54,173,833	158,850,711
	(c) Provisions	19	29,791,571	27,764,563
	(d) Current Tax Liabilities (Net)		-	-
			893,097,529	891,882,130
			2,614,142,874	2,531,000,592
	TOTAL			

See accompanying notes forming part of the financial statements

As per our report of even date annexed.

For MATHESH & RAMANAChartered Accountants
Firm Regn. No. 002020SSd/-
K.MATHESH REDDY
M. No. 026285 Partner

Place: Hyderabad

Date :30.05.2018

For and on behalf of Neha International Limited

Sd/-

G Vinod Reddy
Chairman & Managing Director (DIN:00074308)

Sd/-

G Kameshwar Rau
Chief Financial Officer

Sd/-

Satya Ranjan Jena
Company Secretary



NEHA INTERNATIONAL LIMITED				
PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2018				
(Amount In Rupees)				
Particulars		Note No.	For the year ended 31.03.2018	For the year ended 31.03.2017
I	Revenue from operations	20	5,102,774,213	2,995,361,626
II	Other income	21	4,508,288	13,148,259
III	Total Income (I+II)		3,107,282,501	3,009,109,884
IV	Expenses			
	Cost of Materials consumed		-	-
	Purchases of Stock In Trade	22	2,996,873,883	2,915,988,762
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	5,587,638	(2,093,578)
	Employee benefits Expense	24	7,140,142	7,047,177
	Finance Costs	25	50,193,689	39,932,105
	Depreciation and Amortisation Expense	3	567,996	627,892
	Other Expenses	26	9,040,891	11,007,899
	Total expenses		3,069,404,239	2,972,510,257
V	Profit/(Loss) before exceptional and extraordinary items and taxes (III-IV)		37,878,262	36,599,628
VI	Exceptional items		-	-
VII	Profit / (Loss) before tax (V-VI)		37,878,262	36,599,628
VIII	Tax expense			
	Current Tax Expenses for the Current Year		13,484,284	12,217,984
	Less: MAT Credit (Where Applicable)		-	-
	Less: Current Tax Expenses relating to Prior Years		-	-
	Prior years' tax adjustment		-	-
	Net Current Tax Expenses		13,484,284	12,217,984
	Deferred Tax		(517,408)	537,024
IX	Profit / (Loss) for the period from continuing operations (VII-VIII)		24,911,386	23,844,620
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		24,911,386	23,844,620
XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss			
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		24,911,386	23,844,620
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		0.88	0.84
	(2) Diluted		0.88	0.84
XVII	Earnings per equity share (for discontinued operation):			
	Earnings per share (of ` Rs 10/- each):			
	(1) Basic			
	(2) Diluted			
XVIII	Earnings per equity share (for discontinued & continuing operations)			
	(1) Basic			
	(2) Diluted			

See accompanying notes forming part of the financial statements
 As per our report of even date annexed.
 For MATHESH & RAMANA
 Chartered Accountants
 Firm Regn. No. 002020S
 Sd/-
 K.MATHESHREDDY
 M. No. 026285 Partner
 Place : Hyderabad
 Date: 30.05.2018

For and on behalf of Neha International Limited
 Sd/-
 G Vinod Reddy
 Chairman & Managing Director (DIN:00074308)
 Sd/- Sd/-
 G Kameshwar Rao Saya Ranjan Jena
 Chief Financial Officer Company Secretary

NEHA INTERNATIONAL LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE NO. 3 - TANGIBLE ASSETS & INTANGIBLE ASSETS

Sl. No.	Particulars	Gross Block						Useful Life of Asset (in Years)	Depreciation/Amortization		Total Depreciation	Net Block as on 31.03.2018	Net Block as on 31.03.2017
		01.04.2017	Additions during the year	Additions through Business acquisitions	Capitalised during the year	Sale / Deletions during the year	As on 31.03.2018		Dep. As on 01.04.2017	Dep. For the year 2017-18			
	Tangible Assets:												
1	LAND	72,146,985	-	-	-	-	72,146,985	-	-	-	72,146,985	72,146,985	72,146,985
2	OFFICE EQUIPMENT	2,260,265	-	-	-	-	2,260,265	5	2,245,752	3,415	2,249,167	11,098	14,513
3	COMPUTERS	1,125,915	24,152	-	-	-	1,150,067	3	1,123,136	4,279	1,127,415	22,652	2,779
4	FURNITURE	2,687,542	-	-	-	-	2,687,542	10	2,232,746	118,302	2,351,048	336,494	454,796
5	VEHICLES	3,957,694	-	-	-	-	3,957,694	8	2,358,654	442,000	2,800,654	1,157,040	1,599,040
6	WEB DESIGNING	225,000	-	-	-	-	225,000	3	224,999	-	224,999	1	1
	Total	82,403,401	24,152	-	-	-	82,427,553		8,185,287	567,996	8,753,283	73,674,270	74,218,114
	Previous Year Figures	81,069,101	17,074	-	-	-	82,403,401		6,975,641	627,892	8,185,287	74,218,114	74,828,932



Note No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
4	NON- CURRENT INVESTMENTS		
	Investment in Subsidiaries		
	Equity Shares		
	M/s Globeagro Holdings with 100% of holding	256,278,704	519,363,704
	M/s Neha Agricorp Pte Ltd with 100% of holding	958,865,335	1,099,386,355
	M/s Neha Agriservices Pte Ltd with 100% of holding	-	330
	M/s Dream Flowers PLC with 50% of holding	-	-
		1,215,144,039	1,618,750,389
	Total Non Current Investments	1,215,144,039	1,618,750,389
	Less: Diminution in Investments	-	(403,606,350)
	Total Non - Current Assets (Net)	1,215,144,039	1,215,144,039
5	OTHER NON - CURRENT ASSETS		
	Deposits	977,061	833,061
	Miscellaneous Expenditure (to the extent not written off)	-	-
	Total other noncurrent assets	977,061	833,061
	Less : Provision for Bad and Doubtful debts	-	-
		977,061	833,061
	Total non - current assets(net)	977,061	833,061
6	INVENTORIES		
	Stock - in - trade (in respect of goods acquired for trading)	2,014,604	7,602,242
	Total Inventories	2,014,604	7,602,242
7	TRADE RECEIVABLES		
	Outstanding for a period exceeding 365 days from the date they are due for payment		
	Unsecured, Considered Good	87,810,801	19,437,764
		87,810,801	19,437,764
	Other Receivables:		
	Unsecured, Considered Good	1,018,566,630	989,202,111
	1,018,566,630	989,202,111	
	Total trade receivable	1,106,377,431	1,008,639,875
	Less : Allowance for bad & doubtful debts	-	-
	Total Trade Receivables(net)	1,106,377,431	1,008,639,875
8	CASH AND BANK BALANCES		
	Cash and cash equivalents :		
	Balances with banks :		
	On Current Accounts	153,729	33,921
	Margin Money	74,494,382	64,669,501
Cash on hand	314,008	182,297	
	Total Cash and Cash Equivalents	74,962,119	64,885,720
9	SHORT TERM LOANS AND ADVANCES		
	Other Loans and Advances (Specify the nature)		
	Advance for Expenses	500,000	500,000
	Advance to staff	7,421,030	4,765,840
	Advance to Suppliers	36,897,722	59,023,459
	Advance to Capital works	28,719,850	28,719,850
	Prepaid Expenses	372,400	60,252
	Interest Accrued on Deposits	2,449,066	2,251,113
	Total short term loans & advances	76,360,068	95,320,514
	Less : Provision for Doubtful Debts	-	-
	Total short term loans & advances(net)	76,360,068	95,320,514
10	OTHER CURRENT ASSETS		
	Other Current Assets	64,343,673	64,357,028
		64,343,673	64,357,028

11 SHARE CAPITAL

Particulars	No. of Shares	As at 31.03.2018	No. of Shares	As at 31.03.2017
Authorised				
Equity shares of Rs.10 each with voting rights	40,000,000	400,000,000	40,000,000	400,000,000
Issued				
Equity shares of Rs.10 each with voting rights	28,379,568	283,795,680	28,379,568	283,795,680
Subscribed & Fully Paid Up				
Equity shares of Rs.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	As at 31.03.2018	No. of Shares	As at 31.03.2017
Equity Shares of Rs.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 shareholder	As at 31.03.2018		As at 31.03.2017	
	Number of shares	% Share holding	Number of shares	% Share holding
Equity Shares of Rs. 10 each Held By				
MVR Projects Private Limited	4,000,000	14.09%	4,000,000	14.09%
B Vikram Kumar Bagmar	-	0.00%	1,750,985	6.17%

12 OTHER EQUITY

Particulars	As at 31.03.2018	As at 31.03.2017	
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	-	-	
	1,425,867,858	1,425,867,858	
C) General Reserve			
c) Surplus :			
i) Opening Balance - Profit and Loss Account	101,064,852	77,220,232	
Add: Transfer from Profit & Loss Account	24,911,386	23,844,620	
Less: Adjustment of Mat Credit	-	-	
Less: Adjustment on account of change in depreciation as per the provisions of Companies Act 2013	-	-	
	125,976,238	101,064,852	
d) Other Comprehensive Income			
As at the commencement of the year	(403,606,350)	-	
Less: Remeasurement of Investments during the year	-	(403,606,350)	
	(403,606,350)	(403,606,350)	
Total Reserves and Surplus	1,191,407,746	1,166,496,360	
Note No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
13	LONG TERM BORROWINGS		
	From banks:		
	Vehicle Loan	408,732	653,949
	From other parties		
	Unsecured	78,433,975	67,628,975
	Inter-Corporate Deposits		
	Unsecured	67,214,355	67,214,355
	TOTAL LONG TERM BORROWINGS	146,057,062	135,497,279



Note No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
14	LONG TERM PROVISIONS		
	Provisions for employee benefits		
	Provision for Gratuity	3,299,934	3,230,170
	Total Long Term Provisions	3,299,934	3,230,170
15	DEFERRED TAX LIABILITY(NET)		
	Opening Deferred tax Asset	227,799	(309,225)
	Add: Deferred Tax Income for the year	(517,408)	537,024
	Deferred Tax Liability	(289,609)	227,799
16	SHORT TERM BORROWINGS.		
	Loans repayable on demand:		
	From banks		
	Secured	186,950,234	60,062,354
	(Cash credit from M/s Union Bank of India, Bank Of Maharashtra, Indusind Bank Ltd & Oriental Bank Of Commerce is secured by the collateral property and personal guarantee of the Promoter Director)		
	Loans and advances from Related parties		
	Unsecured-Director	707,399	10,321,576
	Total short term borrowings	187,657,633	70,383,930
17	TRADE PAYABLES		
	Trade Payables more than 365 days	96,484,923	49,871,174
	Trade Payables less than 365 days	621,474,492	634,882,926
	Total Trade Payables	717,959,415	684,754,100
18	OTHER CURRENT LIABILITIES		
	Current maturities of long term debt	245,217	19,221,995
	Other Payables	-	90,830,230
	Advance from customers	53,928,616	48,798,486
	Total other current liabilities	54,173,833	158,850,711
19	SHORT TERM PROVISIONS		
	Provision for Income Tax	13,484,284	12,217,984
	Add: Interest on Income Tax	918,852	861,368
	Less: TDS Receivables	450,850	350,578
		13,952,286	12,728,774
	Outstanding Payables	15,839,285	15,035,789
	Total short term provisions	29,791,571	27,764,563



Note No.	PARTICULARS	For the year ended 31.03.2018	For the period ended 31.03.2017
20	REVENUE FROM OPERATIONS		
	Sales Other than Exports	3,102,774,213	2,742,280,696
	Export Sales	-	253,680,930
	Total Revenue from Operations	3,102,774,213	2,995,961,626
21	OTHER INCOME		
	Interest income (Other than a finance company)	-	263,000
	Other Income	4,508,288	12,885,259
	Total Other Income	4,508,288	13,148,259
22	PURCHASES - TRADING		
	Purchases Other than Import	2,996,873,883	2,915,988,762
	Purchases - Import	-	-
	Total Trade Purchases	2,996,873,883	2,915,988,762
23	CHANGE IN INVENTORIES & WIP.		
	Stock in trade at the beginning of the year	7,602,242	5,508,664
	Less : Stock in trade at the end of the year	2,014,604	7,602,242
		5,587,638	(2,093,578)
	(Increase) / Decrease in Inventories	5,587,638	(2,093,578)
24	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Wages	5,242,000	5,095,000
	Staff Welfare Expenses	3,378	52,177
	Directors Remuneration	1,825,000	1,800,000
	Gratuity	69,764	100,000
	Total Employee Benefit Expenses	7,140,142	7,047,177
25	FINANCE COST		
	Bank Charges	12,430,887	12,410,586
	Interest on Income Tax(FY 2015-16)	-	312,589
	Interest on Income Tax(FY 2016-17)	1,729,782	-
	Interest on Income Tax	918,852	861,368
	Interest on Hire Purchase	77,525	98,547
	Interest - Others	35,036,643	26,249,015
	Total Finance Cost	50,193,689	39,932,105
26	OTHER EXPENSES		
	Insurance	287,298	86,098
	Listing Fee and Annual Registration Fee	390,149	812,023
	Share Transfer Expenses	65,329	71,656
	Repairs and Maintenance of Vehicles	235,174	16,984
	Office Maintenance	133,249	179,487
	Rent	1,173,964	1,501,350
	Advertisement Expenses	35,016	72,000
	Payment to Auditors:		
	Audit Fee	501,500	402,750
	Audit Expenses	-	50,000
	Electricity Expenses	111,590	99,631
	Miscellaneous Expenditure	63,770	64,607
	Telephone, Postage and Others	30,494	32,834
	Conveyance & Travelling Expenses	3,417,330	3,078,676
	Conveyance Charges	827,662	-
	Printing & Stationery Expenses	44,605	65,193
	Business Promotion Charges	1,049,557	-
	ROC Filing Charges	13,200	13,200
	Professional Consultancy fee	414,370	844,239
	Director Sitting Fee	118,000	190,000
	Exchange fluctuation Loss	-	3,289,389
	Selling Expenses		
	Carriage Outwards - Local	128,634	137,782
	Total Other expenses	9,040,891	11,007,899



CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2018

PARTICULARS	Period ended	Year ended
	31.03.2018	31.03.2017
	(Rs. in lacs)	(Rs. in lacs)
Cash Flow from Operating Activities:		
Net Profit before Exceptional Item	378.78	366.00
Adjustment for:		
Interest Expenses	501.94	399.32
Depreciation	5.68	6.28
Miscellaneous Expenditure Written off		
Provision for MAT (Net) & Depreciation adj.	(129.67)	(127.55)
Operating Profit before working Capital Changes	756.73	644.05
Adjustment for:		
Debtors and other receivables	(981.58)	(1,910.52)
Increase/Decrease in Loans & Advance	189.60	460.59
Increase /Decrease in Inventories	55.88	(20.94)
Increase/Decrease in Creditors and other payables	(696.03)	1,203.37
Net Cash from operating Activities(A)	-675.39	376.54
Cash Flow from Investing Activities:		
Purchase of Fixed Assets (Net)	(0.24)	(0.17)
Additions/ Written off of in Intangible asset (Net)		
Investments in subsidiary	-	228.95
Expenditure for Enhancement of Authorised share capital		
Net Cash used in investing activities:(B)	(0.24)	228.78
Cash Flow from Financing Activities:		
Increase in long term borrowings	105.60	(192.22)
Proceeds from secured loan	1,172.74	141.65
Proceeds from unsecured loan	-	-
Issue of Equity Shares/Share application money		
Interest paid	(501.94)	(399.32)
Net Cash used in Financing Activities	776.40	(449.89)
Net Decrease/Increase in Cash and cash Equivalents: (A+B+C)	100.76	155.43
Cash and Cash equivalent at the beginning of the year	648.86	493.43
Cash and Cash equivalent at the end of the year	749.62	648.86
See accompanying notes forming part of the financial statements		
As per our report of even date annexed.		
For MATHESH & RAMANA		For and on behalf of Neha International Limited
Chartered Accountants		Sd/-
Firm Regn. No. 002020S		G Vinod Reddy
Sd/-		Chairman & Managing Director
K.MATHESH REDDY		(DIN:00074308)
M. No. 026285 Partner		Sd/-
Place : Hyderabad		G Kameshwar Rau
Date:30.05.2018		Satya Ranjan Jena
		Chief Financial Officer
		Company Secretary



NOTES FORMING PART OF STANDALONE 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. But the Company has not complied with the actuarial valuation requirements of Gratuity as per the Indian Accounting Standard.
- 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 fair value. Long Term Investments are valued at fair value. The difference of Book Value and Fair Value is treated as Impairment Loss.
- 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, 2018 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 Indian Accounting Standard - 7 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 01-04-2017 to 31-03-2018. The depreciation provided for the year was Rs.5,67,996/- as per provisions of Schedule II of Companies Act 2013.



30. Earning per Share (EPS):

Particulars	Period Ended 31.03.2018 (12 Months)	Year Ended 31.03.2017 (12 Months)
Profit attributed to the Equity Shareholders (Rs) (A)	2,49,11,386	2,38,44,620
Weighted average number of Equity Shares Outstanding during the year (B)	2,83,79,568	2,83,79,568
Face Value of Equity Shares (Rs)	10/-	10/-
Basic Earning per share (Rs.)- (A/B)	0.88	0.84
Diluted Earning per Share (Rs.) (A/B)	0.88	0.84

27. OPERATING SEGMENTS IND AS – 108

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:

Revenue	Cut Flowers	Export Sales	Local Sales	Total
Current Period (12 Months)	-	-	3,102,774,213	3,102,774,213
Previous period (12 Months)	-	253,680,930	2,742,280,696	2,995,961,626

Segment wise Revenues – Operation wise:

Revenue	Farm	Merchandising	Trading Sales	Total
Current Period (12 Months)	-	-	3,102,774,213	3,102,774,213
Previous period (12 Months)	-	253,680,930	2,742,280,696	2,995,961,626

Geographical Revenues:

Geographical Segment	REVENUE	
	Current Period	Previous Year
India	3,102,774,213	2,742,280,696
Malay sia	-	253,680,930
Total	3,102,774,213	2,995,961,626

32. Related Party Disclosure: Information regarding Related Party Transactions as per Indian Accounting Standard 24 issued by the MCA

A. Related Party and their Relationship1. (I) Subsidiaries (Direct Holding)

- M/s Globe agro Holdings, Mauritius
- M/s Neha Agricorp 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 Holetta 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. Kameshwar Rau G
- c. Mr. Satya Ranjan Jera

(IV) Companies in which directors are interested

- a. MVR Projects Pvt. Ltd.
- b. Gosaveedu Agro Pvt. Ltd. (Ravi Chand Kotha)

B. Transactions with Related Parties (Amount in Lakhs)

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

Name of the Company or Party	Relationship	Nature of Transaction	Amount Rs. in lacs	Outstanding amounts carried in the Balance Sheet (Rs. in lacs)
Mr. Vinod Reddy G.	Managing Director	Obtained Unsecured Loan	71.40	7.07

33. In compliance with Indian Accounting Standard – Ind AS 17 “Leases”, 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.9,24,964/- for a period of 12 months (Previous Year - Rs. 12,54,000/-).

34. Contingent Liabilities: The company has taken LC's for an amount of Rs .39,14,23,765/-



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

Sl.No	Name Of The Party	Closing Balance As On 31/03/2018
1	MVR Projects Pvt Ltd	6,72,14,355

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 31/03/2018
1	Namokar Consultants Pvt Ltd	1,50,00,000
2	Praveen Road Lines	1,00,00,000

37. Managerial Remuneration

Particulars	31.03.2018	31.03.2017
Salaries and Allowances	18,25,000	18,00,000
Contribution towards Retirement benefits	Nil	Nil
Perquisites	Nil	Nil
Total	18,00,000	18,00,000

- 38.

Auditors Remuneration	2017-18 (Rs.)	2016-17 (Rs.)
Audit Fees(Excl. GST)	3,75,000	3,00,000
Tax Audit (Exclusive of Service Tax & Out of pocket expenses	50,000	50,000

39. Compliance with Indian Accounting Standard (IND AS – 12) "Income Taxes" 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	2017-18 (Rs.)	2016-17 (Rs.)
Opening Balance	2,27,799	(3,09,225)
During the year	(5,17,408)	5,37,024
Deferred Tax Liability	(2,89,609)	2,27,799

- 40.

Foreign Currency Transactions:

Particulars	For the Year	Previous Period
CIF Value of Imports (In Rs.)	NIL	NIL
Capital Equipments	NIL	NIL
Purchase of Flowers for trading /others	NIL	NIL
Purchase of Machinery for trading	NIL	NIL
Expenditure in Foreign Currency:	NIL	NIL
Handling & Freight	NIL	NIL
Foreign Travel	2.26 Lakhs	21.95 Lakhs
Earning in Foreign Currency: (FOB Value of Exports)	NIL	NIL
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 31/03/2018. During the year 2017-18 the balance of US \$ 27,292 (Rs. 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	-	1,34,84,284/-
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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 annexed.

For MATHESH & RAMANA

Chartered Accountants

Firm Regn. No. 002020S

Sd/-

K.MATHESH REDDY

M. No. 026285 Partner

Place : Hyderabad

Date:30.05.2018

For and on behalf of Neha International Limited

Sd/-

G Vinod Reddy

Chairman & Managing Director (DIN:00074308)

Sd/-

Sd/-

G Kameshwar Rau Satya Ranjan Jena

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, 2018. 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, 2018 to the members of the Company.

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS

PLACE: HYDERABAD
DATE: 30/05/2018

Sd/-
K.MATHESH REDDY
M. No. 026285 Partner



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
NEHA INTERNATIONAL LIMITED**

Report on the Consolidated Financial Statements:

Opinion:

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, 2018, and the consolidated Statement of Profit and Loss and Consolidated Cash Flow Statement for the period ended March 31, 2018, and a summary of significant accounting policies and other explanatory information.

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 31st, 2018; and
- (b) In the case of the Consolidated Statement of Profit and Loss Account, of the profit for the period ended on that date.
- (c) In the case of the Consolidated Cash Flow Statement, of the Cash Flows, for the period ended on that date.

Basis for Opinion:

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We report that the consolidated financial statements have been prepared by the company's management in accordance with requirements of the Accounting Standard (IND AS) 110, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters:

We have not audited the financial statements of foreign subsidiaries, whose financial statements reflect total assets of INR 115.29 Crores as at March 2018, total revenue of INR 12.89 Crores and net cash inflows amounting to INR (247.83) 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) With regards to Globeagro Holding the subsidiary company auditor expressed True & Fair opinion with respect to standalone financial statements; but for its three subsidiaries the auditors issued qualified opinion as under:
 - With respect to Holeta Roses Private Limited Company auditor qualified his opinion on the following basis;
 - Debtors and Creditors include outstanding balances with no movement for more than a year amounting to Birr32,810,388(Rs774.78Lakhs)and Birr45,965,379(Rs1085.42 Lacs) respectively.
 - We are not provided with period end stock count and the related valuation sheet,as a result we are unable to verify the correctness of the stock balance reported on the attached financial statements amounting to Birr1,287,181(Rs30.40 Lacs)
 - We would like to draw to the attention of the readers to the balance sheet which shows that the company has so far incurred a loss of Birr23,524,343(Rs555.50 Lacs) whereas the capital stands at Birr 20,699,390(Rs488.79 Lacs); which is more than 100% of the paid up capital.
 - With respect Alliance Flowers Private Limited Company auditor qualified his opinion on the following basis;
 - Debtors and Creditors include outstanding balances with no movement for more than a year amounting to Birr72,353,502(Rs1708.55 Lacs)and Birr 7,911,076(Rs186.81 Lacs) respectively.
 - We are not provided with period end stock count and the related valuation sheet, as a result we are unable to verify the correctness of the stock balance reported on the attached financial statements amounting to Birr814,142(Rs19.22 Lacs).
 - With respect Oromia Wonders Private Limited Company auditor qualified his opinion on the following basis;
 - Debtors and Creditors include outstanding balances with no movement for more than a year amounting to Birr14,857,833(Rs350.85 Lacs)and Birr 67,601,842(Rs1596.35 Lacs) respectively.
 - We are not provided with period end stock count and the related valuation sheet,as a result we are unable to verify the correctness of the stock balance reported on the attached financial statements amounting to Birr6,333,952(Rs149.56 Lacs)
- (b) With regards to Neha Agricornp PTE .LTD. the subsidiary company Auditor has given Qualified opinion stating the trade and other receivables amounting to US \$17,993,646 from third parties is past due for more than 150 days.The directors are confident and satisfied that the receivables are recoverable and accordingly impairment assessment has not been carried out.; but for its five subsidiaries the auditors opinions were as under;
 - With respect to Neha Agri Tanzania Limited Company auditor expressed True & Fair opinion.
 - With respect to Neha Agri-Ventures(U) Limited Company auditor expressed True & Fair opinion.
 - With respect to Neha Agri Senegal Company auditor expressed True & Fair opinion.
 - With respect to Neha Agri Zambia Limited Company auditor expressed True & Fair opinion.
 - With respect to Nint Agri Private Limited Company auditor qualified his opinion on the following;
 - We have not attained the year end count of cash on hand and stock reported on the attached financial statements amounting to Birr 3,348,311(Rs79.06 Lacs). Furthermore the stock balances reported has no movement for more than five years and are not supported by management count and valuation sheets.
 - Debtors and Creditors include long outstanding balances with no movement for more than a year amounting to Birr6,293,529(Rs148.61 Lacs) and Birr45,028,561 (Rs 1063.30 Lacs) respectively. Moreover confirmations weren't directly obtained in related to payable balance of Birr 44,715,939(Rs1055.92 Lacs)
 - The stated incomes of Birr 1,693,400(Rs39.98 Lacs) and fixed assets sales of Birr 1,707,061(Rs40.31 Lacs) were collected by cash receipt vouchers and issue vouchers only.



- (c) 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 US\$ 9527(Rs6.24 Lacs) as of 31/03/2018. 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 2018. Its Subsidiary Neha Agriservices FZE auditors had expressed their opinion as financial statements present fairly.
- (d) During the current reporting period Investment in Nint Agri PLC with a carrying value of US\$ 5,667,227 has been impaired and restated at US\$ 2,649,877 which resulted in an impairment loss amounting to Rs 1977.59 Lacs.
- (e) During the current reporting period investments of Neha International Limited were restated which resulted in an impairment loss of Rs 4036.06/- Lacs.

Management's Responsibility for the Consolidated 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 aforesaid

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

Report on Other Legal and Regulatory Requirements:

1. As required by section 143(3) of the Act, we report that:

- h. 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;
- i. 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.
- j. 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.
- k. 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.
- l. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of Act.
- m. 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;
 - iv. The Company has disclosed the impact of pending litigation of its financial position in its financial statements.
 - v. In our opinion and as per the information and explanations provided to us, the company not entered into any long term contracts including derivative contracts, requiring under applicable laws or accounting standards for material foreseeable losses, and
 - vi. There has been no delay in transferring to the Investor Education and Protection Fund by the Company.

For **MATHESH & RAMANA**
CHARTERED ACCOUNTANTS
Sd/-

B.V.RAMANA REDDY
M. No. 026967 Partner

PLACE: HYDERABAD
DATE: 05/12/2018



NEHA INTERNATIONAL LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Amount in Rupees

Note No	Note No	As on 31.03.2018	As on 31.03.2017
I Assets			
1 Non-current assets			
(a) Property, Plant and Equipment		314,902,309	411,297,663
(d) Goodwill	2	350,721,716	350,721,716
(b) Capital work-in-progress		160,486,686	363,726,604
(c) Investment Property			
(e) Other Intangible Assets			
(f) Intangible Assets under development			
(g) Biological Assets other than bearer plants			
(h) Financial Assets			
(i) Investments	3	116,481	139,895
(ii) Trade receivables			
(iii) Loans			
(iv) Others (to be specified)			
(i) Deferred tax assets (net)	4	289,609	-
(j) Other non-current assets	5	3,426,127	3,084,174
Current assets			
(a) Inventories	6	21,665,536	43,222,316
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables	7	2,472,422,353	2,381,131,283
(iii) Cash and cash equivalents	8	82,547,585	97,254,292
(iv) Bank balances other than (iii) above			
(v) Loans	9	297,063,759	303,725,860
(vi) Others (to be specified)			
(c) Current Tax Assets (Net)		-	-
(d) Other current assets	10	63,396,857	95,786,744
Total		3,767,039,018	4,050,090,547
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share Capital	11	283,795,680	283,795,680
(b) Other Equity	12	1,850,069,633	2,101,896,766
2 LIABILITIES			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	78,842,707	68,282,925
(ii) Trade Payables			
(iii) Other financial liabilities (other than those specified in item (b), to be specified)			
(b) Provisions	14	3,299,934	3,230,170
(c) Deferred tax liabilities (Net)			227,799
(d) Other non-current liabilities			
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	258,836,055	204,741,310
(ii) Trade payables	16	921,874,007	963,042,569
(iii) Other financial liabilities (other than those specified in item (c))			
(b) Other current liabilities	17	319,136,300	378,271,138
(c) Provisions	18	51,184,702	46,602,191
(d) Current Tax Liabilities (Net)			
Total		3,767,039,018	4,050,090,547

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

Sd/-
B.V.RAMANA REDDY

M.No. 026967 Partner
Place : Hyderabad

Date : 05/12/2018.

For Neha International Limited

Sd/-
G Vinod Reddy
Chairman & Managing Director
(DIN:00074308)

Sd/- Sd/-
G Kameshwar Rao Satya Ranjan Jena
Chief Financial Officer Company Secretary



Description	Gross Block				Depreciation / amortisation				Net Block		
	As at 01.04.2017	Additions during the period	Deletions during the period	Exchange Fluctuation	As at 31st March 2018		Charge for the period	Deletions for the period	Exchange Fluctuation	As at 31st March 2018	As at 31st March 2017
Tangible Assets											
Land and Development	7,21,46,985	-	-	-	7,21,46,985	-	-	-	-	7,21,46,985	7,21,46,985
Patents & Trademarks	2,25,000	-	-	-	2,25,000	2,25,000	-	-	-	-	-
Buildings	11,30,43,942	-	2,93,57,488	(1,40,10,016)	6,96,73,213	51,99,047	12,65,388	-	(9,99,949)	6,42,08,715.92	10,78,44,894
Green Houses	8,76,53,956	-	-	(1,46,73,982)	7,29,79,974	4,32,24,450	38,62,269	-	(76,31,650)	3,35,24,905	4,44,29,506
Plant Materials	11,19,61,113	1,16,69,040	-	(1,99,38,201)	10,36,91,962	9,09,88,578	25,14,757	-	(1,54,89,756)	2,56,78,373	2,09,72,535
Furniture & Fixtures	26,87,542	-	-	-	26,87,542	22,32,746	3,415	-	-	4,51,381	4,54,796
Office Equipment	36,08,323	-	-	(1,45,983)	34,62,341	31,40,070	2,00,595	-	(1,87,469)	3,09,145	4,68,253
Computers	20,54,927	2,86,768	-	(2,62,110)	20,79,585	13,73,971	1,38,457	-	(26,407)	5,93,564	6,80,956
Vehicles	1,65,27,672	18,69,062	-	(22,95,722)	1,61,01,013	99,35,029	17,27,294	-	(13,99,971)	58,38,661	65,92,643
Plant and Machinery	20,06,27,965	2,68,942	-	(3,28,53,973)	16,80,42,934	4,31,55,530	2,19,92,643	-	(92,55,818)	11,21,50,580	15,77,07,094
Total	61,05,37,426	1,40,93,812	2,93,57,488	(8,41,79,986)	51,10,90,539	19,94,74,422	3,17,04,828	-	(3,49,91,021)	31,49,02,309	41,12,97,663
Previous year	59,90,37,389	13,23,81,588	7,64,52,914	(4,46,54,557)	59,93,43,611	24,25,44,478	1,81,21,922	4,44,59,302	(1,69,90,248)	41,12,97,663	35,65,52,656
Intangible assets											
Goodwill	35,07,21,716	-	-	-	35,07,21,716	-	-	-	-	-	35,07,21,716
Deferred charges	-	-	-	-	-	-	-	-	-	-	-
Total	35,07,21,716	-	-	-	35,07,21,716	-	-	-	-	-	35,07,21,716
Capital work in progress	36,37,26,604	4,17,337	-	(20,36,57,255)	16,04,86,686	-	-	-	-	16,04,86,686	36,37,26,604



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amount in Rs.)

Note No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
3	NON- CURRENT INVESTMENTS Non- Current Assets 1) Investment in Subsidiaries a) Equity Shares	1,16,481	1,39,894
	Total Non Current Investments	1,16,481	1,39,894
	Less: Provision for Diminution in Investments	-	-
	Total Non - Current Assets (Net)	1,16,481	1,39,894
4	Aggregate amount of Unquoted Investments; Deferred tax asset (net) Opening balance Add: Differed tax income for the year	1,16,481 2,27,799 (5,17,408)	1,39,894 (3,09,225) 5,37,024
	Total Deferred Tax Asset (Net)	(2,89,609)	2,27,799
5	OTHER NON - CURRENT ASSETS Interest Accrued on Deposits Others (specify the nature) Deposits Differed tax asset Total other non current assets Less : Provision for Bad and Doubtful debts	24,49,066 9,77,061 - - 34,26,127 -	22,51,113 8,33,061 - - 30,84,174 -
	Total non - current assets(net)	34,26,127	30,84,174
6	INVENTORIES Inventories : a) Raw materials Material - Fertilizers, Chemicals and Pesticides Sub Total 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 Sub Total	1,96,50,932 1,96,50,932 - - 20,14,604 20,14,604	3,56,20,074 3,56,20,074 - - 76,02,242 76,02,242
	Total Inventories	2,16,65,536	4,32,22,316
7	TRADE RECEIVABLES Outstanding for a period exceeding six months from the date they are due for payment Secured, Considered Good Unsecured, Considered Good Doubtful Other Receivables: Secured, Considered Good Unsecured, Considered Good Doubtful Total trade receivable Less : Allowance for bad & doubtful debts	- 27,08,39,873 - - - 2,20,15,82,480 - 2,20,15,82,480 2,47,24,22,353 -	- 22,73,16,346 - - - 2,15,38,14,937 - 2,15,38,14,937 2,38,11,31,283 -
	Total Trade Receivables(net)	2,47,24,22,353	2,38,11,31,283
8	CASH AND BANK BALANCES Cash and cashequivalents : a) Balances with banks : 1) On Current Accounts 2) Margin Money c) Cash on hand	73,87,958 7,44,94,382 6,65,245	3,20,96,941 6,46,69,501 4,87,850
	Total Cash and Cash Equivalents	8,25,47,585	9,72,54,292
9	SHORT TERM LOANS AND ADVANCES Other loans And advances (Specify the nature) Advance for Expenses Advance to staff Advance to Suppliers Advance to Capital works Prepaid Expenses TDS Receivable	5,00,000 77,73,403 8,41,30,871 20,01,54,669 45,04,817 -	5,00,000 48,39,984 9,20,82,477 19,92,34,069 67,18,752 3,50,578
	Total short term loans & advances(net)	29,70,63,759	30,37,25,860
10	OTHER CURRENT ASSETS Other Current Assets	6,33,96,857	9,57,86,744
	Total Other Current Assets	6,33,96,857	9,57,86,744

11. SHARE CAPITAL

Particulars	No. of Shares	As at 31.03.2018	No. of Shares	As at 31.03.2017
Authorised				
Equity shares of Rs.10 each with voting rights	4,00,00,000	40,00,00,000	4,00,00,000	40,00,00,000
Issued				
Equity shares of Rs.10 each with voting rights	2,83,79,568	28,37,95,680	2,83,79,568	28,37,95,680
Subscribed & Fully Paid Up				
Equity shares of Rs.10 each with voting rights	2,83,79,568	28,37,95,680	2,83,79,568	28,37,95,680



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Amount in Rupees

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

Particulars	No. of Shares	As at 31.03.2018	No. of Shares	As at 31.03.2017
Equity Shares of Rs.10 each, fully paid up :				
At the beginning of the reporting period	2,83,79,568	28,37,95,680	2,83,79,568	28,37,95,680
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	2,83,79,568	28,37,95,680	2,83,79,568	28,37,95,680

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

Name of the shareholder	As at 31.03.2018		As at 31.03.2017	
	Number of shares	% Share holding	Number of shares	% Share holding
Equity Shares of Rs. 10 each Held By				
The Bank of New York Mellon	46,20,000	16.28%	46,40,000	16.28%
MVR Projects Private Limited	40,00,000	13.97%	40,00,000	13.97%

12. RESERVES AND SURPLUS

Particulars	As at 31.03.2018	As at 31.03.2017
RESERVES AND SURPLUS		
a) Capital reserve		
As at the commencement of the year	4,31,70,000	4,31,70,000
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
	4,31,70,000	4,31,70,000
b) Securities Premium Reserve		
As at the commencement of the year	1,42,58,67,858	1,42,58,67,858
Add: Shares premium on shares allotment	-	-
Less: Utilised for Capital raising expenses during the year	-	-
	1,42,58,67,858	1,42,58,67,858
c) Foreign Currency exchange reserve	61,83,47,439	22,33,51,423
c) Suppl :		
i) Opening Balance - Profit and Loss Account	40,95,07,485	39,78,87,837
Add: Transfer from Profit & Loss Account	(24,32,16,798)	1,16,19,648
Less: Transfer To General Reserve	-	-
Less: Dividend	-	-
Less: Remeasurement of Investments at commencement	-	-
Less: Remeasurement of Investments during the year	(40,36,06,350)	-
	(23,73,15,663)	40,95,07,485
Total Reserves and Suppl	1,85,00,69,634	2,10,18,96,766

Note No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
13	LONG TERM BORROWINGS		
	Vehicle Loans:		
	From banks:		
	Secured	4,08,732	6,53,949
	(Secured by Hypothecation of Vehicles)		
	Term loans:		
	From banks:		
	Secured	-	1
	Notes :		
	The term loans have been taken in overseas subsidiaries and step down subsidiaries and the same have been secured by the assets of the respective subsidiary.	-	1
	From other parties		
	Unsecured	7,84,33,975	6,76,28,975
	Total long term borrowings	7,88,42,707	6,82,82,925
14	LONG TERM PROVISIONS		
	Provisions for employee benefits	-	-
	Provision for Gratuity	32,99,934	32,30,170
	Total Long Term Provisions	32,99,934	32,30,170
15	SHORT TERM BORROWINGS.		
I	Short term borrowings		
	a) Loans repayable on demand:		
	From banks		
	Secured	39,64,067	12,72,05,379
	From other parties		
	Unsecured	6,72,14,355	6,72,14,355
	c) Loans and advances from Related parties		
	Unsecured	18,76,57,633	1,03,21,576
	Notes :		
	Cash credit from M/s Union Bank of India and Bank of Maharashtra is secured by collateral property of the Promoter	-	7,92,84,349
	Term loans at overseas subsidiaries payable in short term are secured by the assets of the respective subsidiaries and step down subsidiaries	39,64,067	4,79,21,030
	III Cash credit from M/s Union Bank of India and Bank of Maharashtra is guaranteed by Promoter Director	-	7,92,84,349
	Total short term borrowings	25,88,36,055	20,47,41,310
16	TRADE PAYABLES		
	Trade Payables	92,18,74,007	96,30,42,569
	Total Trade Payables	92,18,74,007	96,30,42,569



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Note No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
17	OTHER CURRENT LIABILITIES		
	Advances from customers	5,39,28,616	4,87,98,486
	Current maturities of long term debt	2,45,217	1,92,21,995
	Other Payables - Investments payable	26,49,62,442	31,02,38,548
	- Minority Interest	25	12,109
	Total other current liabilities	31,91,36,300	37,82,71,138
18	SHORT TERM PROVISIONS		
	Provision for expenses		
	Income tax payable	1,34,84,284	1,46,70,505
	Others (Specify the nature)		
	Provision for Expenses	3,77,00,416	3,19,31,686
	Total short term provisions	5,11,84,700	4,66,02,191
Note No.	PARTICULARS	As at 31.03.2018	As at 31.03.2017
19	REVENUE FROM OPERATIONS		
	Revenue from operations		
	Merchandising Sales (Flowers)	-	-
	Local Sales (Agricultural Items)	3,17,60,24,166	2,79,49,33,154
	Export Sales (Agricultural Items)	5,26,14,575	1,70,88,58,699
	Total Revenue from Operations	3,22,86,38,740	4,50,37,91,853
20	OTHER INCOME		
	Interest income (Other than a finance company)	-	-
	Other Income	76,21,288	1,29,26,930
	Total Other Income	76,21,288	1,29,26,930
21	COST OF MATERIAL CONSUMED		
	Raw Material Consumed	-	-
	Fertilisers, Chemicals & Pesticides	3,31,96,359	5,97,21,154
	Wages and Bonus	4,89,33,182	5,21,55,941
	Genset Maintenance	36,71,572	46,33,092
	Other Manufacturing Expenses	2,80,614	78,51,310
	Farm Maintenance	22,80,616	48,69,185
	Total Cost Of Contracts	8,83,62,342	12,92,30,682
22	PURCHASE OF STOCK IN TRADE		
	Merchandising Purchases (Flowers)	-	-
	Local Purchases (Agricultural Items)	2,99,85,53,316	4,17,40,84,740
	Purchases - (Cashew Nuts)	-	-
	Total Trade Purchases	2,99,85,53,316	4,17,40,84,740
23	CHANGE IN INVENTORIES & WIP. Stock in trade		
	Stock in trade at the beginning of the year	76,02,242	55,08,665
	Less : Stock in trade at the end of the year	20,14,604	76,02,242
		55,87,638	(20,93,577)
	(Increase)/Decrease in Inventories	55,87,638	(20,93,577)
24	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Wages	1,67,40,456	1,20,09,221
	Staff Welfare Expenses	3,378	52,177
	Managerial Remuneration	18,25,000	18,00,000
	Total Employee Benefit Expenses	1,85,68,834	1,38,61,398
Note No.	PARTICULARS	As at 31.03.2017	As at 31.03.2017
25	FINANCE COST		
	Bank Charges	1,35,63,834	1,34,12,992
	Other Interest	47,06,038	9,56,482
	Interest on Term Loans / Soft Loans	4,14,65,455	3,81,43,657
	Interest on Hire Purchase	77,525	98,547
	Total Finance Cost	5,98,12,852	5,26,11,678
26	OTHER EXPENSES		
	Insurance	10,52,416	18,03,499
	Listing Fee and Annual Registration Fee	3,90,149	8,12,023
	Share Transfer Expenses	65,329	71,656
	Repairs and Maintenance	9,33,852	16,984
	Office Maintenance	20,14,579	7,36,587
	Transportation Expenses	-	5,61,371
	Rent	28,95,045	34,07,509
	Advertisement Expenses	35,016	72,000
	Payment to Auditors:		
	As Auditor	14,17,276	23,18,376
	Miscellaneous Expenditure	14,87,954	50,79,432
	Telephone, Postage and Others	8,38,659	16,21,511
	Travelling & conveyance	50,54,949	65,37,949
	Printing & Stationery Expenses	2,12,463	39,65,535
	Professional Consultancy fee	16,71,776	14,06,981
	Director Sitting Fee	1,18,000	1,90,000
	Impairment of assets	19,77,58,628	-
	Selling Expenses		
	Handling charges	-	36,26,102
	Packing Material consumed	1,11,15,479	30,89,695
	Merchandising sales expenses	-	-
	Carriage outwards - Exports	1,37,84,728	6,76,53,258
	Carriage outwards - Local	-	1,37,782
	Business Promotion	24,07,334	7,65,076
	Prior period expenses	2,06,67,553	-
	Exchange fluctuation loss	-	32,89,389
	Total Other expenses	26,39,21,183	10,71,62,717



NEHA INTERNATIONAL LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2018

PARTICULARS	Year ended	Year ended
	31.03.2018 (Rs. in lacs)	31.03.2017 (Rs. in lacs)
Cash Flow from Operating Activities:		
Net Profit before Exceptional Item	(2,432.17)	116.20
Adjustment for:		
Interest Expenses	598.13	526.12
Depreciation	317.05	150.34
Miscellaneous Expenditure Written off	-	-
Provision for MAT (Net)	-	-
Operating Profit before working Capital Changes	(1,516.99)	792.65
Adjustment for:		
Debtors and other receivables	(912.91)	(1,259.02)
Increase/Decrease in Loans & Advance	377.89	592.50
Increase /Decrease in Inventories	215.57	(150.81)
Increase/Decrease in Creditors and other payables	(951.34)	2,743.18
Net Cash from operating Activities(A)	(2,787.78)	2,718.50
Cash Flow from Investing Activities:		
Sale of Fixed Assets	-	-
Additions in Fixed Assets & Exchange Fluctuation reserve	2,592.30	(1,794.69)
Additions/deletions in Intangible asset	-	300.72
Investments	-	-
Net Cash used in investing activities:(B)	2,592.30	(1,493.96)
Cash Flow from Financing Activities:		
Repayment of Long Term Borrowings	105.60	(543.20)
Net Proceeds from secured loan	(1,232.41)	132.16
Proceeds from unsecured loan	1,773.36	39.42
Issue of Equity Shares/Share application money/Reserves	-	-
Miscellaneous expenses	-	-
Interest paid	(598.13)	(526.12)
Net Cash used in Financing Activities	48.42	(897.74)
Net Decrease/Increase in Cash and cash Equivalents:(A+B+C)	(147.07)	326.80
Cash and Cash equivalent at the beginning of the year	972.54	645.74
Cash and Cash equivalent at the end of the year	825.48	972.54

As per our Report of even Date

For Mathesh & Ramana

Chartered Accountants

Firm Regn. No. 002020S

Sd/-

B.V.RAMANA REDDY

M.No. 026967 Partner

Place : Hyderabad

Date : 05/12/2018.

For Neha International Limited

Sd/-

G Vinod Reddy

Chairman & Managing Director
(DIN:00074308)

Sd/-

Sd/-

G Kameshwar Rau

Satya Ranjan Jena

Chief Financial Officer

Company Secretary


NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st MARCH, 2018
1. 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 Globe Agro Holdings is one of the subsidiaries based in Mauritius. It has substantial stake in Three (3) Floriculture Companies namely HOLETTA ROSES Pte. Alliance Flowers Pte and Oromia Wonders Pte. 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 Agricornp Pte Ltd and M/s Neha Agri services Pte Ltd based in Singapore.

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%	1 st April 2017 to 31 st March 2018
M/s.Holetta Roses Plc.	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%	1 st April 2017 to 31 st March 2018
M/s.Alliance Flower Pte.	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%	1 st April 2017 to 31 st March 2018
M/s. Oromia Wonders Plc.	A subsidiary of Globeagro Holdings Incorporated under the laws of Ethiopia	99.99%	1 st April 2017 to 31 st March 2018
M/s.NINT Agri Pte.	A subsidiary of Neha Agricornp Pte. Ltd. Incorporated under the laws of Ethiopia	99.99%	1 st April 2017 to 31 st March 2018
M/s.Neha Agri Tanzania Ltd.	A subsidiary of Neha Agricornp Pte. Ltd. Incorporated under the laws of Tanzania	99.00%	1 st April 2017 to 31 st March 2018
M/s. Neha Agri Ventures (U) Ltd.	A subsidiary of Neha Agricornp Pte. Ltd. Incorporated under the laws of Uganda	99.00%	1 st April 2017 to 31 st March 2018
M/s. Neha Agri Zambia Ltd.	A subsidiary of Neha Agricornp Pte. Ltd. Incorporated under the laws of Zambia	99.00%	1 st April 2017 to 31 st March 2018
M/s. Neha Agri Senegal, SURAL	A subsidiary of Neha Agricornp Pte. Ltd. Incorporated under the laws of Senegal	100%	1 st April 2017 to 31 st March 2018
M/s. Neha Agriservices Pte. Ltd.	A subsidiary of Neha International Ltd Incorporated under the laws of Singapore	100%	1 st April 2017 to 31 st March 2018
M/s.Neha Agriservices FZE	A subsidiary of Neha Agri Services Pte. Ltd. Incorporated under the laws of UAE	100%	1 st April 2017 to 31 st March 2018

1A. Summary of Significant Accounting Policies:
1A.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 1 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 Indian Accounting standards ('IND 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.

1A.2 Principles of Consolidation:

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard 110 "Consolidated Financial statement" issued by the ICAI. The consolidated financial statements have been prepared on the following basis:

- The financial statements of the Parent company and its subsidiaries have been consolidated on a line-by-line basis by adding together the fair 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.
- 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 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.
- 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, 2018.
- 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.

1A.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.

1A.4 Property, Plant & Equipment:

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.

1A.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.

1A.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.

1A.7 Retirement benefits:

- Company's contribution to provident fund if any is charged to Profit & Loss Account.
- Provision has been made in accounts for the future payment of gratuity to the employees of the Company. But the Company has not complied with the actuarial valuation requirements of Gratuity as per the Accounting Standard.

1A.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.



- 1A.9 Investments:**
Current Investments are valued at fair value. Long Term Investments are valued at fair value. The difference of Book Value and Fair Value is treated as Impairment Loss.
- 1A.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.
- 1A.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.
- 1A.12 Cash Flow Statement:**
The Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March, 2018 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 Indian Accounting Standard - 7 on Cash Flow statement issued by ICAI.
- 1A.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.
- 1A.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.
- 1A.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.
- 1A.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.
- 1A.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.
- 1A.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.
- 1A.19 Leases:**
Lease rentals in respect of assets acquired under operating lease are charged to Statement of Profit and Loss.
- 1A.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 Indian Accounting Standard 38.
- 1A.21 Segment Reporting:**
The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the company. Further,
(iii) Inter segment revenue has been accounted for based on the transaction price agreed to between segments which is primarily market based.
(iv) 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	Period Ended 31.03.2018	Period Ended 31.03.2017
Profit attributed to the Equity Shareholders (Rs) (A)	(24,32,16,798)	1,16,19,968
Weighted average number of Equity Shares Outstanding during the year (B)	2,83,79,568	2,83,79,568
Face Value of Equity Shares (Rs)	10/-	10/-
Basic Earnings per share (Rs.)- (A/B)	(8.57)	0.41
Diluted Earnings per Share (Rs.) (A/B)	(8.57)	0.41

29. **OPERATING SEGMENTS IND AS - 108**

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.

Revenue from these segments is as follows.



Segment wise Revenues:

(in Rs.)

Revenue	Cut Flowers	Machinery	Trading Sales	Total
Current period	117,075,594	--	3,111,563,146	3,228,638,740
Previous Period	248,280,620	---	4,255,511,233	4,503,791,853

Segment wise Revenues – Operation wise:

(In Rs)

Revenue	Local Sales	Export Sales	Trading Sales	Total
Current period	73,249,953	52,614,574	3,102,774,213	3,228,638,740
Previous period	52,652,4159	1,708,856,699	2,742,280,696	4,503,791,853

Geographical Revenues:

(in Rupees)

30. RELATED PARTY TRANSACTIONS

Geographical Segment	REVENUE	
	Current Period	Previous Period
Netherlands	43,825,642	188,057,022
India	3,102,774,213	2,742,280,696
Singapore	--	317,324,799
Ethiopia	82,038,885	60,223,498
Indonesia	--	---
Malaysia	--	147,254,363
Hongkong	--	1,048,651,475
Dubai	--	--
Total:	3,228,638,740	4,503,791,853

A. Details of related parties including the summary of transactions entered into by the Neha International Limited during the period ended 31st March, 2018

Subsidiaries wherein control exists	<ul style="list-style-type: none"> Globe agro Holdings, Mauritius Holetta Roses PLC, Ethiopia Alliance Flowers PLC, Ethiopia Oromia Wonder PLC, Ethiopia Neha Agricorp Pte Ltd, Singapore NINT Agri PLC, Ethiopia Neh 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
Key Managerial Personnel including Relatives	<ul style="list-style-type: none"> Mr. Vinod Reddy G
Companies in which Directors are Interested	<ul style="list-style-type: none"> MVR Projects Pvt. Ltd. Kosaveedu Agro Pvt Ltd (Ravichand Kotha)
Non-Executive Directors	<ul style="list-style-type: none"> Mr. Ravi Chand Kotha Mrs. Vani Gadum

Transactions with Related Parties during the year 2017-18

(Amount in Lakhs)

Particulars	Alliance	Holetta	Oromia	Neha Agricorp
Purchase of Goods	35.41	-	61.41	-
Payment against material	-	-	-	-
Sale of Goods	29.48	55.48	11.86	-

Name of the Company or Party	Relationship	Nature of Transaction	Amount Rs. in lacs	Outstanding amounts carried in the Balance Sheet (Rs. in lacs)
Mr. Vinod Reddy G.	Managing Director	Obtained Unsecured Loan	71.40	7.07
MVR Projects Pvt Ltd	Directors are interested in the Company	Inter Corporate Deposit	-	672.14

31. In compliance with Indian Accounting Standard – IND AS 17 “Leases”, 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. 9,42,964/- for a period of 12 months (Previous Year - Rs. 12,54,000/-).

32. Contingent Liabilities: The company has taken LC's for an amount of Rs. 39,14,23,765/-

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

Sl. No	Name Of The Party	Closing Balance As On 31/03/2018
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 31/03/2018
1	Namokar Consultants Pvt Ltd	1,50,00,000
2	Praveen Road Lines	1,00,00,000



35. Managerial Remuneration

Particulars	31.03.2018	31.03.2017
Salaries and Allowances	18,25,000	18,00,000
Contribution towards Retirement benefits	Nil	Nil
Perquisites	Nil	Nil

36. Auditor's Remuneration

Particulars	2017-18	2016-17
Audit Fees	Rs14,17,276	Rs23,18,376

37. The company has incurred an expense of Nil till 31-03-2018 on behalf of M/s NINT Agri PLC, Ethiopia (Subsidiary) which is recoverable from the subsidiary.
38. In compliance with Indian Accounting Standard (IND AS – 12) "Income Taxes" 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	2017-18 (Rs.)	2016-17 (Rs.)
Opening Balance	2,27,799	(3,09,225)
During the year	(5,17,408)	5,37,024
Deferred Tax Liability	(2,89,609)	2,27,799

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 31/03/2018. During the year 2017-18 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. 1,34,84,284/-
45. The figures mentioned in the current period are 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 Regn. No. 002020S

Sd/-

B.V.RAMANA REDDY

M.No. 026967 Partner

Place : Hyderabad

Date : 05/12/2018.

For **Neha International Limited**

Sd/-

G Vinod ReddyChairman & Managing Director
(DIN:00074308)

Sd/-

G Kameshwar Rau

Chief Financial Officer

Sd/-

Satya Ranjan Jena

Company Secretary



**NEHA INTERNATIONAL LIMITED
(CIN: L01122TG1993PLC015987)**

Registered Office: “5th Floor, Manbhumi Jade Towers
Rajbhavan Road, Somajiguda, Hyderabad – 500082 Email: complianceofficer@nehainternational.com
website: www.nehainternational.com

24th 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 Regulation 44 of SEBI (LODR) Regulations, 2015 the Company is providing e-voting facility to the Members of the Company, the facility to vote at the 24th Annual General Meeting to be held on Sunday, the 30th December 2018. 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 Ashok Kumar Pipalwa, Practicing Company Secretary, 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 forty eight hours of conclusion of the shareholders meeting, submit his report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour or against, if any, to the Chairman of the Company. Results will be updated on the Company's website as well as intimated to the Stock Exchanges (BSE)

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

- (i) The voting period begins on 27.12.2018 and ends on 29.12.2018. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23.12.2018 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 alphanumeric 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).

- (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.
 - 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
	ORDINARY BUSINESS			
1.	Adoption the Audited Balance Sheet of the Company as at 31 st March, 2018 and the Statement of Profit and Loss for the period ended 31 st March, 2018 and the Report of Directors and the Auditors thereon.			
2.	Appointment of Mr. G. Vinod Reddy, who retires by rotation and is eligible for re-appointment.			
	SPECIAL BUSINESS			
3.	To regularize and approve the appointment of Mrs. G Vani (DIN: 08040631) as an independent director of the Company.			
4.	To regularize and approve the appointment of Mrs. G Lavanya Reddy (DIN: 06686222) as a Non-Executive director of the Company.			



NEHA INTERNATIONAL LIMITED

(CIN: L01122TG1993PLC015987)

Registered Office: "5th Floor, Manbhumi Jade Towers
Rajbhavan Road, Somajiguda, Hyderabad – 500082
Telangana, Ph.Nos.+91 40 66364543 Fax:+91 40 66363504
Email:complianceofficer@nehainternational.com
website:www.nehainternational.com

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 24th Annual General Meeting of the shareholders of Neha International Limited on Sunday, the 30th Day of December 2018 at 11.00 A.M. at the venue Bhaskara Auditorium, B.M. Birla Science Centre, Adarshnagar, Hyderabad-500063.

Reg. Folio No.	DP ID No.	Client ID No.
No. of Shares		

Name & Address of Member :
(In Block Capitals)

In Case of Proxy

Name of Proxy
(In Block Capitals)

Signature of Shareholder/Proxy/Representative
(Please Specify)

1. Only Member/Proxy holder can attend the Meeting.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

Note: Please fill this Attendance Slip and hand it over at the entrance. Shareholders who come to attend the meeting are requested to bring the copies of the Annual Report also with them.



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NEHA INTERNATIONAL LIMITED

(CIN: L01122TG1993PLC015987)

Registered Office: "5th Floor, Manbhumi Towers

Rajbhavan Road, Somajiguda, Hyderabad – 500082

Telangana, Ph. Nos. +91 40 66364543 Fax: +91 40 66363504 Email: complianceofficer@nehainternational.com

website: www.nehainternational.com

Form No. MGT-11

Proxy form

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

CIN :	L01122TG1993PLC015987		
Name of the company :	NEHA INTERNATIONAL LIMITED		
Registered office :	5th Floor, Manbhumi Towers Rajbhavan Road, Somajiguda, Hyderabad – 500082, Telangana		
Name of the member(s) :			
Registered Address :			
Email Id :			
Folio No / Client ID No.	DP ID No.		

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

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

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 24th Annual General Meeting of the company, to be held on Sunday, the 30th day of December, 2018 at 11.00 A.M. at the venue Bhaskara Auditorium, B.M. Birla Science Centre, Adarshnagar, Hyderabad-500063. and at any adjournment thereof in respect of such resolutions as are indicated below :

1. Adoption the Audited Balance Sheet of the Company as at 31st March, 2018 and the Statement of Profit and Loss for the period ended 31st March, 2018 and the Report of Directors and the Auditors thereon.
2. Appointment of Mr. G. Vinod Reddy, who retires by rotation and is eligible for re-appointment.
3. To regularize and approve the appointment of Mrs. G Vani (DIN: 08040631) as an independent director of the Company.
4. To regularize and approve the appointment of Mrs. G Lavanya Reddy (DIN: 06686222) as a Non-Executive director of the Company.

Signed this day of 2018.

Signature of Shareholder : _____

Signature of Proxy holder(s) : _____

Affix Revenue Stamp

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.



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PRINTED MATTER

If undelivered, please return to :



neha

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 4544 Fax : 040 6636 3504

www.nehainternational.com