

NEHA INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Chairman & Managing Director

Shri G. Vinod Reddy

Directors

Dr. G. Pramod

Shri Anil G. Nair

Shri P. Sarath Kumar

Smt. Radhika Kandagatla

Chief Financial Officer

Srinivas Sarika

Company Secretary

Manoj Sali

Auditors

M/s. Mathesh & Ramana,

Chartered Accountants

3-6-145, Himayathnagar, Hyderabad 500 029

Bankers

Bank of Maharashtra, Khairatabad Branch, Hyderabad

IndusInd Bank, Secunderabad Branch, Hyderabad

Union Bank of India, Khairatabad Branch, Hyderabad

Regd. Office

No. 6-3-1090/A/12 & 13,

501, Manbhum Jade Towers, Rajbhavan Road, Somajiguda,
Hyderabad - 500 082, India. Tel : 040-66134759, Fax : 040 - 66136435

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NOTICE

NOTICE is hereby given that the Twenty First Annual General Meeting of the members of Neha International Limited will be held on Tuesday 30th June 2015 at 11.00 a.m. at Bhaskara Auditorium B.M. Birla Science Centre, Adarshnagar, Hyderabad 500063 to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at March 31st, 2015 and the Statement of Profit and Loss for the period ended as on that date together with the reports of Directors and Auditor's thereon.
2. To appoint auditors of the company to hold office from the conclusion of this Annual General Meeting till the conclusion of the consecutive Annual General meeting and to fix their remuneration, and if thought fit to pass, with or without modifications (s) the following resolution as a ordinary resolution.

"RESOLVED THAT Pursuant to section 139 of the Companies Act 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee of the Board M/s. Mathesh & Ramana, Chartered Accountants, having registration no. 0020205 allotted by the Institute of Chartered Accountants of India (ICAI) be and are hereby appointed as the Auditors of the Company from the conclusion of this 21st Annual General Meeting for term of consecutive five years till the conclusion of the 26th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting held after this Annual General meeting) and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit committee in consultation with the Auditors, in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the company.

SPECIAL BUSINESS

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

Appointment of Director

"RESOLVED that pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Radhika Kandagada (DIN : 07163128), who was appointed as an Additional Director pursuant to the provisions of Section 161 to act as Independent Director pursuant to provisions of section 147(7) of the Companies Act, 2013, be and is hereby appointed as an Independent Director, liable to retire by rotation at the Annual General Meeting."

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

"RESOLVED THAT pursuant to provisions of Sections 196, 197, 203 and other applicable provisions if any, of the Companies Act, 2013 ("The Act") read with Schedule V to the Act and the Companies (Appointment and Remunerations of Managerial Personnel) Rules, 2014 including any statutory modifications or enactments thereof from time to time, consent of the Shareholders be and is hereby accorded to the reappointment of Mr. G.Vinod Reddy (DIN:00074308), as Managing Director for a period of 3 years w.e.f. 24.03.2014, at a remuneration set out in the agreement placed before the meeting and initialed by the Chairman for the purpose of identification.

"RESOLVED FURTHER THAT the Board be and is hereby authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Mr. G.Vinod Reddy but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it."

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

"RESOLVED THAT pursuant to the provision of Section 180(1)(a) and other applicable provision (including any



modification or re-enactment thereof), if any, of the Companies Act 2013, consent of the members is hereby accorded to the Board of Directors of the company to sell the non-viable subsidiary, Dream Flowers Plc., Ethiopia, after following the due process and subject to approval of members and applicable statutory and regulatory approvals.

Further **RESOLVED THAT**, Mr. G.Vinod Reddy, Managing Director of the Company be and is hereby authorized to identify the prospective buyer(s), negotiate terms and conditions of the sale, finalize the deal and to do all such act, deeds and things which are necessary for the aforesaid proposal.

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

"RESOLVED THAT in supersession to the earlier resolution(s), pursuant to the provisions of Section 180 (1)(c) of the Companies Act, 2013 and the Articles of Association of the Company, consent of the Shareholders be and is hereby accorded to the Board of Directors of the Company to borrow such sums of money, from time to time, as they may deem requisite for the purpose of the business of the Company notwithstanding that money to be borrowed together with the money already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the Ordinary Course of Business) will exceed the Aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount up to which the money may be borrowed by the Board of Directors (apart from temporary loans obtained from the company's bankers) shall not exceed ₹ 500 Crores (Rupees Five Hundred Crores only) outstanding at any time."

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

"RESOLVED THAT in supersession to the earlier resolution(s), pursuant to the provisions of section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013 (including any statutory modifications or amendments thereof) and Rules made there under, consent of the Shareholders be and is hereby accorded to the Board of Directors, to mortgage or create charge on all or any of the immovable and movable properties (including pledge of securities held in subsidiaries/ associates) of the Company, present and future, and /or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of any Bank(s) or Financial Institution(s) situated within or outside India (hereinafter referred to as "the Lenders") to secure repayment of rupee term loans or foreign currency loans or a combination of both, working capital limits or any kind of non-fund based limits, all together, not exceeding of ₹ 500 Crores (Rupees Five Hundred Crores only), advanced or agreed to lend and advanced by the lender(s) to the Company either jointly or severally or in any other combination thereof, as the case may be, in terms of the loan agreement(s), entered into/ to be entered into by the Company with each of the lenders for the purpose of the business of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 5, 14 and any other applicable provisions, if any, of the Companies Act, 2013, approval of the shareholders be and is hereby accorded to the Company to amend the Articles of Association of the Company in the following manner:

To replace the relevant sections of the Companies Act, 1956 in various Articles by the corresponding sections of the Companies Act, 2013 and adopt the same.

"RESOLVED FURTHER THAT Mr. G.Vinod Reddy Managing Director of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution".

Place : Hyderabad

Date : 08-06-2015

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

Sd/-

G. Vinod Reddy
Chairman & Managing Director

NOTES:

1. An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to Special Business to be transacted at the Annual General Meeting is annexed hereto
2. A MEMBER ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY, PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF LIMITED COMPANIES, SOCIETIES, ETC., MUST BE SUPPORTED BY APPROPRIATE RESOLUTION / AUTHORITY, AS APPLICABLE.
3. Members are requested to bring their copies of Annual report to the Annual General Meeting.
4. The register of Member's and Share transfer books of the Company will be closed from 27th June, 2015 to 30th June 2015 (both the days inclusive)
5. Members holding shares in physical form are requested to inform any change in address immediately to the Company's Registrar and Transfer Agents, M/s XL Softech Systems Limited, # 3, Sagar Society, Road No.2, Banjara Hills, Hyderabad 500034. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant and not to the Company or the Company's Register and Share Transfer Agents.
6. Members who hold the shares in dematerialized form are requested to write their Client ID and DPID on the attendance slip for easy identification of attendance at the meeting.
7. The relevant details as required by Clause 49 of the Listing agreement entered with Stock Exchange of persons seeking appointment/ re-appointment as Directors under Item No.2 above are annexed.
8. Important Communication to Members: The Ministry of Corporate affairs has introduced a "Green Initiative in the Corporate Governance" vide its circulars dated 21.04.2011 and 29.04.2011 by allowing the Companies to service the notices / documents including Annual Report by way of e-mail to its members. This initiative is a step towards protection of environment and enabling faster communication with the members.

Accordingly the Company 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.

9. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on 26th June 2015 at 9.00 am and ends on 29th June 2015 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 23rd June 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.



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(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)
◆	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.
◆	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.

ANNEXURE - II**LIST OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING****(Pursuant to Clause 49 of the Listing Agreement)**

Name of the Director	Radhika Kandagatia
Date of Birth	22-05-1997
Date of Appointment	31-03-2015
Qualifications	M.Com
Expertise in specific functional Areas	Well versed in Accounts, Finance and Administrative matters
List of Companies in which outside Directorship held as on 31.03.2015	NIL
Chairman/Member of the *Committees of other Companies on which he/she is a Member as on 31.03.2015	NIL
Number of equity shares held in the Company	NIL

EXPLANATORY STATEMENT

(Pursuant to section 102 of the Companies Act, 2013)

Item No.4

The Board of Directors of the Company at its meeting held on 31st March, 2015 had appointed Mrs. Radhika Kandagatla (DIN : 07163128) as Additional Director who holds her office only upto this Annual General Meeting. Pursuant to the provisions of section 161(1) and other applicable provisions of the Companies Act, 2013 and Articles of Association, the Company has received a notice from a shareholder proposing her candidature for the office of Director along with requisite deposit.

A brief Profile of Mrs. Radhika Kandagatla

Mrs. Radhika Kandagatla is a post graduate in Commerce with a Bachelors degree in Management and has considerable experience in the field of Finance and administration.

Your Directors recommended the resolution for your approval. None of the Directors and Key Managerial Personnel of the Company, other than Mrs. Radhika Kandagatla is interested in the resolution.

Item No.5

Mr. Vinod Reddy (DIN:00074308) was re-appointed as the Managing Director by the Board of Directors of the Company at their meeting held on 24.03.2014 for a period of 5 Years with effect from 24.03.2014

Considering the qualifications and experience in managing affairs of the Company, the Nomination and Remuneration Committee has recommended the reappointment of Mr. Vinod Reddy as Managing Director for another period of 3 years with effect from 24.03.2014, subject to the approval of the shareholders in the next Annual General Meeting. He will be paid remuneration and perquisites as recommended by the Nomination and Remuneration Committee as detailed below, within the limits prescribed under sections 196, 197, 198 and Schedule V and other applicable provisions of the Companies Act, 2013 subject to overall ceiling fixed under Schedule V part 2 section I and II of the Companies Act, 2013 amended from time to time.

Period of Appointment	:	3 Years (i.e. From 24.03.2014 to 23.03.2017)
Pay	:	Rs. 1,50,000/- Per Month

MINIMUM REMUNERATION:

If the Company has no Profits or its Profits are inadequate in any Financial Year, the Company may pay remuneration to the Managing Director by way of Salary, Perquisites and other benefits as provided herein above and as provided under the Act.

Your Directors recommended the resolution for your approval. None of the Directors and Key Managerial Personnel of the Company other than Mr. G. Vinod Reddy & Mr. G. Pramod, is interested in the resolution.

Item No.6

Sale of Subsidiaries:

You company have acquired 50% stake in a floriculture company called Dream Flowers plc, Ethiopia at a cost of USD 475000 with the consent of the members. At the time of acquisition itself it was a loss making company. The initial plan was to acquire the remaining 50% stake and make it a profitable unit. But due to various reasons, we could not acquire the remaining stake and the company still remain as a loss making unit. As on 31st March, 2015 it has an accumulated loss of Ethiopian Birr. 26.56 Million (equivalent to INR. 800 Lakhs) and a negative networth of Ethiopian Birr. 8.32 Million (Equivalent to INR. 250 lakhs) and it has an outstanding bank Loan of Birr. 5.72 Million (Equivalent to INR. 172 lakhs). All efforts by the management to revive the unit has not yielded any results. Hence it was decided by the Board of Directors of your company at its meeting held on 08.06.2015 to sell this Unit. The Company intend to utilize the sale proceeds to repay the liability of this units and to strengthen the operations of other operating units.

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

Item No. 7 (Borrowing power)

The members of the company at the meeting held on 30th December 2011, had approved by way of an ordinary resolution under section 293(1)(d) of the Companies Act, 1956 for borrowing over and above the aggregate of paid up capital and free reserves of the company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs.500 Crore (Rupees. Five Hundred Crore only)

Pursuant to notification of Section 180 of the Companies Act, 2013, prior consent of the members by Special Resolution is required to enable the Board of Directors to exercise these powers which, in aggregate, may exceed the paid up capital and free reserves of the company.

Further as per the clarification issued by the Ministry of Corporate Affairs, Approval granted by the shareholders by way of an ordinary resolution shall be valid for one year from the date of Section 180 has become effective. Thus, the earlier approval granted by the members under section 293 (1) (d) is valid up to 11th September, 2014.

It is there fore, necessary for the members to pass a Special Resolution under section 180(1)(C) and other applicable provisions of the Companies Act, 2013, as set out in the Notice.

The Board of Directors of your Company at their meeting held on 08.06.2015 approved the above proposal subject to your approval.

Your Directors recommended the resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company are interested in the resolution.

Item No.8

The shareholders of the company has authorized the Board of Directors of the Company under section 293 (1)(a) of the companies Act, 1956, at their earlier meeting to mortgage or create charge on all or any of the immovable and movable properties (including pledge of securities held in subsidiaries/ associates) of the Company, present and future, and /or conferring power to enter upon and to take possession of assets of the Company in certain events, to or in favour of any Bank(s) or Financial Institution(s) situated within or outside India (hereinafter referred to as "the Lenders") to secure repayment of rupee term loans or foreign currency loans or a combination of both not exceeding ₹.10 Crores (Rupees Ten Crores only).

To cope up with the present business activity of the company, it may necessitate to mortgage/create charge on the properties of the company in favour of banks and or financial institutions. Hence it is proposed to seek members approval under section 180(1)(a) for an enhanced amount not exceeding ₹ 500 Crores (Rupee Five Hundred Crores only)

The Board of Directors of your Company at their meeting held on 08.06.2015 approved the above proposal subject to your approval.

Your Directors recommended the resolution for approval.

None of the Directors and Key Managerial Personnel of the Company are interested in the resolution.

Item No.9:

With the introduction of Companies Act, 2013 which has been notified and became effective, all listed public limited companies, limited by shares need to adopt Table 'F' in place of Table 'A' of erstwhile Companies Act, 1956.

To comply with the above provisions, it is proposed to adopt Table 'F' as the Articles of Association of the Company. The shareholders approval is required to adopt Table 'F' and authorise the Board of Directors to give effect to this and amend the Articles of Association of the Company accordingly.

The Board of Directors of your Company at their meeting held on 08.06.2015 approved the above proposal subject to your approval.

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

Place : Hyderabad

Date : 08-06-2015

For and on behalf of the Board
For NEHA INTERNATIONAL LIMITED

Sd/-

G. Vinod Reddy

Chairman & Managing Director

DIRECTORS' REPORT

To the Members,

The Directors have pleasure in presenting before you the Twenty First Annual Report of the Company together with the Audited Statements of Accounts for the year period ended 31st March, 2015.

Financial Results: Stand Alone			(₹ in lakhs)
Sl.No	Particulars	2013-15	2012-13
1	Gross Income	30008.08	10138.75
2	Profit Before Interest and Depreciation	1019.79	395.35
3	Finance Charges	642.72	279.44
4	Gross Profit	377.07	115.91
5	Provision for Depreciation	12.32	15.39
6	Net Profit Before Tax	364.75	100.52
7	Provision for Tax	115.92	19.16
8	Net Profit After Tax	248.83	81.36
9	Balance of Profit brought forward	248.83	81.36
10	Balance available for appropriation	248.83	81.36
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	248.83	81.36

Financial Results : Consolidated			(₹ in lakhs)
Sl.No.	Particulars	2013-15	2012-13
1	Gross Income	32717.78	11401.1
2	Profit Before Interest and Depreciation	1026.1	369.87
3	Finance Charges	682.71	378.37
4	Gross Profit	343.39	-8.50
5	Provision for Depreciation	238.28	141.33
6	Net Profit Before Tax	105.11	-149.83
7	Provision for Tax	115.92	11.68
8	Net Profit After Tax	-10.81	-161.51
9	Minority Interest	-70.97	1.24